

II. REQUEST BY REGION

Africa
East Asia and the Pacific
Europe and Eurasia
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AFRICA

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Angola
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	7,797	7,700	7,130
DA	4,568	3,600	4,544
ESF	3,825	3,479	3,000
IMET	152	100	300
NADR-HD	3,500	5,300	5,300
NADR-SALW	500	-	-
P.L. 480 Title II	104,545	22,723	9,501

The primary U.S. interests in Angola are democracy and human rights, economic growth and development, and global health. The end of Angola's civil war and the demilitarization of the National Union for the Total Independence of Angola (UNITA) have contributed markedly to stability in southern Africa and to the safety of American citizens, businesses and non-governmental organizations (NGOs) in Angola. Ensuring that the national reconciliation process moves forward successfully will contribute to placing the country on a positive road towards multi-party democracy, respect for human rights, and free-market economic reform. It will also aid in combating corruption and instituting economic good governance in the country. Stability can help ensure that the country's territory is not used as a base of operations for international terrorists, drug traffickers, and organized crime. Stability will also help ensure U.S. private-sector access to a source of seven percent of U.S. petroleum imports, a figure likely to rise in the coming years, and to one of sub-Saharan Africa's potential economic leaders. Angola was found eligible for Africa Growth and Opportunity Act (AGOA) trade benefits in December 2003.

The United States is actively engaged in bilateral and multilateral efforts to address the repercussions of the conflict in Angola and seeks to support the creation of the political, economic, and social foundations for sustainable development. U.S. assistance will help Angola expand economic reforms, political pluralism, transparency, and civil society; prepare for elections in 2005; and combat HIV/AIDS. Previous U.S. assistance has expanded prospects for economic and political reform and addressed Angola's humanitarian needs.

Democratization is key to long-term stability and a necessary precursor to increased sustainable growth and development. Current USG efforts through the Consortium for Elections and Political Party Strengthening (CEPPS), funded with Economic Support Funds (ESF), are focused on preparing Angola for its first post-war elections expected in 2005. In FY 2005, this cooperative arrangement between the International Republican Institute (IRI), the National Democratic Institute for International Affairs (NDI), and the International Foundation for Election Systems (IFES) will provide campaign and management training for political parties; lobbying, management, and election observation training to civil society groups; and training and material support to election administrators. Voice of America (VOA) - administered Angola broadcasting will continue to provide an independent source of domestic news through the elections. Global funding from the USAID Office of Transition Initiatives (OTI) will support independent media and civil society development through in-kind or direct procurement of supplies, training, and operational funding. Development Assistance (DA) funds will support civil society lobbying on key issues and provide additional electoral support through training and equipment purchases. Beyond the elections, ESF funding will continue to support judicial reform efforts by the Commercial Law Development Program (CLDP), and as appropriate, regional Human Rights and Democracy Funds (HRDF) will be used for programs to strengthen human rights protections, civil society, and/or national reconciliation. Ending the culture of

impunity among members of the police force and fostering a respect for universal human rights is vital for the development and well-being of all members of Angolan society.

Continued support to democratization in Angola is critical as we approach the nation's first post-war elections. Free and fair elections, contested by strong political parties and whose issues are framed by an active civil society, will help promote stability and reconciliation. An active independent media, vibrant civil society, and a strong judiciary are critical checks on executive power and an important component in combating corruption.

The Angolan Armed Forces (FAA) remains one of Africa's strongest militaries with a demonstrated ability to project power beyond Angola's borders. Constructive utilization of the FAA in peacekeeping abroad and civic missions at home is critical to its transformation to an apolitical, constructive player promoting domestic and regional stability. An increased FAA capacity to secure maritime borders will protect fishing and oil resources and help prevent the country's use as a transit point for terrorists and illegal drugs. International Military Education and Training (IMET) in FY 2005 will promote greater awareness of democracy, human rights, the rule of law, and effective civil military relations. IMET will also provide training in defense resource management, English, peacekeeping skills, and basic technical skills such as ordnance maintenance and disposal, and coast guard management. Angola will be eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Equipment requested under this program will be used to support the FAA's civic action and humanitarian programs.

Over four million Angolans were displaced during the civil war. Their resettlement and reintegration into society is critical to economic growth and development. FY 2005 DA funds will provide farmers with seeds and tools, train rural populations in modern agricultural practices, provide agricultural extension services, and reconstruct small-scale irrigation canals, feeder roads and other infrastructure. DA will also be used to enhance small-scale farmers' access to markets, stimulate off-season vegetable production, facilitate access to agricultural financing credit, and provide training in contract negotiation, quality control and post-harvest loss management. The program will promote the substitution of imported commodities with those produced locally, revitalizing rural economies and improving the food security of subsistence farmers. DA funds will be supplemented by resources from ChevronTexaco as part of a public-private partnership. P.L. 480 Title II resources will support an ongoing developmental relief program incorporating DA and ChevronTexaco funds. This program is moving towards more development-oriented food security programs. P.L. 480 Title II resources will support food distribution and food-for-work programs to stabilize formerly distressed populations nationwide. As necessary, global Migration and Refugee Assistance (MRA) and Emergency Migration and Refugee Assistance (EMRA) funds will be used to support UNHCR's Angolan refugee repatriation program and to help NGOs assist returned refugees. Office of U.S. Foreign Disaster Assistance funds will continue to be used as needed to provide humanitarian services to vulnerable populations.

Continued focus on agriculture and rural development, particularly in the central highlands is critical to rebuilding the war-ravaged Angolan economy. A thriving rural agricultural sector is key to providing employment and livelihoods for the millions of rural Angolans not participating in the country's oil boom.

Achieving sustainable growth requires the rehabilitation of Angolan infrastructure and industry that can only come through foreign and domestic investment and trade. This requires significant effort to improve the overall business climate. ESF will be used to fund continued work on land tenure, including demarcation of land claims and implementation of a new land tenure law. ESF will also fund policy analysis work by local research institutions designed to provide recommendations to policy makers on improving overall economic management and the legal and regulatory framework for trade and investment. In addition, ESF will fund work by CLDP to identify economic sectors offering promising potential and to

provide advice and support to the Angolan Government necessary to achieve the development of such sectors.

Prior USG assistance in this area has resulted in civil society engagement on the land tenure issue, leading to a new draft land law and revision of the country's outdated investment law. Continued support is critical to sustainable development. Revitalizing non-petroleum sectors, particularly in urban and peri-urban areas is key to providing productive employment to the millions who fled to these areas during the war and wish to remain. Strengthening local capacity in economic analysis will help to pressure the government to improve its management record and increase transparency and accountability.

Decades of civil war have destroyed the Angolan health system, and the country has some of the worst health indicators in the world. The HIV/AIDS prevalence rate of 5.5 percent is projected to grow as cross-border regional trade increases. FY 2005 Child Survival and Health (CSH) funds will support maternal and child health (MCH) and HIV/AIDS programs aimed at reducing maternal and child mortality and decreasing the incidence of HIV/AIDS among target populations. The MCH component supports activities to monitor and eradicate polio, lessen the impact of malaria among pregnant women and children, and build the capacity of Angola's Ministry of Health (MOH) to provide MCH services. The HIV/AIDS component will promote activities such as social marketing of condoms, behavior change communication, and voluntary counseling and testing for HI. Angola is not one of the 12 African countries targeted by the President's Emergency Plan for AIDS Relief; however, it is included as one of the USG bilateral countries.

Enhanced HIV/AIDS funding for Angola is critical in FY 2004 and FY 2005. Angola offers an opportunity to intervene while infection rates remain comparatively low, so as to prevent increased infections, which have caused mass socioeconomic disruption in southern Africa. With trade routes normalizing and refugees returning, Angola's past isolation will no longer protect it, and if left unchecked, its prevalence rate may soar.

More than three decades of internal conflict have left Angola with one of the world's most serious landmine problems, with landmine estimates ranging from 200,000 to 6 million throughout eight heavily mined provinces and covering nearly 50 percent of the country. U.S. assistance has helped Angola train and equip deminers to clear land for the resettlement of thousands of refugees and IDPs. FY 2005 Non-Proliferation, Anti-terrorism, Demining, and Related Programs - Humanitarian Demining (NADR-HD) funds will be used to continue demining efforts of NGOs that directly support the safety and survivability of the Angolan people and the resettlement/reintegration process.

Benin
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	6,638	7,550	7,910
DA	9,403	7,430	7,077
IMET	382	500	250
P.L. 480 Title II	4,292	3,308	4,332
Peace Corps	2,809	2,667	2,972

The primary U.S. interests in Benin are strengthening democracy, responding to humanitarian problems (particularly the impact of HIV/AIDS), working cooperatively on regional security concerns and trafficking in persons. Our strategy for addressing these interests is to strengthen basic education with an emphasis on improving access to girls, support maternal and child health activities, promote the institutions of democracy, support economic reform and growth, and reinforce Benin's support of regional stability and peacekeeping through diplomacy and military-to-military contacts. While small, Benin plays an outsized role both as an example of a functional democracy and a country with an increasingly free-market economy in a region struggling to make permanent progress in these important areas of U.S. interest.

In FY 2005, Development Assistance (DA) will focus on building the institutional capacity of Benin's civil society, and on promoting the rule of law and separation of governmental powers via technical assistance to legislative institutions. Child Survival and Health (CSH) funding will support governmental and non-governmental health institutions, HIV/AIDS prevention and family planning strategies, improve school attendance, and enhance child health care. Benin's Peace Corps contingent supports U.S. assistance efforts in the health and education arenas.

Regional International Narcotics Control and Law Enforcement (INCLE) funds and DA via the West Africa Regional Program will help implement a comprehensive program to confront the pervasive problem of Trafficking in Persons. Professional traffickers operating in Benin send children to work in cocoa plantations, principally in neighboring Cote d'Ivoire and Ghana. These traffickers often abuse the traditional practice of vidomegon, which involves the placing of less fortunate children in the homes of more fortunate relatives for education and welfare. In 2002, regional INCLE funds helped begin the process of building a repatriation center designed to assist children and other trafficked persons returning from neighboring countries. The Government of Benin has begun to reform inadequate laws and educate rural parents with the assistance of DA.

In FY 2005, International Military Education and Training (IMET) courses will fund Command and Staff College participation, civil-military relations, English language training, and technical specialty training. Benin is also expected to host an ACOTA (African Contingency Operations Training and Assistance) program in mid-2004. This training has been and will continue to be beneficial in providing Benin with the tools necessary to play its role in regional peacekeeping operations. In FY 2005, Benin will also be eligible to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will support Benin's participation in peacekeeping activities.

Benin is eligible for trade benefits under the African Growth and Opportunity Act. Once it is certified to export apparel to the U.S. market duty-free under the Act's apparel provision, Benin will be in a position to attract investment, create jobs, and boost economic growth. Benin also benefits from the Highly Indebted Poor Country Initiative and receives substantial debt reduction and stabilization assistance from multilateral lending institutions.

Botswana
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
FMF	490	980	500
IMET	716	700	700
Peace Corps	1,236	1,509	1,788

The primary U.S. national interests in Botswana are global/humanitarian issues and democracy. Botswana is well recognized for taking action to confront the AIDS epidemic. As a member of the Southern African Development Community and as an exemplary market-oriented democracy, Botswana is an important player in regional stability and in supporting U. S. goals in Southern Africa. It has been helpful to the United States in fighting terrorism, particularly its financial aspects, and is a signatory to all 12 UN anti-terrorism conventions. Botswana cooperates with U.S. law enforcement agencies and hosts an International Law Enforcement Academy.

U.S. assistance efforts focus on expanding U.S. business opportunities, developing local capability to combat the HIV/AIDS epidemic and encouraging active leadership in the region. Botswana has an important role to play in regional security and conflict resolution matters. As a signatory to Article 98, Botswana will continue to receive assistance to help foster professionalism in its military.

Botswana is relatively prosperous in comparison to many of its neighbors and it “graduated” from bilateral Development Assistance (DA) programs in 1995. This does not mean, however, that it does not need assistance from its international partners, particularly in the face of the HIV/AIDS pandemic that threatens to undo many of the nation’s social and economic gains. U.S. goals in the areas of democracy, economic development, and global issues such as HIV/AIDS and the environment are generally supported by a variety of regional funding programs. Botswana qualified for textile/apparel preferences under the African Growth and Opportunity Act (AGOA) in August 2001 and, in 2003, exported about \$5.5 million in apparel to the United States. Export of goods will be facilitated by the November 2003 signing of the Trans-Kalahari Corridor agreement with Namibia whereby goods are trucked to the Port of Walvis Bay under simplified shipping documentation.

U.S. government agencies, led by the Centers for Disease Control and Prevention, contributed about \$6.5 million in FY 2003 in programs designed to test for, prevent, or treat HIV/AIDS and related illnesses. Botswana has the highest reported per capita HIV prevalence rate in the world at 38.8 percent of adults aged 15-49. Life expectancy has been reduced from 69 to 39 years, and today’s 15-year-olds have a better than fifty percent chance of dying of HIV-related causes. The epidemic may reduce Botswana’s GDP growth rate by 1.5 percent. As one of the focus countries of the President’s Emergency Plan for AIDS Relief, Botswana will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized.

Botswana has one of the region's most professional and responsible military establishments and offers a model for civilian-military relations for the rest of the continent. Botswana has provided a venue for regional military exchanges that have fostered a spirit of regional cooperation. Through the International Military Education and Training (IMET) program the United States seeks to expand connections with Botswana's military leaders and support their interest in strengthening both regional civil-military and military-to-military relations, as well as improve their capacity to participate meaningfully in peacekeeping operations. The FY 2005 IMET program will continue to train Botswana Defense Force (BDF) officers.

Botswana will continue to receive Foreign Military Financing (FMF) in FY 2005. These funds will be used for C-130 parts and maintenance, allowing the BDF to more rapidly deploy troops for both peacekeeping and disaster relief. In addition, funds will provide equipment, including spare parts, communications equipment, and individual gear and training to assist the BDF in establishing a counter-terrorist and/or rapid response unit. Botswana will be eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA will primarily support Botswana's peacekeeping activities.

Burkina Faso

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	-	50	50
P.L. 480 Title II	6,493	5,211	11,526
Peace Corps	2,616	2,688	3,113

The primary U.S. national interest in Burkina Faso is to see that the Government of Burkina Faso contributes to regional stability. Other interests include: promoting democracy, responding to humanitarian crises, establishing respect for human rights, improving economic development, combating child labor, reducing poverty, and eradicating disease, including HIV/AIDS, which is now estimated to infect 6.5 percent of the adult population.

Burkina Faso continues to be among the poorest of African countries. This past year an abundant rainy season produced unusual surpluses of grains in an economy that is dominated by subsistence agriculture. While this is a positive development, it emphasizes how the country balances on a climatic knife's edge; the cycles of droughts and desertification have severely affected agricultural activities, population distribution, and economic development. Only 13 percent of the land is arable and the already- poor soil is degraded by overgrazing, depletion of nutrients, and deforestation.

The Government of Burkina Faso has ratified all of the 12 international anti-terrorism conventions, making Burkina Faso one of the few countries that has met the UN's call for speedy ratification of these conventions after the tragedies of September 11, 2001.

The United States continues to support economic development and democracy through a variety of targeted resources. The largest Ambassador's Self-Help Program in Africa provides grass-roots assistance in the building of schools, clinics, and water supplies; regional funds from USAID help combat the spread of HIV/AIDS; grants from the Democracy and Human Rights Fund in FY 2004 will continue to support distribution of materials in local languages on democracy, human rights, and rights under Burkinabe law. In FY 2003 Burkina Faso showed positive steps towards supporting regional stability and relinquishing its role as a hub for regional arms trafficking. In order to support these initiatives, FY 2005 International Military Education and Training (IMET) funds will provide opportunities for increased understanding and defense cooperation between the military forces of the United States and Burkina Faso. Our intention is to provide IMET funding for limited programs such as an English language training module in order to set the stage for courses in subsequent years that would reinforce basic democratic concepts such as civilian control of the military and respect for human rights within the military. The Peace Corps in Burkina Faso addresses the need for assistance in promoting health awareness, especially HIV/AIDS, math and science education at the secondary level, and small business development.

Burkina Faso is a member of the African Union (AU) and the Economic Community of West African States (ECOWAS) and was the fifth country in the Heavily Indebted Poor Countries Debt Reduction Initiative to reach its completion point and receive maximum debt forgiveness.

Burundi
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	750	880	1,731
DA	4,400	1,782	1,543
ESF	1,150	3,479	3,250
IMET	-	100	50
P.L. 480 Title II	23,838	2,448	-

The primary U.S. national interests in Burundi are safeguarding U.S. citizens and their interests; promoting peace, democratic governance, and observance of human rights; alleviating conflict-based human suffering; and preventing the outbreak of widespread communally based violence.

Burundi finds itself at a promising political juncture. A peace accord with four major rebel groups in August 2000, and two political integration agreements, signed in October and November 2003, bringing the largest remaining rebel group into a transition government, has resulted in the effective cessation of hostilities in over 90 percent of the country. This progress offers Burundi an important opportunity to move forward and to ensure the strength of its democratic and economic development.

The United States' diplomatic and financial support for the Burundi peace process has played a key role in securing its progress. In prior years the United States has provided Economic Support Funds (ESF) under regional programs to support the peace negotiations in Tanzania, to aid conflict resolution throughout the country, and to augment the Implementation Monitoring Committee that oversees the implementation of the peace agreement. The United States has also supported the African Union Mission in Burundi, which is made up of South African, Ethiopian, and Mozambican soldiers and which helps to administer disarmament, demobilization and reintegration programs and secure the peace.

FY 2005 assistance goals will focus on supporting the peace process, expanding democratization across all sectors of society, providing basic social services, and fostering economic development. ESF will support peace and reconciliation efforts, judicial system reform and strengthening of the rule of law, the administration of elections, and civil society development through technical assistance and training for independent media. FY 2005 Child Survival and Health (CSH) funds will be used to expand the availability of basic social services and an integrated disease surveillance and response capability, focused on tuberculosis and malaria. CSH will also support polio immunization, infectious disease and HIV/AIDS prevention, and community-based care programs. In FY 2005 regional Migration and Refugee Assistance (MRA) funds will support UN High Commissioner for Refugees (UNHCR) operations with Burundian refugees, as well as individual non-governmental organization (NGO) efforts to prepare communities for the reintegration of refugees. Development Assistance (DA) funding in FY 2005 will expand opportunities for productive livelihoods in Burundi, focusing on rural Burundians who have inadequate access to enterprise development skills, to credit, and to technologies. DA funds will also support small infrastructure projects that protect natural resources. In addition, DA funding will continue to provide counseling and related services to victims of conflict, torture, and other abuse.

One component of the Burundi peace agreement requires the formation of a new, ethnically balanced military. As political and security conditions continue to evolve, particularly once elections occur and coup sanctions have been lifted, the United States will assist the military in its integration and reform efforts. FY 2005 International Military and Training (IMET) program funds will be used to provide high-level military personnel orientation tours of U.S. military training institutions and access to courses covering civil-military

relations, human rights, military justice, and the management of defense resources. Following free and fair elections, Burundi will be eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA grants will be used to reform Burundi's military.

The President determined that Burundi was not eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA) in 2004.

Cameroon
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	306	200	225
P.L. 480 Title II	100	-	-
Peace Corps	3,317	3,446	3,989

The primary U. S. national interests in Cameroon are promoting democracy, respect for human rights, and economic development. Though Cameroon has the largest and most diverse economy in the Central African sub-region, its democratic institutions are weak, corruption remains a real problem, and human rights abuses by Cameroon's security forces are a concern. Cameroon's strategic location and improving port facilities make it ideal as a base for regional programs.

Economic Support Funds (ESF) provided in past years through regional programs funded training for monitoring human rights issues. FY 2005 ESF grants, through the Africa Regional Fund, will be used for civil education activities and voter registration programs during the presidential election campaign.

Cameroon is eligible to receive trade benefits under the African Growth and Opportunity Act. Cameroon is also eligible to receive debt relief under the enhanced Highly Indebted Poor Countries Initiative.

International Military Education and Training (IMET) funds for FY 2005 will be used for professional military development courses stressing resource management, civilian-military relations, officer professionalism, and English language proficiency. Support to the Cameroonian military promotes positive military-to-military relationships and increases understanding of the constructive role of the military in promoting civilian programs. IMET funds help ensure more ready access to Cameroonian air and port facilities.

Cameroon will also be eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA material will support Cameroon's internal security, counter-drug, peacekeeping and continuing military professionalization and modernization efforts.

Cape Verde
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	143	120	120
P.L. 480 Title II	3,682	3,950	3,596
Peace Corps	1,437	1,553	1,692

Cape Verde is a model of stability and democracy in a region of instability. Democracy continues to be the principal U.S. national interest, along with our humanitarian interest in averting starvation in this arid island nation. Cape Verde has been an enthusiastic supporter of the war against terrorism; it has delivered full cooperation and adopted anti-money-laundering measures at our suggestion. With almost 40 percent of its citizens living in the United States and a significant number of U.S. citizens resident on the islands, protection of American citizens' welfare is another important interest.

U.S. assistance to Cape Verde has enhanced national integrity and supported market-based economic reforms. Our food assistance has significantly reduced human suffering. Due to climatic limitations, Cape Verde must import up to 90 percent of its food. P.L. 480 Title II funds have been used to meet chronic problems of food insecurity. Funds generated by monetization have contributed to the development of improved agriculture techniques and higher yield crops. The program has succeeded in addressing food insecurity and promoting sustainable, profitable, economic activities, including a micro loan program with a payback rate of over 98 percent.

Economic development and humanitarian assistance are also areas where the Peace Corps, active on all of Cape Verde's inhabited islands, plays a pivotal role. Volunteers are involved in projects ranging from English language teaching and education to urban planning and assisting local governments to enter the Information Age. The services they provide are essential to the viability of some of Cape Verde's most important efforts to improve its standards of living and productivity. Added emphases will include vocational education and Internet instruction for youth and adults throughout the country.

After 27 years of independence, Cape Verde remains free of internal and external conflict, and its military consistently plays a constructive role in civil society. FY 2005 International Military Education and Training (IMET) funds will support officer development training programs, a low-cost investment to help ensure the continued professionalism and English language capabilities of Cape Verde's military under civilian, democratic leadership. In addition, IMET will support the establishment of a professional police unit within the military. Cape Verde's military can also access training programs specifically designed to increase its Coast Guard's ability to patrol territorial waters, which would improve its capabilities in drug interdiction, counter-terrorism, search and rescue, and disaster preparedness.

Cape Verde will be eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Cape Verde is interested in EDA transfers and other U.S. assistance to enhance its ability to protect its fisheries, to combat drug smuggling, and to develop a rapid reaction anti-terrorism force for the international airport (which carries direct flights to the United States).

Cape Verde remains eligible for trade benefits under the African Growth and Opportunity Act (AGOA). Taking further advantage of this opportunity will boost economic growth and provide employment. Cape Verde has received substantial reductions in debt payments and associated stabilization assistance from multilateral lending institutions through the Heavily Indebted Poor Countries (HIPC) Initiative. The United States also is assisting Cape Verde's efforts to accede promptly to the World Trade Organization.

Central African Republic

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	13	150	110
P.L. 480 Title II	204	289	-

Key U.S. interests in the Central African Republic (CAR) are the restoration of democracy, economic development, and humanitarian assistance. U.S. goals include the holding of free and fair elections and economic, political, and military reforms to promote democratic governance, including respect for human rights, and to prevent further instability in the CAR, which is undermining regional stability and encouraging military incursions.

For several years the CAR has suffered from political instability and coup attempts, culminating in General Bozize seizing power in March 2003 from democratically elected President Patasse. General Bozize appointed himself President, suspended the Constitution, and dissolved the National Assembly. He appointed a consultative National Transition Council, including political parties and civil society groups, to prepare for new elections in January 2005. Coup-related military and rebel actions have resulted in disruption of the economy, destruction of property, and a large out-flow of refugees into neighboring countries. Progress has been made in restoring order in the capital and a functioning government. However, civil unrest in response to the poor economic situation, the vulnerability of the CAR to interference from other countries, and other economic disruption resulting from the conflict continue to hinder the country's recovery. Moreover, the government has occasionally responded to continuing budgetary woes and resulting labor unrest by using its security forces to crack down on the country's free press, labor unions, and opposition party leaders, leading to human rights abuses.

CAR falls under coup sanctions, which prohibit assistance to the governments of any country whose duly elected head of government is deposed by decree or military coup, with the exception of assistance to promote democratic elections or public participation in democratic processes. If the CAR holds free and fair elections as promised in January 2005 International Military Education and Training (IMET) programs may be resumed. FY 2005 IMET programming would help promote basic democratic values and respect for human rights in the CAR's armed forces. IMET programs would include English language training, professional military education and training on civil/military relations, and military justice.

Chad
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	253	150	225
NADR-HD	500	650	1,000
P.L. 480 Title II	5,050	2,829	2,741
Peace Corps	1,110	1,522	2,202

U.S. interests in Chad are economic development and promotion of democracy and respect for human rights. Significant U.S. investment in the petroleum sector is being leveraged to promote economic prosperity and appropriate governance strategies.

Occupying a strategic position, Chad is vulnerable to its neighbors Libya and Sudan. U.S. assistance provides a counter-balance by promoting a stable and democratic society. Democratic institutions are developing slowly. Chad is also pursuing political reconciliation with former rebel groups and exiled opposition political leaders. A U.S. majority-owned consortium's investment of \$4 billion in petroleum development in southern Chad and the related Chad-Cameroon pipeline project is reportedly the largest infrastructure project in Sub-Saharan Africa. Additional U.S. interest arises from the Export-Import Bank's support for the project and international financial institutions' interest in assuring transparency in the allocation of oil revenues and their use to benefit local communities and protect the environment through poverty alleviation programs and project-related environmental safeguards.

Chad is eligible to receive trade benefits under the African Growth and Opportunity Act. Economic Support Funds (ESF) provided in prior years through the Africa Regional Fund and the Education for Development and Democracy Initiative supported commercial law training and educational programs for girls. FY 2005 ESF grants from Africa Regional funds would provide partial support for Chad's next population census, training and equipment to the courts and the news media, and civics education in the schools.

Respect for human rights and appropriate civil/military relations will be supported through FY 2005 International Military Education and Training (IMET) programs for courses on civil-military relations, military justice, and human rights issues. The IMET program enables U.S. trainers to build important military-to-military contacts that help combat anti-U.S. influences in Chad, encourage an apolitical role based on the rule of law within the Chadian military, and serve as a basis for future counter-terrorism and regional peacekeeping efforts. Chad is a participant in the Pan-Sahel Initiative, which will assist Mali, Niger, Mauritania, and Chad in protecting their borders, thus supporting the U.S. national security interests of waging war on terrorism and enhancing regional peace and security.

Chad will be eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA will support Chad's humanitarian demining efforts and assist in countering the small-scale insurgency in the north.

FY 2005 Nonproliferation, Anti-terrorism, Demining, and Related Programs (NADR) funds will enable Chad to continue humanitarian demining operations that eliminate injuries and loss of life, restore land to productive use, and permit improvement of regional infrastructure, thereby advancing opportunities for economic development.

Comoros
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	-	-	50

The primary U.S. national interests in the Union of Comoros are promoting democracy and human rights, and obtaining counter-terrorism cooperation. The Comoros have been plagued by political instability through numerous coups and secession attempts since independence from France in 1975. In early 2001, with the assistance of the Organization of African Unity, the disputing factions crafted a framework agreement that called for a new constitution based on a confederation arrangement. In a December 2001 referendum, the electorate voted overwhelmingly in favor of the new constitution. The leader of the 1999 bloodless coup won the national presidential election in April 2002. President Azali signed a power-sharing agreement with the three island presidents in December 2003 that settles power sharing disputes and should assist in reducing the instability among the islands. This is a first step and additional efforts, primarily under the auspices of the United Nations, are underway to achieve the reunification and reconciliation envisioned by the constitution's confederation arrangement. Resolution of political instability and cooperation in counter-terrorism activities in the Union of Comoros are the foundation on which we will build to advance other U.S. interests in the Comoros.

The Comoros, a Muslim country with historic trade ties to the Middle East, condemned the September 11, 2001 terrorist attacks on the United States.

Re-educating military factions that have grown accustomed to participating in recurring cycles of armed insurrection is one of the greatest challenges in the Comoros. While Africa Regional ESF will target economic development programs, FY 2005 International Military Education and Training (IMET) programs will help build a professional military that respects civilian rule. These courses will include professional military education and training on civil-military relations, military justice and defense resources management. IMET training courses also will contribute to the maintenance of bilateral military-to-military relations in a predominantly Muslim country in which the United States has diplomatic presence.

Cote d'Ivoire
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	-	50	50
P.L. 480 Title II	6,296	-	-
Peace Corps	948	-	-

The primary U.S. national interest in Cote d'Ivoire is regional and national stability. To that end, the principal goals are the restoration of peace, the return of civilian rule to areas occupied by rebel forces since September 2002, and the reunification of the country. Any long-term peace settlement will take time and resources. The involvement of ethnic nationals of neighboring countries and concerns for their safety has the potential to involve the entire region in the ongoing strife. Persistent reports of foreign involvement in the fighting contribute to the potential for the conflict to pull in neighboring countries. Following settlement of these issues, ongoing goals are strengthening democracy, restoring economic growth, dealing with refugees and Internally Displaced Persons (IDPs) resulting from regional instability, and combating the spread of HIV/AIDS and child trafficking. The United States will also selectively seek to more actively engage Côte d'Ivoire in the war on terrorism. Until September 2002, Côte d'Ivoire was West Africa's hub for aviation and banking, but now control of its borders is limited and oversight of its financial institutions is weak. Abidjan is host to a large and wealthy community of Lebanese merchants whose relations with organizations, including possibly Hizballah, with potential terrorist links are areas of concern

Coup sanctions prohibit provision of foreign assistance. However, with democratic elections in FY 2005, we would resume International Military and Education Training (IMET). IMET courses would focus on assisting Cote d'Ivoire's transition to a more stable democracy and would include a focus on human rights, defense resources management and military justice. Further, if Côte d'Ivoire completes its democratic transition, provision of Excess Defense Articles (EDA) in FY 2005 on a grant basis under Section 516 of the Foreign Assistance Act (FAA) may be used to support the country's efforts to secure its borders and to provide a tangible indication of our cooperative relationship. An Article 98 agreement is in effect with Cote d'Ivoire.

USAID has not had a bilateral presence in Côte d'Ivoire for many years because Cote d'Ivoire has a much higher average GDP than most African countries. Several regional programs (including ones to combat child trafficking and HIV/AIDS), as well as assistance to internally displaced persons and refugees, were active and will continue through non-governmental organizations in FY 2005.

As one of the focus countries of the President's Emergency Plan for AIDS Relief, Cote d'Ivoire will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized.

Côte d'Ivoire met the eligibility criteria for trade benefits under the African Growth and Opportunity Act (AGOA) in 2002 and was again certified as eligible in FY 2004 in hopes that AGOA would contribute to rebuilding the economy following a peace settlement.

Democratic Republic of Congo

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	15,916	22,050	20,022
DA	11,376	8,015	7,427
ESF	2,800	4,971	5,000
IMET	-	100	50
P.L. 480 Title II	43,530	19,000	-

Consolidating peace, democratic reform and human rights (particularly those of women and other vulnerable groups) are the most significant U.S. interests in the Democratic Republic of Congo (DRC). Ending the humanitarian crisis, protecting American citizens, and advancing global issues including health and economic development are issues that will be addressed in pursuit of these interests. The installation of a transitional government in June 2003 and its focus on holding democratic elections in 2005, security sector reform, and a large disarmament, demobilization, and reintegration program have signaled a significant change for the DRC and the Great Lakes region as a whole. Complete and effective government control over all DRC territory, particularly the east, is still to be achieved, but progress is ongoing. As stability and peace start to return to the DRC and the Great Lakes region in general, political and economic reform have become the focus, attracting an increase in U.S. business investments in, and exports to, the DRC.

The United States worked with the international community to pursue a negotiated end to the war and a transition to democratic rule in the DRC. In 2002, Rwanda and Uganda withdrew most of their troops from DRC territory. In June 2003, the UN Security Council authorized an expanded UN peace keeping operation for the eastern DRC, under a Chapter VII mandate and with an increased troop ceiling. A transitional government, which included representatives from all the 1999 Lusaka Agreement signatory parties, as well as the political opposition and civil society, was sworn in July 2003. Outstanding issues including military integration, demobilization and reintegration, the transitional constitution and elections scheduled for 2005, are beginning to be addressed. With peace and security, large-scale refugee return may begin in late 2004/5. There are an estimated 355,000 DRC refugees in neighboring countries.

Returning one of Africa's largest countries to full peace and stability will require important U.S. investments aimed at jump-starting the reintegration of former combatants, establishing civilian control over vast territories, and promoting national reconciliation and good governance. FY 2005 Economic Support Funds (ESF) will offer important leverage to attract contributions from other donors and, when used in a timely manner, will help keep DRC's return to stability on track. FY 2005 ESF investments will also offer a crucial foothold for future U.S. interests in this resource-rich country.

As a follow-up to an International Military Education and Training (IMET) program newly established in FY 2004, FY 2005 IMET funds will provide training in military justice, human rights, officer and non-commissioned officer professionalism, and other functional areas. These training programs will assist in the continued integration and professionalization of the military, composed of former government and rebel troops. IMET will also facilitate military-to-military contact and the establishment of beneficial relations and defense cooperation between the militaries of the DRC and the United States. Expanded International Military Education and Training (E-IMET) courses will focus on professional training and development in areas of civil-military relations, the rule of law, respect for human rights and defense resources management. The DRC is also eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA will be used to support efforts to

reform and restructure the military, assist with maintaining internal security and help the DRC begin preparations to participate in peacekeeping activities in the future.

FY 2005 Child Survival and Health (CSH) funds, programmed through non-governmental channels, will support child survival, maternal health and mortality, family planning, basic health, HIV/AIDS and other infectious diseases programs, as well as expand immunization coverage throughout the country. In FY 2005, Development Assistance (DA) funds will be used to support the transition to democracy, accountable governance, agriculture and food security, and environmental conservation efforts, as well as improvement in the quality of basic education.

As there has been progress in economic and political reforms, the President determined in 2002 that the DRC is eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA), but full access of benefits had to wait the institution of the transitional government. In November 2003, the DRC received access to AGOA benefits.

Djibouti
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
DA	2,000	-	-
ESF	-	-	2,000
ESF-SUP	25,000	-	-
FMF	8,150	5,990	4,000
FMF-SUP	5,000	-	-
IMET	154	325	325
NADR-HD	350	-	-
P.L. 480 Title II	3,348	-	-

The primary U.S. national interests in Djibouti are security, economic development and regional stability. Djibouti hosts the only U.S. military base in sub-Saharan Africa with over 1,000 U.S. military personnel at the headquarters for the Combined Joint Task Force-Horn of Africa (CJTF-HOA), which directs Coalition counter-terrorism operations in several countries in East Africa as well as Yemen. Djibouti hosts the largest French military base outside of France as well as naval and air contingents from France, Germany, Spain, and the United Kingdom. The latter comprise Combined Task Force -150, which patrols international waters in the Gulf of Aden and the Red Sea searching for terrorist activities. Djibouti's deep-water port strategic location next to the straits of Bab el Mandeb at the entrance to the Red Sea directly across the Gulf of Aden from the Arabian Peninsula affords excellent force projection features.

A predominantly Muslim country, an emerging democracy, and an Arab League member, Djibouti responded positively to U.S. requests to interdict terrorists, their supporters, and their financial resources. Djibouti stands shoulder-to-shoulder with the United States and its coalition partners as an African front-line state in the war on terrorism.

Djibouti has signed contractual agreements with the International Board of Broadcasters for the establishment of medium wave and FM Voice of America broadcasts, which will transmit Arabic language programs to Sudan and the Middle East. Two FM channels have begun broadcasting the VOA in Djibouti in Arabic, French and English. An Arabic language medium wave broadcasting station is under construction and should be finished by the end of calendar year 2004.

Djibouti is eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA). This offers Djibouti--a low-income country almost devoid of natural resources--an opportunity to develop its trade and investment sectors to generate employment and revenue.

In FY 2002, regional Economic Support Funds (ESF) supported Djibouti's first multi-party parliamentary elections in which women participated for the first time and were elected to office. Supplemental ESF from FY 2003 will improve Djibouti's health and education sectors and help to establish a regional livestock certifying authority for Horn of Africa livestock exports. In FY 2005, small grants from the regional Democracy and Human Rights Fund (under the Development Assistance (DA) account) will be used to strengthen and consolidate democratic gains. This assistance will promote good governance, human rights, and improvements in women's education. FY 2005 bilateral ESF will also be used for these purposes, particularly to advance capacity building in the Justice Ministry and the electoral commission to promote more transparent elections. The U.S. Agency for International Development recently opened a country office in Djibouti and is working closely with other donors on critical healthcare and educational

needs. Particularly important is ensuring that the new national curriculum teach religious and ethnic tolerance.

In order to continue our robust military relationship and to prepare Djibouti's security forces for their role in Operation Enduring Freedom (OEF), the United States will use International Military Education and Training (IMET) funds in FY 2005 to promote professionalism and respect for civilian rule. IMET courses include instruction on civil-military relations, military justice, officer professionalism, defense resources management, and coastal security. Djibouti is eligible to receive Excess Defense Articles (EDA) in FY 2005 on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA such as vehicles, radios, field equipment, patrol vessels and small craft can support counter-terrorism and other security requirements resulting from Djibouti's upgraded security profile as a front-line state in the war on terrorism.

Djibouti is also a major participant in the East Africa Counter-Terrorism Initiative (EACTI). A critical aim of the EACTI is to enhance border and coastal security; and to improve coordination within Coalition forces and with those of neighboring countries. FY 2005 FMF will be used to sustain these important efforts. Specifically, funds will provide and support defense articles and services such as: vehicles, small craft and patrol vessels, communications equipment, fencing, guard towers, and night-vision goggles. These funds will help Djibouti secure its borders and coastline from the increased threat of terrorism. By helping Djibouti improve its own security, these funds will also enhance force protection for Coalition forces there.

Equatorial Guinea

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	-	50	50

The U.S. national interests in Equatorial Guinea are promoting democracy, human rights, economic prosperity, and energy security in the context of a flood of petroleum revenues to one of Africa's poorest countries. Democratic institutions are very weak. While the economy has experienced strong petroleum-based growth in recent years, fiscal discipline and transparency are lacking. The country's worker and human rights record is poor. Over the course of the past five years, U.S. companies have invested approximately \$5 billion in Equatorial Guinea's petroleum sector.

If the government of Equatorial Guinea takes appropriate steps to improve in the human rights area, FY 2005 International Military Education and Training (IMET) funds will be used to begin a program to contribute to respect for civilian rule and human rights through the development of a professional military. IMET will also support efforts to ensure regional stability and energy security by enhancing the military's ability to maintain control of its territorial waters. IMET programs will enhance contact between U.S. and Equatorial Guinea military forces and improve understanding and cooperation.

On December 30, 2002, the President declared Equatorial Guinea ineligible to receive trade benefits under the African Growth and Opportunity Act (AGOA) for 2004.

Eritrea
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	5,600	5,050	5,605
DA	4,560	1,240	781
FMF	-	480	500
IMET	181	450	450
NADR-HD	2,400	1,300	-
P.L. 480 Title II	66,245	12,032	6,283

The primary U.S. national interests in Eritrea are democracy and human rights, humanitarian assistance, and counter-terrorism. The most important U.S. strategic goals include promoting regional stability through the consolidation of the Ethiopian-Eritrean peace process. The United States helped broker the Peace Agreement between Eritrea and Ethiopia following a costly two-year conflict that left Eritrea economically devastated and in dire need of humanitarian assistance. Nurturing the recovery from the war and overcoming the deep-seated bitterness between the former combatants will require considerable financial, diplomatic, and political support. Eritrea is a coalition partner in the war on terrorism. The Eritrean military is ready to assist the counter-terrorism effort and has offered use of its facilities for logistical and/or operational purposes.

A strong bilateral relationship with Eritrea would be advantageous to both the United States and Eritrea. However, Eritrea's troubling record on democratization and human rights raises very serious concerns. Eritrea's deteriorating human rights and democracy performance as well as its role in the war on terrorism will both be taken into account in programming FY 2005 International Military Education and Training (IMET) and FY 2005 Foreign Military Funding (FMF) funds. FY 2005 IMET funds will provide training on civil-military relations, military justice, officer professionalism, and human rights. IMET may also include naval and coast guard courses in support of coastal security counter-terrorism cooperation. The IMET program enables U.S. trainers to build important military-to-military contacts that strengthen the rule of law within the Eritrean military and serve as a basis for regional peacekeeping efforts. FY 2005 FMF funds will finance procurement of coastal security and related counter-terrorism training and equipment assuring the Eritreans that they are an important participant in counter-terrorism activities.

The FY 2005 Development Assistance (DA) resources will finance economic growth, citizen participation, and agriculture. FY 2005 Child Survival and Health Programs (CSH) will support increased access to quality health care services, including safe births, immunization, and prevention of malaria and HIV/AIDS. The range of specific goals includes integrated management of childhood illness, HIV/AIDS prevention, malaria surveillance and addressing the acute shortage of health care personnel. The results of a recent demographic study indicate that Eritrea has made impressive progress in nearly all health indicators since independence ten years ago.

Eritrea was eligible for African Growth and Opportunity Act (AGOA) benefits last year but lost its ineligibility in December 2003 because of its poor performance.

The United States has provided humanitarian demining assistance to train and equip Eritrean deminers. This is an essential component of development because it allows internally displaced persons and repatriated Eritreans from Sudan to return to their former homes.

Eritrea will be eligible to receive Excess Defense Articles (EDA) in FY 2005 on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be used to help strengthen Eritrea's demining and counter-terrorism programs by providing such items as vehicles and field equipment.

Ethiopia
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	30,752	34,500	39,191
DA	19,686	18,263	15,529
ESF	1,075	4,971	5,000
FMF	4,000	2,480	2,000
IMET	210	570	600
NADR-HD	300	-	-
P.L. 480 Title II	352,248	74,485	25,630

Primary U.S. interests in Ethiopia include ensuring counter-terrorism support, promoting economic growth, fostering democracy and respect for human rights, supporting regional stability, and alleviating human suffering. Ethiopia is an African front-line state in the war on terrorism, supporting efforts to apprehend terrorists in Ethiopia and beyond. U.S. support (financial, diplomatic, political) is needed to keep the peace process between Ethiopia and Eritrea on track. Ethiopia's young democratic institutions are fragile and need U.S. support to grow and mature. Development assistance is aimed at reducing chronic food insecurity through enhanced economic growth, improving basic education and family health services, promoting good governance, and mitigating the effects of disaster. Finally, it is in the U.S. interest to assist Ethiopia to combat the devastating effect of the AIDS pandemic; Ethiopia has one of the highest numbers of HIV-positive adults in the world.

The Horn of Africa is a turbulent region. In addition to facing domestic challenges, Ethiopia must contend with neighbors who are engaged in civil war (Sudan), have no central government (Somalia), and have fought with Ethiopia in the past (Eritrea). Ethiopia's severe poverty, exacerbated by recurrent drought conditions, makes it difficult for the country to feed its relatively large population. Past U.S. food assistance has saved millions of lives. However, the current drought-induced food shortage in Ethiopia has left approximately 12 million people in need of food assistance in Fiscal Year 2004. The long-term effects of the food crisis will continue to be felt in FY 2005.

The most important short-term goal of the United States is the demarcation of the Ethiopia-Eritrea boundary and full implementation of the peace agreement between the two antagonists. Renewed conflict would set back U.S. bilateral relations with Ethiopia as well as negatively affect the region. The border conflict left a residue of bitterness and division among the people of these formerly friendly nations. Peaceful transfers of power, renewal of economic activity across the border area, and consequent confidence building, will be the first steps toward normalization of relations between them. Economic Support Funds (ESF) are being used to facilitate reconstruction and resettlement along the Ethiopia-Eritrea border.

Ethiopia anchors regional organizations and programs such as the Intergovernmental Authority on Development (IGAD), the Greater Horn of Africa Initiative, the World Bank's Nile Basin Initiative, and the headquarters of the African Union. U.S. support for these organizations and activities will improve prospects for stability throughout the greater Horn and promote regional and Ethiopian economic development and democratization.

A long-term U.S. goal is to eradicate sources of terrorism in the region in order to protect U.S. national security. Ethiopia has provided outstanding cooperation in the war on terrorism. Ethiopia enhanced security for the U.S. Embassy, shut down avenues of terrorist funding, and is cooperating in the effort to counter terrorism in and emanating from Somalia. FY 2005 ESF funds will finance programs on good

governance and civil society advocacy issues, including preparatory work for the 2005 parliamentary elections, anti-corruption activities, trade competitiveness, reform of the banking and capital market systems, and further programs for confidence building and economic growth in conflict-prone areas.

Ethiopia has a large and very professional military that has provided support for the war on terrorism and is emerging as a major peacekeeping contributor in Africa. The United States will continue to encourage Ethiopia to participate in regional peacekeeping initiatives, principally through the African Contingency Operations Training and Assistance (ACOTA) Program. In FY 2005, IMET funds will be used for training that will further increase the professionalism of the Ethiopian military, focusing on senior level Professional Military Education courses (War College and Command and General Staff level schools) and instructor training to assist in the development of Ethiopia's own military training institutes. FY 2005 Foreign Military Financing (FMF) will be used to provide Ethiopia with additional equipment to increase its counter-terrorism and peacekeeping abilities and to finance the existing vehicle and C-130 aircraft contracts. Ethiopia is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be requested to enhance Ethiopia's ability to control its borders with Sudan and Somalia, execute humanitarian mine action operations and participate in regional peacekeeping missions.

In FY 2005, Development Assistance (DA) will support sustained economic growth through agricultural programs and enable private sector growth. The challenges are enormous, but food security policy reforms are underway with the USG's strong encouragement. The problem of chronic food insecurity will be addressed in efforts to focus Government of Ethiopia programs on the poorest rural households, using both DA and innovative programming of P.L. 480 resources. The latter will assist micro-enterprise development at the community level, and food for education will encourage families to keep primary school-age children in school. The Democracy and Governance program will continue to train judges - an important long-term investment in Ethiopia's democratic institutions. DA will also be used to improve livelihoods for pastoralists and agro-pastoralists in southern Ethiopia, and to mitigate the effects of disaster, thus promoting U.S. humanitarian interests.

FY 2005 Child Survival and Health (CSH)-funded population programs will continue to assist family planning efforts to slow Ethiopia's population growth, which at present outstrips the growth of agricultural production. CSH funds also will be used to improve family health and maternal and child nutrition, and to combat infectious diseases. As one of the focus countries of the President's Emergency Plan for AIDS Relief, Ethiopia will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized. In FY 2005, the U.S. Agency for International Development (USAID), the Centers for Disease Control, and the Department of Defense will expand to combat HIV/AIDS through integrated programs in prevention, care, and support. A country strategy for this effort will include activities focused on mother-to-child transmission and orphans. A notable success in this area is the cross-border program to stem the spread of HIV/AIDS along the Djibouti to Addis corridor being implemented by an international non-governmental organization present in both Ethiopia and Djibouti.

Gabon
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	233	160	210
Peace Corps	2,498	2,797	2,653

U.S. national interests in Gabon are democracy, human rights, economic prosperity, the protection of American citizens, and the conservation, through responsible management and sustainable use, of rich environmental resources. Bilateral military cooperation and use of Gabon as a safe haven and staging base for regional evacuations of U.S. citizens are also important. There is important U.S. -Gabonese cooperation in combined military exercises and training between the two countries. Gabon has been influential in promoting stability through mediation of regional conflicts.

The United States seeks to strengthen Gabon's democratic institutions, particularly the election process. The December 2001 legislative elections were marked by numerous administrative problems, including management of polling stations and accuracy of voter rosters. The United States seeks to improve election administration through Economic Support Fund (ESF) grants channeled through the Africa Regional Fund. The United States will continue to promote Gabon's involvement in mediation efforts that support regional stability. Libreville will likely continue to serve as a base for regional evacuation of U.S. citizens. The United States is also encouraging Gabon to reform and diversify its economy, as well as open doors to U.S. investment and exports. Peace Corps activities help to promote economic development and improved health.

Close military cooperation enhances Gabon's peacekeeping capacity. The FY 2005 International Military Education and Training (IMET) program will increase understanding and defense cooperation between the United States and Gabon through programs in military justice, staff training, defense resources management, military health affairs, officer and non-commissioned officer professionalism, and English language training.

Gabon is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA will support the modernization of Gabon's military and will reinforce the U.S. -Gabon political/military relationship, thereby also reinforcing appropriate civil-military relations. Gabon is also eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA).

Gambia
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	68	100	75
P.L. 480 Title II	1,475	-	-
Peace Corps	1,961	1,655	2,266

The major U.S. interests in The Gambia are democracy, human rights and humanitarian concerns. The Gambia's presidential and legislative elections in 2001 and 2002 were internationally recognized as free and fair, despite some shortcomings. Recognizing The Gambia's progress in consolidating its constitutional democracy in 2002, the United States lifted sanctions resulting from Section 508 of the Foreign Assistance Act and made it eligible for African Growth and Opportunity Act (AGOA) benefits. The President of The Gambia, Yahya Jammeh, spoke out strongly in support of the war on terrorism and has instituted laws to block terrorist financing. The Gambia was among the first countries in Africa to sign an Article 98 agreement with the United States. It is in the interest of the United States to remain engaged with the Gambia to promote democratic reforms.

U.S. assistance to The Gambia will focus on support for democratization, market-based economic reforms, and humanitarian assistance. U.S. assistance will support efforts to maintain a strong independent media. Assistance will also be targeted to strengthening the role of the National Assembly.

The United States will continue to provide global Food For Peace (FFP) funds to assist in the improvement of agriculture techniques and the development of higher yielding crops. The counterpart funds generated by the food assistance program support development projects aimed at the lowest-income farmers (mostly women) by opening new outlets for their cash crops in order to boost earnings and nutritional intake. The introduction of high-yield sesame crops has given poor families a high protein/high vitamin food supplement. With improved marketing schemes developed by the project, extra sesame crops provide a cash crop that generates more income for the families than any available alternative crops. FFP funds simultaneously relieve human suffering and encourage the development of open markets.

Economic development and humanitarian assistance are also areas where the Peace Corps has played a pivotal role. Volunteers are involved in projects ranging from health education to urban planning. Major activities have included teaching basic health care, assisting economic cooperatives, and increasing HIV/AIDS awareness.

FY 2005 IMET funds will be used to encourage the efforts of the military leadership and the country's civilian government to return the military to its traditionally constructive role. This will be accomplished through training in civil-military relations, military justice, defense resources management, officer professionalization and civic action and humanitarian response. The Gambia is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA may be used to support The Gambia's participation in peacekeeping operations. Gambian troops play an important role in regional peacekeeping missions, including a company of Gambians that currently guards the headquarters of the United Nations Mission in Liberia (UNMIL). Previously, Gambians have participated in peacekeeping missions in Sierra Leone, East Timor, Kosovo and the ECOMOG mission to Liberia in the early 1990s.

The Gambia is a member of the Economic Community of West African States (ECOWAS) and the African Union (AU). It has received substantial reductions in debt payments and associated stabilization assistance from multilateral lending institutions through the Heavily Indebted Poor Countries Initiative.

Ghana
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	19,150	18,620	18,560
DA	20,716	14,879	11,500
FMF	490	480	500
IMET	522	500	575
P.L. 480 Title II	20,345	14,177	17,189
Peace Corps	2,730	2,565	3,010

The primary U.S. interests in Ghana are democracy, human rights and humanitarian concerns, particularly HIV/AIDS, and regional security. Ghana is the fourth largest market for U.S. exports in sub-Saharan Africa and has the capability of attracting new U.S. investment. Its successful series of multi-party elections over the last decade make Ghana a model for regional stability. Ghana also has a proud history of military professionalism and peacekeeping, especially in West Africa, a tradition that continues with Ghana's January 2003 contribution to the ECOWAS peacekeeping force in Cote d'Ivoire, and its summer 2003 deployment to Liberia to participate in the UN peacekeeping mission there. Ghana's national HIV/AIDS rate of infection is close to four percent.

FY 2005 Child Survival and Health (CSH) funding will improve access to family planning services, generate demand for such services through social marketing, and improve basic public health care by placing trained nurses in local communities. CSH will support activities to reduce the rate of HIV/AIDS transmission through aggressive workplace-based education of workers and employers. HIV/AIDS resources will focus on training community health non-governmental organizations (NGOs), funding mass media AIDS awareness campaigns, and distributing condoms. Prevention of mother-to-child transmission through anti-retroviral therapy provided to pregnant mothers will be funded, as will voluntary counseling and testing services. CSH will also fund childhood immunizations, continue the development of an Integrated Disease Surveillance system, and combat malaria in concert with the Ministry of Health.

FY 2005 Development Assistance (DA) funds will be used to tackle corruption and governmental transparency issues. DA funds will help promote fiscal reform, plan financial/exchange rate market reforms, establish commercial dispute mediation services, and promote investment-oriented regulatory reforms. DA funds will also be used to strengthen the advocacy role and participation of civil society in governmental decision-making, help strengthen local government and parliament, and improve the quality of, and access to, basic education.

Peace Corps assignments will support the priorities of HIV/AIDS and educational reform efforts.

In FY 2005, the International Military Education and Training (IMET) program will continue to enhance the professional, technical, and tactical proficiency of members of Ghana's Armed Forces through U.S. Professional Military Education courses. IMET will focus on the development of effective civilian (Defense Ministry and Parliament) oversight of the military and efficient defense resource management. IMET enhances the armed forces' ability to participate effectively in peace support operations.

In FY 2005, Foreign Military Financing (FMF) will be used to purchase transport spares, rifles, communications equipment and maintenance support to strengthen Ghana's capabilities to conduct peacekeeping operations and counter-terrorist activities. In 2002, through the Excess Defense Articles (EDA) program, Ghana received naval transports that helped it sustain its peacekeeping role in Sierra Leone

and to evacuate Ghanaian civilians from Liberia during the recent crisis. The transports have also helped Ghana reduce smuggling and illegal fishing in its territorial waters. Ghana is eligible in FY 2005 to receive EDA on a grant basis under Section 516 of the Foreign Assistance Act.

The African Contingency Operations Training and Assistance program (ACOTA), the successor to the African Crisis Response Initiative (ACRI), will provide training and other crisis response assistance to contingents of the Ghanaian armed forces. These exercises will promote enhanced Ghanaian peacekeeping support and humanitarian relief operations capacity. African Regional Peacekeeping Operations (PKO) funds will continue to support development of the Ghanaian/West African capacity to manage crises and sustain peacekeeping operations. IMET, ACOTA training, and FMF were all crucial in providing Ghana the equipment, training and ability to deploy a robust, professional peacekeeping unit to Cote d'Ivoire in early 2003 and Liberia in August 2003. An ACOTA-provided computer simulations center is used to provide PKO commander and staff training at the Kofi Annan International Peacekeeping Center.

The Enhanced International Peacekeeping Capabilities Program (EIPC) will provide training and equipment for the PKO training program, under the auspices of ECOWAS, at the Kofi Annan Center.

Ghana is eligible under the African Growth and Opportunity Act to export apparel to the U.S. market. Ghana's qualification for this legal provision is already providing new job-creating private investment and boosting U.S.-Ghana trade.

Ghana cooperates closely with the United States and is a member of the African Union (AU) and the Economic Community of West African States (ECOWAS). Ghana is a recipient of Highly Indebted Poor Countries debt reduction assistance and has already received substantial reductions in international debt payments (\$3.7 billion over the next 8-20 years). Ghana is working closely with multilateral lending institutions to help it transition to a more market-driven economic system.

Guinea
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	6,860	6,600	6,202
DA	16,717	11,827	10,888
IMET	210	350	350
NADR-SALW	50	-	-
P.L. 480 Title II	9,809	7,685	4,453
Peace Corps	2,424	2,500	2,663

The primary U.S. national interests in Guinea continue to be humanitarian response and development of a stable democracy. Guinea is host to roughly 200,000 refugees from regional conflicts, and the United States will continue to contribute to international efforts to address the humanitarian needs of those refugees and similar numbers of internally displaced persons, as well as help Guinea defend its borders against further aggression by its neighbors. Peace requires expansion of democracy, good governance, respect for human rights and economic development. Guinea has publicly supported U.S. anti-terrorism initiatives and has ratified eleven United Nation conventions on terrorism.

The bilateral assistance program focuses on: improving natural resources management and incomes in rural areas; providing quality basic education to a larger percentage of Guinean children, with emphasis on girls and rural children; improving the health and welfare of women and children, and preventing the transmission of HIV/AIDS; and fostering progress in democracy by bolstering civil society organizations, transparent good governance at the local level, and strengthening electoral practices and conduct. FY 2005 Development Assistance (DA) funding will address local capacity building, sustainable agricultural production, and off-farm income-generating activities to support food security and economic growth in target communities, while fostering a supportive policy environment. DA funds will support Guinea's Ministry of Education in providing quality primary education to Guinea's 1.4 million children, through technical assistance, teacher training, instructional materials, interactive radio instruction, and reinforcement of civil society organizations such as Parent/Teacher Associations. The monies also will target citizen participation in improving local governance and fund civic education programs throughout the country. FY 2005 Child Survival and Health (CSH) funds will boost the routine immunization program for children, increase access to oral rehydration salts and Vitamin A, increase access to high-quality treatment for sexually transmitted infections, promote better family planning, and support behavior change communication interventions in areas of the country with high-prevalence of HIV/AIDS. The Peace Corps continues to play an active role in health care and education. Regional Special Self Help (SSH) funds will continue to support regional grants for community development activities in conjunction with local organizations. Similarly, the Democracy and Human Rights Fund (DHRF) will continue to be used to provide assistance to local non-governmental organizations (NGOs) in reinforcing democratic values and human rights.

In FY 2005, the International Military Education and Training (IMET) program will continue to emphasize the military's role as an institution that is accountable to the public. IMET courses will focus on civilian control of the military and respect for basic human rights, through training and seminars involving the military, civilian leaders and NGOs. The HIV/AIDS Prevention Program (DHAPP) was launched in 2003 in the Guinean Armed Forces. In FY 2005, the program's objectives will be the establishment of a HIV/AIDS policy for the Guinean military, peer education, promotion of HIV awareness, creation of voluntary counseling and testing facilities, and behavior change in military personnel. Guinea is eligible in 2005 to receive Excess Defense Articles on a grant basis under Section 516 of the Foreign Assistance Act.

Guinea has been eligible for trade benefits under the African Growth and Opportunity Act (AGOA) since 2000. Though Guinea has not attracted the private foreign investment needed to benefit substantially from AGOA, it recognizes AGOA's potential value. To retain its AGOA eligibility, Guinea will need to continue its efforts to reform the criminal justice system, hold transparent and free elections and discontinue support to the Liberian United for Reconciliation and Democracy (LURD) rebel group. In addition, Guinea needs to pursue sound economic management policies, implement a poverty reduction program, and insure that investors benefit from transparent rule of law.

Guinea-Bissau
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	77	100	100
NADR-HD	225	-	-
P.L. 480 Title II	1,670	-	-

Struggling to re-emerge as a democratic society following a two-year internal conflict, Guinea-Bissau has ruined infrastructure, bankrupt public finance, widely dispersed unexploded ordinance and landmines, and months of salary arrears owed to public employees. Following a bloodless coup on September 14, 2003, a Committee for the Restoration of Constitutional Order and Democracy was established. On September 25, a civilian President and Prime Minister were sworn into office. In December the new government announced that legislative elections would be held March 28, 2004. The coup triggered Section 508 sanctions on all direct government-to-government aid. Stability in Guinea-Bissau is important to regional stability due to its porous borders and its historical ties to separatist groups in Senegal's Casamance region.

The International Military Education and Training (IMET) program has been suspended until such time as free and fair elections bring an elected government to power. Guinea-Bissau has signed but not ratified the Rome Statute and does not have an Article 98 agreement with the United States. Upon successful elections later this year and an Article 98 agreement, we hope to resume IMET in FY 2005.

Regional Economic Support Funds (ESF) and Development Assistance (DA) support a project by a U.S. NGO, Enterprise Works, to train local entrepreneurs in improved techniques for cashew processing and marketing, and helping with local production of machines and equipment needed to process cashews for market. The program significantly increases the value added from cashews and provides labor for hundreds of Bissau-Guineans.

The Ambassador's Special Self-Help fund supports several local development projects each year. Democracy and Human Rights Fund projects for FY 2004 and 2005 are necessary to improve capacity in the justice system, combat female genital mutilation, and other goals.

Guinea-Bissau is a member of the Economic Community of West African States (ECOWAS) and the African Union (AU). Guinea-Bissau has received substantial reductions in debt payments and associated stabilization assistance from multilateral lending institutions through the Heavily Indebted Poor Countries Initiative (HIPC), but its program has gone off-track. Discussions are currently underway with the IMF and Paris Club donors to establish HIPC completion point conditions to qualify for further debt relief.

While Guinea-Bissau remains eligible for trade benefits under AGOA, it lacks the business expertise and technical capacity to develop AGOA-related exports.

Kenya
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	36,488	34,100	31,962
DA	14,183	10,010	12,171
ESF	2,950	7,953	8,000
FMF	1,000	6,250	7,000
IMET	596	600	650
NADR-ATA	622	-	4,000
NADR-EXBS	-	1,088	50
P.L. 480 Title II	34,664	14,682	14,662
Peace Corps	3,318	2,942	3,635

National security, improved governance and economic growth, reduction of disease and poverty, and promotion of human rights are the United States' principal interests in Kenya.

Kenya is the linchpin of East African stability and security. Kenyan support for the war on terrorism has been solid and wholehearted, a reflection of national values, and a recognition that Kenya has twice been a target of al Qaeda bombs, which murdered 231 Kenyans in 1998. Kenya remains a principal point of access for U.S. military and relief operations within the region. An important partner in the global war on terrorism, Kenya also demonstrates regional leadership in peacekeeping and diplomacy. Kenya is among the United Nations' top troop-contributing nations, taking on difficult assignments such as Sierra Leone and Ethiopia-Eritrea.

In late 2002, Kenya undertook its most important political transition when Opposition Leader Mwai Kibaki, chosen in multiparty elections, assumed the presidency from former President Daniel arap Moi. This democratic transition was free, fair, and without significant violence, strengthening liberty and human rights for Kenya's 30 million people. Since that time, the new government has undertaken substantial efforts on counterterrorism, and an antiterrorism bill is pending. The Kenyan government has also begun efforts on several key governance issues.

Kenya remains the engine of East African economic growth, despite a recent history of economic stagnation and corruption, and is the region's transportation and communication hub. President Kibaki and his cabinet have made clear their commitment to the improvement of governance, essential to allow renewed economic growth. The United States and other donors are committed to assist in this effort as long as the Kenyan government demonstrates the political will to transform its intention into concrete action.

Sustained International Military Education and Training (IMET) funding and continued access to Foreign Military Financing (FMF) funds will enhance Kenya's ability to protect its borders and coastal areas from terrorists and insurgents. FY 2005 FMF funds will provide several types of equipment, including patrol boats, combat vehicles, night vision devices, communication gear, coastal and border radars, port and runway improvements, vehicle spare parts, helicopter spare parts and maintenance, chemical and biological warfare response equipment, and hospital supplies. FY 2005 IMET funding will increase the professionalism of the Kenyan military and provide specialized border and coastal security training. FY 2005 FMF and IMET funding will also enhance Kenya's capability and confidence to participate in peacekeeping operations with similar operational requirements. Kenya is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act.

Equipment received under this program will support Kenya's peacekeeping and counterterrorism efforts.

President Kibaki, his cabinet, and the members of the national legislature face two great challenges: changing a pattern of governance in which public office has been primarily used for private gain; and improving a stagnant economy that falls far short of fully utilizing Kenya's potential. The United States will undertake a higher level of engagement to assist the new Kenyan leadership in meeting these challenges. FY 2005 Development Assistance (DA) resources will be utilized to support NGOs working to affect national level policy changes to promote transparency and accountability as well as peace building activities. DA will also continue to support the parliamentary strengthening program. Assistance will focus on strengthening and increasing the effectiveness of the committee system. Using FY 2005 Economic Support Funds (ESF), we will also implement a program on transparency and accountability, based on the GOK's own strategy. Assistance will focus on support to the Office of Ethics and Governance and the Department of Public Prosecution. Non-proliferation, Anti-terrorism, Demining and Related Programs' (NADR) funds will be used to enhance the ability of Kenya's legal system to deal with cases of special importance (such as those related to terrorism), which will also involve basic capacity-building activities. They will also be employed to train and equip law enforcement agencies for counterterrorist activities.

As Kenya continues to add jobs using the benefits of the African Growth and Opportunity Act (AGOA), the United States will continue its work to help the Kenyan people achieve greater rates of economic growth and overcome disease and poverty. Despite recent improvements, major health challenges remain in Kenya. The HIV prevalence rate is declining, a notable success. There are still almost two million HIV-positive Kenyans, however, and almost one million AIDS orphans. Fertility increased over the past five years, reversing a decade of outstanding progress in family planning. After 40 years of improvement, child mortality rates increased from the late 1980s to the present. Development Assistance (DA) and Child Survival and Health (CSH)-funded operations to reform the health care sector, to prevent HIV transmission, to provide care and support for those already infected, and to deliver family planning and child survival services will continue, as will efforts to promote increased rural household incomes for agricultural smallholders and micro-enterprise entrepreneurs. As one of the focus countries of the President's Emergency Plan for AIDS Relief, Kenya will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized.

DA and ESF funds are used to promote increased rural household incomes for agricultural smallholders and micro and small entrepreneurs, and improve the conservation of natural resources. To date, there have been increases in agricultural productivity and access to markets leading to reduced rural poverty, and increased land area under sustainable resource management. Growth of rural incomes will be encouraged through improvements in agricultural productivity (including use of biotechnology), market access, and private sector management of key commodities. P.L. 480 food resources are also used to promote increased agricultural and livestock productivity in arid and semi-arid lands of Kenya, usually areas hardest hit by drought. Major improvements in household food security have been achieved due to this program, and there is decreased dependency on food aid. DA will also be used for improving and promoting natural resources management by enhancing the management of Kenya's forests and marine resources, and protecting wildlife to provide incomes to local communities through eco-tourism and non-exploitive uses of these resources. ESF will support development activities in predominately-Muslim North Eastern and Coast Provinces. In North Eastern the program aims to increase marginalized pastoralists' access to livestock markets and increase incomes. In the Coast, the program will improve the businesses of micro and small entrepreneurs through increasing their access to and use of financial and business development services. All these programs will assist public and private sector organizations and local NGOs working in these areas by helping to improve the policy environment, strengthen systems, build capacity, and provide equipment and commodities.

Lesotho
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	52	125	50
Peace Corps	2,347	2,292	2,583

The priority U.S. interests in Lesotho continue to be democracy and humanitarian assistance. Assisting Lesotho in its efforts to address the HIV/AIDS crisis and strengthen its democratic foundations will serve to enhance regional security and lay the groundwork for continued national and regional economic stability. The United States has been involved in addressing food security in Lesotho.

The HIV/AIDS crisis poses a serious threat to Lesotho's social, political, and economic futures. Lesotho will benefit from regional FY 2005 Child Survival and Health (CSH) funds. These funds will provide technical assistance to strengthen the ability of non-governmental organizations and the private sector to respond to increased demand for HIV/AIDS information and services, with a particular emphasis on high-traffic corridors. Previous funding has been employed to conduct studies on HIV/AIDS transmission trends and initiate public education efforts targeting high-risk groups.

The Peace Corps currently fields approximately 100 volunteers in Lesotho, supporting U.S. national interests by providing village-based HIV/AIDS education programs, community development initiatives and school education programs.

Lesotho is eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA), and in April 2001 it was granted AGOA apparel benefits which are still in force. Lesotho is a member of the Southern African Development Community.

A stable military is an important element in Lesotho's democratic development, and we maintain an interest in its professionalization. FY 2005 International Military Education and Training (IMET) resources will continue to support education programs for military personnel emphasizing leadership training, managerial skills, civil/military relations, and respect for human rights.

Liberia
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	2,627	2,400	1,997
DA	3,758	-	545
ESF	4,420	-	25,000
IDFA-SUP	-	200,000	-
INCLE	-	-	5,000
NADR-SALW	200	100	-
P.L. 480 Title II	17,684	10,538	-

The United States is playing a successful leading role in helping Liberia recover from 14 years of civil war, generations of corruption, and a near-total absence of government services, respect for human rights and the rule of law. With Charles Taylor's departure, the establishment of a comprehensive peace agreement and transitional government, and the scheduling of UN-supervised elections in October 2005, substantial new ESF will be required to address fundamental needs in a country that can serve as a model for promoting democratic, free-market reforms and U.S. influence in Africa. The needs will include the continued reintegration of child soldiers and other combatants into society, election preparations, civil society support, judicial and rule of law programs, police reform and development, sustainable rainforest management under the President's anti-illegal logging initiative, truth and reconciliation initiatives, and customs, auditing and budgetary reforms. Substantial progress in these areas ultimately could lead to Liberia's accession to the Africa Growth and Opportunity Act and access to the Millennium Challenge Account.

The United States is supporting UN peacekeeping operations, and efforts to establish an effective Liberian government and restore Liberia's capacity to provide for its own security. We are committed to assist a reformed and streamlined Liberian military become an effective civilian-led force, to provide border control and interdict arms traffickers and regional paramilitaries. Liberia has only minimal law enforcement and military infrastructure, and has little capability to control its borders or to enforce customs and other laws. Its alluvial diamond fields and forests have attracted significant illicit commercial activity. Development of a credible, competent police force will be a priority and will help restore civil order, promote the rule of law, and improve public confidence in government. International Narcotics Control and Law Enforcement (INCLE) funds be used to continue to assist Liberia's development of a credible and competent police force and functioning judicial institutions, and the implementation of anti-corruption measures.

Liberia is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA grants will be used to reform Liberia's military.

FY 2005 Child Survival and Health programs (CSH) will support integrated primary health care in 40 rural clinics that serve an estimated total population of 500,000 inhabitants, including 85,000 children under five years of age and 100,000 women of reproductive age. The focus will be on improving maternal and child health services and reproductive health, as well as on reducing the transmission of STI/HIV/AIDS. Child mortality will be reduced through expanded vaccination coverage and early diagnosis and management of critical childhood diseases, such as malaria, acute respiratory infection and diarrhea. CSH will also support a public outreach program to encourage increased utilization of health services. The program also will support critical health reforms, including decentralization of primary health decision making to county health teams, and institutional strengthening of national non-government organizations in organizational development, accountability, transparency, program design, monitoring and evaluation.

FY 2005 Development Assistance (DA) will bridge the transition from relief to sustainable development by improving the productivity of food crops through the introduction of modern agricultural practices and low-cost technologies. It will be used to foster micro-enterprise through support to micro-level entrepreneurs for income generating activities and technical training on business management and other relevant skills. USAID will provide resources to support communities to identify, prioritize, and address their evolving needs, i.e., educational, social or economic empowerment through a participatory approach, including the development of markets for agricultural inputs and outputs and encouraging smallholder enterprise development. DA will further be used to strengthen civic organizations by directing resources through local non-governmental organizations to increase their ability to deliver community management services in agriculture, education, water and sanitation, literacy, conflict resolution, human rights and peace building.

Congress provided \$200 million of International Disaster and Famine Assistance (IDFA) funds via the FY 2004 Supplemental (in addition to providing \$245 million in Contributions to International Peacekeeping Activities, CIPA, to fund a force of UN peacekeepers.) The IDFA funds will be used to support: relief and resettlement for returnees and remainees; reintegration, resettlement, and community revitalization; basic social services; civil police and related judicial structures; governance and independent media; military reform; forest sector rehabilitation; and support for the Central Bank.

Madagascar

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	9,293	10,015	11,200
DA	10,504	9,506	10,379
IMET	209	200	200
P.L. 480 Title II	10,381	6,269	12,444
Peace Corps	2,211	2,158	2,558

The United States' principal interests in Madagascar are the promotion of democracy, the encouragement of economic growth and development and the protection of Madagascar's unique biodiversity. In addition, we seek to help Madagascar limit the spread of HIV/AIDS. The Government of Madagascar has supported the war on terrorism through law enforcement cooperation and the implementation of financial sector counter-terrorism measures.

The United States will continue to work with Madagascar to support its developing democracy. Madagascar is at a critical stage in the development of democratic institutions following its emergence from a governance crisis that plunged the country into chaos for the first half of 2002, following the disputed December 15, 2001 presidential election. Madagascar held free, fair and highly participatory legislative elections in January 2003 with the financial support of the United States and other donor countries. Those elections cemented the democratic credentials of the administration of President Marc Ravalomanana, whom Madagascar's courts had declared the winner of the disputed 2001 election.

The Government of Madagascar (GOM) has moved ahead to improve governance, repair infrastructure and implement an ambitious poverty reduction strategy. The GOM's pro-business stance is reflected in steps taken to reform its commercial law and private investment continues to grow, culminating in a second World Bank/EU/UNDP – hosted "Friends of Madagascar" conference on October 2003. The GOM projects GDP growth in 2003 to be in excess of 9 percent. The United States approved Madagascar for benefits under the Africa Growth and Opportunity Act (AGOA). Driven by the availability of AGOA benefits, Madagascar has been successful in adding jobs and investment. FY 2005 Development Assistance (DA) and P.L. 480 Title II will foster agricultural and trade development. Peace Corps programs will contribute to sustainable economic development in rural communities. DA funding also will be used to promote democracy and help the Malagasy government's anti-corruption efforts. U.S. public diplomacy programs, along with grants from the Regional Human Rights and Democracy Fund, will complement efforts for the consolidation of democratic institutions.

The fourth largest island in the world, Madagascar has a unique environment. FY 2005 DA and Peace Corps environmental programs will assist Madagascar in guarding its precious and rare biodiversity and in implementing sustainable and responsible natural resource management, particularly forest management. With U.S. assistance, Madagascar has increased protection of endangered species and forested areas. Previous U.S. funding helped to protect the environment of Madagascar by protecting forestland from over-development and led to further development of national parks. FY 2005 funds will be used to continue these efforts and consolidate the gains already made.

FY 2005 Child Survival and Health (CSH) and P.L. 480 Title II assistance in the health, nutrition, and population sectors will be used to improve the quality of life for assisted Malagasy populations, promote child survival, increase contraceptive prevalence, improve food security and limit the spread of sexually transmitted diseases, HIV/AIDS, and other infectious diseases.

U.S. strategy for consolidating democracy includes enhancing the professionalism of the Malagasy military forces through International Military Education and Training (IMET) programs. Courses will include instruction on civil-military relations, coastal security, military justice, officer professionalism, and defense resources management. Madagascar is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA will support Madagascar's counter-drug maritime activities and coastal security operations.

Malawi
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	17,480	19,400	18,900
DA	9,849	11,737	10,295
IMET	312	360	360
P.L. 480 Title II	3,202	3,357	8,500
Peace Corps	2,228	2,125	2,565

Democracy and humanitarian assistance are our primary goals in Malawi. Malawi will participate in its third round of national elections in May 2004. These elections, covering the Presidency and Parliament, will be a test of Malawi's relatively young democracy. Malawi also continues to undergo both a severe budgetary crisis and a devastating HIV/AIDS pandemic. By helping the government to address these problems, and by assisting the electoral process, we will help to strengthen democracy, enhance regional stability, and encourage economic development and trade/investment opportunities, advancing U.S. global interests.

Malawi has been a strong ally in counter-terrorism efforts. President Muluzi has been outspoken in his condemnation of terrorism incidents aimed against the United States and other democratic nations. Malawi has cooperated with the United States in coordinating anti-terrorism activities.

FY 2005 Development Assistance (DA) funds will assist activities that promote long-term agricultural productivity, including sustainable land use management, crop diversity, and expanded rural employment opportunities. DA funds will support development of Malawi's primary education infrastructure by focusing on improving teaching skills, community involvement, and management, planning, and resource allocation.

FY 2005 Child Survival and Health (CSH) funds will support efforts to reduce the transmission and mitigation of HIV infections, reduce infant and child mortality, and increase the rate of contraceptive use. Programs to improve detection, treatment and prevention of malaria, tuberculosis and community child health interventions will receive support, as will activities focusing on training, service provision, logistics and management systems for family planning and reproductive health.

Malawi has been pro-active in seeking assistance from the United States in expanding its role in peacekeeping efforts throughout the region and the world. FY 2005 International Military Education and Training (IMET) programs will build on the Malawi military's tradition of apolitical professionalism and enhance regional stability by focusing on democratic values and mutually beneficial military-to-military relations. Malawi military personnel will receive training in finance, medical care, engineering, transportation, procurement, HIV/AIDS prevention, and resource management. Malawi is eligible to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act of 1961, as amended. Grant EDA will help develop Malawi's capacity to support peacekeeping activities.

Malawi has been an active and successful participant in the African Growth and Opportunity Act since it was declared eligible for the program in September 2000. Malawi is a member of the Southern African Development Community. The Peace Corps has an active program in Malawi, with approximately 120 volunteers focusing on community health, education, natural resource management, and HIV/AIDS prevention, training and treatment.

Mali
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	13,821	14,300	13,974
DA	26,581	24,296	20,793
IMET	309	350	175
Peace Corps	3,683	3,688	3,701

The primary U.S. national interests in Mali are promoting the consolidation of democratic institutions and helping the national government address the humanitarian goals of ameliorating the effects of poverty and preventing the spread of HIV/AIDS. Other interests include supporting efforts to establish lasting regional stability and enhancing Mali's ability to prevent terrorists from using its territory for basing and trafficking. Mali has been an active partner in the war against terrorism and has ratified all of the UN counter-terrorism conventions.

Mali is a model for democracy in the region and an active member in regional organizations such as the Economic Community of West African States (ECOWAS) and the African Union (AU). Mali continues to support U.S. interests in the region. Mali benefits from the Heavily Indebted Poor Country Debt Reduction Initiative and the Africa Trade and Investment Policy Program.

FY 2005 Child Survival and Health (CSH) and Development Assistance (DA) funding will help the Government of Mali expand economic opportunities, particularly for the rural poor; provide high impact health services to women and children; combat HIV/AIDS; improve the quality of education for all; consolidate democracy through decentralization and accelerate overall development by making information more widely accessible through expanded rural radio. The U.S. National Institutes of Health continues to research and test an anti-malarial vaccine in Mali.

A major factor in building national cohesion is the integration of the northern ethnic groups into Mali's political, economic and social structures. This integration effort will continue to be supported by DA funds. In northern Mali, DA will be used to develop income-generating activities, build schools, and establish or renovate water resources.

The DA program will continue to fund efforts to improve the efficiency of agricultural production and to increase farmer incomes through agricultural best practices and better management, especially of irrigated agriculture.

Over 170 Peace Corps volunteers are working in five development fields throughout Mali: agriculture, health and education, natural resource management, small enterprise development, and water and sanitation.

In FY 2005, the International Military Education and Training (IMET) program will reinforce the progress already made by the Malian Armed Forces towards becoming a more professional organization through training and seminars. It will also provide opportunities for the professional officer corps to attend courses that stress greater respect for and understanding of the requirement to support human rights and civilian control of the military. Over the past decade, Malian Armed Forces have evolved from an instrument of government control to a professional organization and many IMET graduates hold high positions in their ministries and the armed services.

Mali is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will support Mali's ability to control its borders and undertake peacekeeping operations.

Mali is eligible for benefits under the African Growth and Opportunity Act (AGOA). Its government is supportive of the economic reforms needed to attract the investment required to realize significant benefits from greater trade access to the U.S. market afforded by AGOA.

Mauritania
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	131	125	130
P.L. 480 Title II	16,252	7,465	3,380
Peace Corps	1,941	2,005	2,330

Primary U.S. national interests in Mauritania are advancing the Global War on Terrorism (GWOT) and promoting democracy and human rights. Mauritania has been a strong supporter of the Middle East Peace Process (MEPP) and is the only Arab League country that maintains an ambassador in Israel. After September 11, the Mauritanian government immediately condemned the attacks and agreed to block all terrorist-related financial assets. Mauritania has also supported the war on terrorism diplomatically by playing a moderating role in the Organization of the Islamic Conference (OIC), where it refused to link the attacks to the MEPP. Mauritania was the first African country to sign and ratify an Article 98 agreement with the United States. Despite this good will, Mauritania is hampered in the GWOT by its underdeveloped infrastructure and poor border controls. Strengthening Mauritania’s control of its borders and financial institutions would enhance U.S. goals in the war on terrorism.

Besides counter-terrorism, assistance to Mauritania supports other U.S. foreign policy goals, including democratization, respect for human rights, poverty alleviation, health, education, and pursuit of sound, market-based economic policies. In FY 2005, the United States plans to continue the relatively modest assistance programs already in place to encourage democratic development, combat poverty, and improve Mauritania’s military.

The International Military Education and Training (IMET) program will serve U.S. interests by encouraging military support for democratically elected civilian government and respect for human rights. IMET courses will include instruction on civil-military relations, military justice, officer professionalism, defense resources management, and coastal/border security. Through the provision of Regional Peacekeeping Operations funds, Mauritania is a participant in the Pan-Sahel Initiative, which is assisting Mali, Niger, Chad, and Mauritania in protecting their vast territories, including against terrorists. Mauritania will be eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA grants will be used to support the Mauritanian military in the war on terrorism.

Although there is no USAID mission in Mauritania, there are still several USAID-funded activities taking place there, such as a continuing Food for Peace project that targets malnourished women and children, micro-enterprise development that focuses on water access development, and HIV/AIDS awareness and education targeted at women and girls.

Additionally, the Peace Corps has about 70 volunteers in country who work in the following fields: agricultural production, reforestation, preventative health care, provision of clean water, small enterprise development, and English language training.

Since 1992, Mauritania has undertaken an ambitious and successful transition to an economically liberalized and politically diverse country. A reform-minded team in Government has implemented wide-reaching macroeconomic, structural and social reforms. Mauritania’s economic governance is among the best in Africa, and it reached its “completion point” under the Heavily Indebted Poor Countries (HIPC) debt initiative. The government has made commendable progress in education: the World Bank determined that 86 percent of children of primary school age are enrolled in school - a remarkably high figure for a country

that is one of the poorest in the world. Mauritania is eligible to receive trade benefits under the African Growth and Opportunity Act but, to date, has taken little advantage of this law.

Mauritius
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	110	125	125

The United States' principal national interest in Mauritius is economic: expanding trade and commerce. The United States also has a strong interest in obtaining Mauritius' continued support of counter-terrorism initiatives. Mauritius is a stable, multi-party democracy that boasts a multi-ethnic, multi-lingual, and multi-cultural population. It has a vibrant economy spanning agricultural, manufacturing, and tourism sectors with a burgeoning information technology component. Mauritius provides employment, educational, and health care benefits for its people.

Mauritius has consistently supported the U.S. -led coalition in the war on terrorism. It passed counter-terrorism legislation consistent with U.N. Security Council Resolution 1373, and has responded positively to U.S. requests for financial interdiction of terrorist resources. With the support of the Department of Treasury's Financial Center, Mauritius established a Financial Intelligence Unit and is scheduled to receive additional financial interdiction and detection training.

Mauritius is eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA). Its well-developed export-processing zone allowed Mauritius to take early and full advantage of AGOA. Mauritius has the capability to help other African countries realize the same benefits and advantages. It has already begun to outsource and invest in other African countries. In January 2003, Mauritius hosted the U.S.-Sub-Saharan Africa Economic and Trade Cooperation Forum.

U.S. national security is enhanced through the creation of a stable and secure Indian Ocean region. In FY 2005, International Military Education and Training (IMET) courses for Mauritius will include officer professionalism, organizational planning, coastal security, and integrated force management. Past courses featured maritime law enforcement training, crisis management, military justice, fisheries protection, and pollution control as well as search-and-rescue operations.

Mauritius will be eligible in FY 2004 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will support coastal security activities.

Mozambique

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	22,601	19,700	19,730
DA	27,567	24,261	18,319
IMET	196	225	215
NADR-HD	2,632	1,372	1,600
P.L. 480 Title II	16,166	14,855	18,801
Peace Corps	2,027	1,956	2,498

A stable, democratic, and prosperous Mozambique will help to ensure regional stability and will strengthen its support to the Global War on Terrorism, both important national interests of the United States. United States programs continue to focus on economic growth and development, democratization, prevention of terrorism, improved health care, and the fight against HIV/AIDS. While Mozambique has pursued democratic and free-market policies, continued assistance is necessary to reach its goals. Despite impressive levels of economic growth, the country remains among the world's poorest. Government revenues are insufficient to provide basic services and ensure adequate border security. Democratic institutions remain nascent, particularly at the local level, and civil society is generally weak. Ineffective border controls provide a potential transit stop for international terrorists. More than 13 percent of Mozambicans are living with HIV/AIDS, and the percentage continues to grow. While these facts constrain progress, the Mozambican government has proven to be a credible bilateral and regional development partner. It has provided political support for the Global War on Terrorism and has undertaken to improve border security and anti-terrorist activities to the extent that its limited resources allow. Mozambique is eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA).

Sustainable economic growth and development are fundamental to achieving long-term stability and progress in Mozambique. In FY 2005, Development Assistance (DA) resources will be used to train farmers in crop diversification, improved storage and sound environmental management practices. DA resources will provide budget support, project assistance, and technical leadership to the government's agricultural sector investment program, ProAgri, designed to provide needed extension and marketing services to local farmers. USAID will bring in technical experts to build capacity within the Ministry of Agriculture and Rural Development (MADER) to promote public sector outsourcing of agricultural services; train researchers and extension agents; and develop policies that support increased production. DA will strengthen the marketing capabilities of rural enterprises through technical and financial assistance. DA resources will provide institutional development to improve the capacity for road operation and maintenance, rehabilitate selected overland market links, and introduce new technologies for road construction that improve quality and reduce costs.

P.L. 480 Title II resources will continue to increase the food production, cash income, and nutritional status of food insecure families. These resources will finance agriculture extension activities undertaken at farmer field schools to increase crop yields, improve soil fertility, improve food security throughout the year, safeguard the environment and improve the construction and maintenance of farm-to-market roads. Continued funding of these programs will help rural enterprises and small farmers take advantage of new opportunities arising from increased productivity and sales, greater access to rural finances, and more and better marketing opportunities. This will help sustain increased rural incomes and promote sustainable and equitable development.

Labor-intensive export-oriented industry is dependent on the Mozambican government's ability to negotiate market access. To that end, DA resources will provide technical assistance to the government's International Relations Directorate to improve institutional and analytical capacity in support of better trade policy. In addition, DA resources will support the establishment of a trade coordinating body, the creation of a trade database, and the implementation of a set of standards and certifications required to export products to particular markets. DA will be used to continue to provide technical assistance to the Confederation of Mozambican Business Associations (CTA) to strengthen both its lobbying capacity in favor of a more liberal trade and enabling environment and its alternative dispute resolution program. Specific interventions will include: establishing alliances between Mozambique and U.S. or regional businesses and sector business associations; creating financial instruments aimed at supporting labor-intensive exports; and increasing access to business development services.

Mozambique's economic growth remains hampered by landmines and unexploded ordinance (UXO). The Nonproliferation, Anti-terrorism, Demining and Related Program (NADR) account has been used to fund demining of critical infrastructure and agricultural land, support the Mozambican Armed Defense Forces (FADM) demining brigade, and provide capacity-building to the National Demining Institute (IND). FY 2005 NADR funds will support IND priorities focused on the reduction of landmine casualties and socio-economic development.

Democratic consolidation remains a priority, particularly at the local level where municipal councils, elected in November 2003 have just taken office. DA funded technical assistance and training will improve citizen participation in and oversight of local governments by creating incentives and mechanisms for citizen involvement. DA will also fund advice and training for municipal government officials in citizen outreach, development planning based on articulated community needs, ethical and transparent public administration, and public information campaigns. Using DA funding, USAID will support the NGO Ética Mozambique in implementing its multi-media anti-corruption information and awareness campaign and in the establishment of corruption reporting centers in all provincial capitals. DA and Africa Regional International Narcotics Control and Law Enforcement (INCLE) funds will provide technical assistance and training to the Mozambican Attorney General's Office to build the sustainable institutional capacity to fight corruption, create effective legal sanctions, and deter public sector corruption. Africa Regional Economic Support Funds (ESF) may be used to supplement USAID democratic consolidation and anti-corruption activities.

The FY 2005 International Military Education and Training (IMET) program will provide professional training, emphasizing the necessity of an apolitical, professional, civilian-controlled military. IMET courses will help train students in basic technical skills such as ordnance maintenance to ensure proper handling of equipment, and coast guard management to help protect resources along their lengthy coastline.

Previous IMET and regional INCLE programs have already resulted in notable improvements in the professionalism and capacity of Mozambican security forces. INCLE funds were instrumental in creating the Police Sciences Academy (ACIPOL).

Health care, including the prevention of HIV/AIDS, remains a significant challenge that if not adequately addressed could undermine other USG goals. In the area of maternal and child health, Child Survival and Health (CSH) funds will be used to provide technical assistance and training focused on vaccine preventable diseases, malaria prevention, malnutrition, Vitamin A deficiency, and diarrheal diseases. Family planning and reproductive health resources will fund training and technical assistance to improve service provision, supervision, and logistics systems. Training of community and facility-based health workers will improve the quality of antenatal care, ensure early detection and management of malaria, and improve performance in counseling assistance at the provincial, district, and community levels for the provision of contraceptives and child survival products. Technical support and training of Ministry of

Health (MOH) staff in financial and operations management at the provincial, district, and community levels will be initiated. USAID will continue to provide technical expertise and training at the central level to increase the MOH's capacity to formulate and implement policies in support of health sector reform.

Maternal and child health activities are essential to improving the overall quality of life of Mozambicans. Resource constraints, both human and financial, within the Mozambican Government necessitate outside assistance in this area. Mozambique is a target country for the President's Emergency Plan for AIDS Relief (PEPFAR). As such, it will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized.

Peace Corps volunteers will continue to provide teachers to assist an educational infrastructure devastated by HIV/AIDS and will include HIV/AIDS education messages as part of their work.

Mozambique is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will continue to support Mozambican demining capabilities, health programs, and other humanitarian assistance objectives.

Namibia
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	7,601	2,150	2,150
DA	4,851	5,726	6,558
IMET	175	225	100
NADR-HD	600	-	-
Peace Corps	2,492	2,531	2,876

The primary U.S. national interests in Namibia are democracy and humanitarian assistance. Independent since 1989, Namibia has made significant strides in developing a stable democratic political system and free-market economy. Assisting Namibia in its efforts to address the HIV/AIDS crisis and overcome the legacy of apartheid provides a basis for enhanced regional stability, economic development, trade and investment opportunities, and advancement of U.S. global interests.

Namibia faces the daunting challenge of overcoming legacies of wealth and income disparity while addressing the immediate crisis of HIV/AIDS. FY 2005 Development Assistance (DA) will continue to provide support for small business development and youth entrepreneurship through management training and technical assistance projects. Previous funding has supported the development of dozens of small businesses and provided crucial technical and accounting training to new business people.

DA funds will also be used to improve the delivery of quality education to primary schools in disadvantaged areas through teacher training and curriculum development programs. Previous funding has been employed to create Namibia-specific teaching materials and has supported teacher-training activities.

Through FY 2005 DA funding, community-based conservation programs will continue to aid rural Namibians to benefit from effective management of their natural resources through technical training and resource assessment programs. Previous funding has been instrumental in the establishment of community-based conservancies in several parts of the country. These conservancies have created employment, generated considerable income, and reinforced local democratic institutions.

As one of the focus countries of the President's Emergency Plan for AIDS Relief, Namibia will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized. The HIV prevalence rate is 23.3 percent among pregnant women. A recent study indicates that at the present rate almost 10 percent of the population will consist of orphans by 2010 and average life expectancy will fall to 40 by 2005. Previous Child Survival and Health (CSH) funding has established successful pilot programs utilizing community centers and bolstered the management capacity of local NGOs.

In September 2000, Namibia became eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA); and in December 2001, Namibia was granted AGOA apparel benefits. Namibia is a member of the Southern African Development Community.

The Peace Corps program in Namibia supports U.S. national interests by providing technical assistance to school districts striving to improve teacher training and undertaking village-based HIV/AIDS awareness campaigns.

The International Military Education and Training (IMET) program will be important to the support and training of Namibia Defense Force (NDF) personnel in democratic values and respect for civilian institutions. Namibia is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA grants will be used to support the NDF's efforts to undertake peacekeeping operations and respond to regional humanitarian crises.

Niger
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	103	200	100
P.L. 480 Title II	9,548	6,228	8,992
Peace Corps	2,634	2,775	3,210

U.S. interests in Niger are democracy, human rights, regional security and countering terrorism.

Niger is the poorest Muslim country on earth, and it is ringed by unstable neighbors making its territory difficult to police. Its impoverished people are a ready target for anti-Western radical extremists, but the Government of Niger considers extremism a threat and supports the coalition against terror.

U.S. interests are advanced by supporting Niger's four-year-old democratically elected civilian government with modest assistance aimed at economic and political development and reform, human survival, social justice, health, and security. The failed, but very serious, military uprisings of August 2002 underscore the critical nature of working intensively with Niger to encourage democracy to take firm root. Ensuring that Niger's uranium production is not diverted to states of concern is also an important U.S. interest, especially in the war on terrorism and in our efforts to halt the proliferation of weapons of mass destruction.

In FY 2004, Development Assistance (DA) from the West African Regional Program (WARP), Food for Peace, and Africa Regional Economic Support Fund (ESF) resources will be used to promote security, improve nutrition, child and maternal health, and women's micro-enterprise, and expand access to development information through increased small-radius rural radio broadcasting. USG support for the creation of the rural radio network has been particularly effective in disseminating messages against the spread of HIV/AIDS, promoting religious tolerance, and advocating participation in democracy -- all directed at the vast population poorly served by urban media outlets. DA will also assist Niger to design decentralization policies and regulations governing local elections to be held in mid-2004, a critical element of the ongoing democratization process. Donor support for and cooperation with Niger are strong; Niger is one of the World Bank's fast track countries for education, and the United Nations has also selected Niger as a pilot country to introduce its strengthened planning and coordination mechanism involving UNDP, UNICEF, WFP, and UNFPA.

Through local civil society organizations and American non-governmental organizations, DA from the WARP will be used to expand access to educational programs focused on combating the spread of HIV/AIDS in the most vulnerable groups along regional trade and migration routes. Complementing humanitarian assistance, Peace Corps Volunteers work in Niger to prevent the spread of HIV/AIDS, expand access to basic health care, and increase agriculture productivity. Volunteers are also contributing to the start of a new program focusing on teaching English as a foreign language in regional population centers.

Niger recognizes that its military can play a vital role in both security and development, and values the assistance it receives through the International Military Education and Training (IMET) Program in helping to train its forces for peacekeeping and civic action duties, as well as for traditional security roles. IMET courses help increase the military's capacity and reinforce the military's role as a professional institution, subordinate to Niger's democratically elected civilian government. The FY 2005 program will build on earlier IMET efforts by providing additional courses on civil-military relations, military justice, peacekeeping, and English Language Training. These courses will also address special issues, such as technical training for Air Force personnel, training for military policemen, and training for engineers doing civic action.

Initiated with FY 2002 peacekeeping operations (PKO) funds, Niger is a participant with Mali, Chad and Mauritania in the Pan-Sahel Initiative (PSI). The PSI will help the four countries gain greater control over movement of potential terrorist groups, thus supporting the U.S. national security interests of waging war on terrorism and enhancing regional peace and security. Niger is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA will primarily be used to help Niger better control its borders and participate in peacekeeping activities.

Niger is eligible for trade benefits under the African Growth and Opportunity Act, and has been certified to export apparel to the United States duty-free. Niger is a member of the African Union, the West African Monetary Union and the Economic Community of West African States, and cooperates closely with the United States on regional issues. Niger is eligible for the Highly Indebted Poor Countries (HIPC) debt reduction initiative. It has enjoyed substantial reductions in international debt repayments, allowing resources to be shifted to education and social services and so address the causes that perpetuate poverty. The Government of Niger also has a World Bank development program in place, and is working effectively with the Bank and the IMF to implement market-based reforms.

Nigeria
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	47,911	42,550	43,724
DA	23,385	13,601	15,590
ESF	1,900	4,971	5,000
FMF	-	385	1,000
IMET	96	850	800
INCLE	-	2,250	2,250

Nigeria is the dominant economic and political power in West Africa. The U.S.-Nigeria bilateral relationship moved from confrontation to cooperation on a full range of economic, political, and security issues following the country's 1999 transition from military to civilian rule. Our interests in Nigeria stem from its size (133 million people, 50 percent Muslim), political/military influence in Africa and multilateral fora, large oil and gas reserves, and present and potential economic importance. Our over-arching national interest in Nigeria is promoting democracy and human rights. Only through democratic governance can Nigeria address its ethnic and religious divisions, create an open economic system that will make it a reliable and increasingly important trading partner, and develop as a critical partner in international affairs. Nigeria is a staunch supporter of the global war on terror and has played a constructive role in addressing African conflicts, most recently in bringing peace to war-torn Liberia. Nigeria has dispatched, or indicated willingness to send, peacekeepers to Liberia, Sierra Leone, Burundi, and Congo.

National elections in Spring 2003 were marred by reports of serious irregularities and fraud. Nonetheless, these elections marked the nation's first successful transition to a second civilian administration, offering an opportunity to continue to build democratic institutions in preparation for 2007 elections. Continued U.S. support for democracy and governance will be crucial to consolidating democratic gains. We will continue to engage Nigeria's fledgling democratic institutions, including civil society and the media. We will work with Nigeria's electoral bodies to provide technical assistance to prepare for future elections. We will support the rehabilitation of governmental institutions critical to democratic stability, including reform of the justice system and work with state and national legislators.

Nigeria faces many critical human rights issues. In the Niger Delta, disputed access to vast oil wealth has provoked an escalating cycle of violence. We will work with local groups, including governmental and non-governmental organizations, and the private sector to develop conflict resolution mechanisms. In the North, Sharia courts continue to issue harsh sentences such as amputation or death by stoning. We will work with the judiciary and local and international human rights groups to address concerns about these punishments.

Cooperation with Nigeria on drug trafficking, international crime, and terrorism has improved in recent years and U.S. law enforcement agencies have sought greater engagement. Nigeria strongly supports U.S. counter-terrorism efforts and has been at the forefront of African efforts to combat terrorism. Through bilateral ESF and International Narcotics Control and Law Enforcement (INCLE) resources, we will support Nigeria's efforts to combat terrorist financing and monitor its borders. Nigerian crime syndicates, many of them linked to narcotics trafficking, cost American victims tens of millions of dollars each year, mostly through financial fraud. We will encourage and facilitate the active investigation and prosecution of Nigerian criminals, and work to identify and remedy weaknesses in Nigeria's financial, immigration, and security sectors. Our programs will help Nigerian law enforcement and judicial system personnel train and develop professional relationships in the United States to disrupt narcotics trafficking.

Nigeria ranks among the countries most affected by corruption. We will support efforts to root out corruption at all levels, including through work with the Nigerian anti-corruption commission and Economic and Financial Crimes Commission. Nigeria remains susceptible to violence, instability and rapidly growing crime. We will work with Nigerian police to professionalize the force, improve basic skills, and promote law and order across the country.

FY 2005 Development Assistance (DA) and Child Survival and Health (CSH) funding will address policy and institutional impediments to economic growth and will strengthen basic education, enhance agricultural productivity, and expand health infrastructure. Democracy and governance programs will strengthen the National Assembly, state and local government structures, the Independent National Electoral Commission, and civil society. We will support economic reform and agricultural development by focusing on improved economic management, privatization, greater access to micro-finance, and environmental sustainability. DA will help improve primary education through better educational management information, skills and vocational training, and teacher training. Since more than one million Nigerian children die from preventable diseases each year, we will support programs to promote the health of women and infants and improve basic health care.

As one of the focus countries of the President's Emergency Plan for AIDS Relief, Nigeria will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized.

Nigeria's success in peacekeeping missions in Sierra Leone and Liberia was due in large part to support and training from the U.S. under the Operation Focus Relief Program completed in 2001. Though legislative restrictions imposed in FY 2003 affect some U.S. security assistance and require further consultation with Congress, we are requesting funds to promote military subordination to civilian rule, improve respect for human rights, build expectations of accountability, and reinforce a positive role in peacekeeping. International Military Education and Training (IMET) programs will emphasize improved accountability; training will consolidate the Nigerian military's position under civilian authority and enhance its regional peacekeeping capabilities. Nigeria is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will support Nigeria's participation in peacekeeping operations.

Foreign Military Financing (FMF) will be used to help Nigeria improve military management and training. FMF will strengthen the National War College's simulation center, improve coastal security, train teams in counter-terrorism and peacekeeping, build military justice capacity, and provide C130 technical support to enhance air mobility. ESF will complement these efforts through civilian democratic institutions responsible for oversight of the military, including the National Assembly. Voluntary Peacekeeping Operations (PKO) funds will support training to improve Nigerian and West African crisis response capabilities, primarily through the African Contingency Operations Training and Assistance program.

Nigeria remains eligible for trade benefits under the African Growth and Opportunity Act. Taking advantage of this opportunity will promote economic growth, increasing stability in Nigeria and the region.

Republic of the Congo
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	108	110	110
P.L. 480 Title II	655	-	-

U.S. national interests in the Republic of the Congo (ROC) are democracy and human rights, humanitarian assistance, good economic governance of the country's significant oil resources, and protection of its unique and precious environment. An associated strategic goal is the promotion of regional stability. Congo is in transition from a civil war with subsequent instability in the late 1990's that left the country's infrastructure devastated, and deeply divided along ethnic lines. Humanitarian issues are being addressed but reconstruction from the war remains a long-term task. A 1999 peace agreement provided a national dialogue on a new political dispensation and elections. Voters approved a new constitution in January 2002 and President Sassou-Nguesso won the elections held in mid 2002, although there were reported some administrative irregularities. Since the 2002 elections, the Government of Congo and the remaining rebel faction, the Ninjas, signed a peace accord in March 2003, which is still holding despite having a few altercations between the two sides in late 2003. U.S. investments in the Congo are mainly in the petroleum sector. Though not directly involved in the conflict in neighboring Democratic Republic of Congo (DRC), some DRC refugees remain in northern ROC.

The main U.S. objective in the ROC is to promote stability by encouraging the establishment of democratic government institutions and economic development. In 2002, Economic Support Funds (ESF) supported the demobilization and reintegration of rebels and election administration planning. FY 2005 ESF funds channeled through regional programs such as the Africa Regional fund are planned to provide training in legislative drafting and committee activities for the new legislature.

FY 2005 International Military Education and Training (IMET) funds will support courses in civil-military relations, English language training, human rights, officer and non-commissioned officer professionalization, and other functional areas. These training programs will assist in improving the integration of the military composed of former government and rebel troops. IMET will also facilitate military-to-military contact and the establishment of beneficial relations and defense cooperation between the militaries of the ROC and the United States. The ROC is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will enhance Congo's ability to conduct civic action and to secure its borders and coastline.

The Republic of the Congo is eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA).

Rwanda
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	16,168	13,350	13,406
DA	6,555	4,810	5,121
IMET	162	175	225
NADR-HD	375	-	-
P.L. 480 Title II	16,089	3,432	12,131

The primary U.S. national interests in Rwanda are the promotion of democracy and human rights and humanitarian response. U.S. programs aim at aiding Rwanda in its recovery from the genocide (which claimed an estimated 800,000 lives in 1994) by helping to create the political, economic, and social conditions that will lead to development of a prosperous society, embracing democratic governance and respect for human rights. These programs focus on promoting practices that combat corruption and improve transparency and accountability at all levels of government and in the private sector.

The United States implements a variety of political, humanitarian, and economic programs that support U.S. interests in aiding Rwanda's transition to sustainable development and securing regional peace and stability in Africa's Great Lakes region.

Rwanda is eligible to receive trade benefits under the African Growth and Opportunity Act. Rwanda is also eligible to receive debt relief under the enhanced Highly Indebted Poor Countries (enhanced HIPC) initiative. FY 2005 Development Assistance funds (DA) will finance ongoing activities to promote democracy, good governance, human rights, and economic growth. DA will also support agriculture projects in rural areas to improve food security in a country where 90 percent of the population earns their living through farming. As one of the focus countries of the President's Emergency Plan for AIDS Relief, Rwanda will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized. FY 2005 Child Survival and Health Program (CSH) funds will be used to support infectious disease treatment and eradication, and other health-related programs.

Nonproliferation, Anti-terrorism, Demining, and Related Programs – Humanitarian Demining (NADR-HD) funds have supported humanitarian demining efforts in Rwanda since FY 1997, ensuring the continued expansion of safe land for resettlement, agriculture, and cattle grazing. As a result, the number of landmine victims has decreased sharply.

Assistance to Rwanda's military in FY 2005, will continue to be conditioned upon its abstention from negative military involvement in neighboring countries. Assuming a positive evolution in these areas, FY 2005 International Military Education and Training (IMET) programs will focus on developing the professionalism of the Rwandan military, with particular emphasis placed on expanded IMET courses designed to promote respect for human rights and civilian control of the military, military justice, and improved civil-military relations. In addition, Rwanda is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will enhance Rwanda's capabilities to participate in international peacekeeping activities.

Sao Tome and Principe

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
FMF	500	-	-
IMET	180	100	200
NADR-SALW	-	40	-

The primary U.S. national interest in Sao Tome and Principe (STP) is democracy and human rights. U.S. efforts focus on promoting political stability to support the Voice of America facility and operations and to preserve one of the most exemplary democracies in Africa. In the coming decade, U.S. companies are expected to participate in the development of petroleum resources in Sao Tome's territorial waters.

Sao Tome and Principe has been a democratic country for over a decade. Open, free, and transparent elections have characterized political life since the introduction of a multiparty system and the first democratic presidential election in 1991. The administrative system for elections, however, remains weak. The economic situation is fragile, with a low GDP per capita and high dependence on cocoa. Fragility of STP's democracy was highlighted by an attempted coup in July 2003 by elements of the military due primarily to bread and butter issues. A team of international arbitrators, including the United States, resolved this crisis after a week and the rebels allowed the elected government to resume authority.

International Military Education and Training (IMET) programs in FY 2005 will provide training in military leadership skills, military justice, English language capability, and professional development in the Sao Tome military. Such professionalization is vital if a reoccurrence of the events of July 2003 are to be avoided. IMET programs will also support Sao Tome's democratic tradition and security management for its territorial waters.

Sao Tome and Principe is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA equipment requested under this program will be used to bolster the coastal security program thereby protecting Sao Tome's critical natural resources and its democratic political system.

Sao Tome and Principe is eligible to receive trade benefits under the African Growth and Opportunity Act. STP is also eligible to receive debt relief under the enhanced Highly Indebted Poor Countries (enhanced HIPC) Initiative.

Senegal
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	15,167	14,325	15,873
DA	15,014	12,781	10,548
FMF	480	480	500
IMET	1,062	1,000	1,100
P.L. 480 Title II	2,146	-	5,000
Peace Corps	3,543	3,504	3,602

Senegal is the United States' most important Francophone partner in sub-Saharan Africa. Our national interests there include expanding democracy and human rights, promoting economic prosperity and the rule of law, and combating terrorism. As a regional democratic and military leader, Senegal plays a key role in U.S. efforts to promote regional peace. Senegal consistently supports U.S. foreign policy initiatives, and calls for moderation in multilateral and Islamic organizations. Senegal has been at the forefront of Africa's response to African and global terrorism, actively lobbying other African and Islamic countries to take concrete steps in the fight against terror. Senegal displays a high level of military professionalism. A participant in the African Contingency Training and Assistance (ACOTA) Program, Senegal leads the Economic Community of West African States (ECOWAS) force in Cote d'Ivoire and contributes troops to peacekeeping operations (PKOs) in Liberia, Cote d'Ivoire and the Democratic Republic of the Congo.

U.S. assistance increases Senegal's regional influence as a stable, participatory democracy in a region plagued by instability. U.S. assistance supports market-based economic reforms as Senegal continues to privatize key sectors of its economy, boosts transparency in government, increases professionalism and effectiveness of the military, and relieves human suffering resulting from extreme poverty and lack of essential infrastructures in urban and rural areas.

Senegal has few natural resources and a high annual population growth rate of 2.7 percent. Historically the country has offered a poor investment climate and suffered from high urban unemployment. To encourage growth by small- and medium-size businesses in this environment, Development Assistance (DA) funds have created thousands of income-generating opportunities through the creation of 95 bank branches focusing on micro-credit loans. The number of clients receiving commercial loans has increased from 10,214 to 40,214 in two years. In addition to projects in environmental education and health awareness, the Peace Corps also supports micro-finance projects. FY 2005 DA funds will promote continued private enterprise development and improved local governance, increase the number of children who complete middle school, and remove key impediments to market-based economic growth. Conflict resolution efforts in the southern Casamance region, where a separatist insurgency has been fought for over twenty years, include micro loans, property reconstruction, and peace building activities. The United States is one of the few international donors providing humanitarian and economic relief in the Casamance. FY 2005 Child Survival and Health (CSH) funds will build on Senegal's record of success in fighting HIV/AIDS with an emphasis on prevention, behavior change, policy dialogue with political and health leaders, and increased involvement of the media in HIV prevention. CSH funds will also improve maternal and child health through reduction of malaria and other infectious diseases.

If the Government of Senegal continues to make progress in peace negotiations with Casamance insurgents, the United States could have the opportunity to support programs to demobilize, disarm, and reintegrate combatants. The United States could also play a role in de-mining, resettling refugees and internally displaced persons in their traditional villages, and economic recovery in the region.

Africa Regional Economic Support Funds (ESF) will be sought to support efforts to enhance Senegal's ability to control the movement of potential terrorists and their financial resources.

In FY 2005, International Military Education and Training (IMET) courses will improve the Senegalese military's ability to participate in regional and international peacekeeping operations while continuing to train participants in professionalism and civilian-military relations. IMET courses will complement Senegal's participation in the ACOTA Program and in African Center for Strategic Studies' seminars. ACOTA-funded peace support exercises at the brigade level, which are held between staffs from Senegal's military headquarters and third-country battalion staffs, aim to improve interoperability between multinational forces.

Senegal will also receive Foreign Military Financing (FMF) in FY 2005. These funds will enhance the ability of Senegal's military to conduct peacekeeping operations and maintain the skills they have acquired through ACOTA training. Specifically, funds will be used to provide vehicles and sea transport equipment, including maintenance support and spare parts.

Senegal is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will enhance Senegal's capabilities to participate in international peacekeeping activities.

Senegal remains eligible for trade benefits under the African Growth and Opportunity Act (AGOA). Taking advantage of trade opportunities under AGOA will further boost Senegal's economic growth and provide employment opportunities, increasing stability in Senegal and the sub-region of West Africa. Senegal, a member of both ECOWAS and the African Union, has received substantial reductions in debt payments and associated stabilization assistance from multilateral lending institutions through the Heavily Indebted Poor Countries Initiative.

Seychelles
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	53	100	100

The United States' primary national interests in the Seychelles, an island nation in the Indian Ocean, are fostering democracy and respect for human rights, and securing counter-terrorism cooperation. The United States also seeks improvements in the Seychelles' law enforcement and environmental protection mechanisms. The Seychelles supports the United States in the war on terrorism and has offered its support and facilities to the U.S. military. U.S. naval vessels make several port calls a year to the Seychelles. Despite a struggling economy and a fragile democracy, the Seychelles boasts one of the highest per capita incomes in Sub-Saharan Africa. U.S. assistance to the Seychelles, therefore, has been limited.

The Seychelles is eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA). Its manufacturing sector, while neither extensive nor diversified, is growing modestly. The economy suffers from lack of foreign exchange and a downturn in tourism. AGOA, when used effectively, can help to attract investment.

In FY 2005, International Military Education and Training (IMET) programs will contribute to developing a professional military and respect for civilian rule by providing training in civil-military relations and other specialized issues. IMET courses will include instruction on human rights, military justice, officer professionalism, defense resources management, and coastal security. The program will allow the United States to maintain military-to-military contact with Seychelles, a country in which the United States does not have a diplomatic presence.

The Seychelles is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will support the Seychelles' counter-narcotics maritime activities and coastal security efforts.

Sierra Leone
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	784	300	-
DA	3,007	3,727	3,269
ESF	11,910	4,971	5,000
IMET	318	300	300
P.L. 480 Title II	19,486	4,225	5,335

The primary U.S. interest in Sierra Leone is consolidation of the peace that has been established by massive intervention from the international community in a region marked by considerable instability. U.S. assistance supports a United Kingdom-led international effort to prevent a recurrence of the lawlessness and brutal violence that has produced thousands of deaths and injuries, war crimes, and hundreds of thousands of refugees. Broad U.S. goals are to help foster an environment in which the Government of Sierra Leone (GOSL) can control its territory, protect its citizens, provide for legal exploitation of the country's resources for future economic development, and promote the rule of law in a civil, democratic society.

Sierra Leone was peaceful in 2003, with the exception of a foiled attempt by a small group of former soldiers to steal weapons from a military warehouse in Freetown in January. All former Revolutionary United Front (RUF) and the Civil Defense Forces (CDF) combatants within Sierra Leone have been disarmed and demobilized through a program that began in 2001, and final reintegration assistance outlays occurred in December 2003. An undetermined number of RUF and CDF fighters joined factions in Liberia as mercenaries. Local elections scheduled for the fall of 2003 have been postponed until 2004, largely due to inadequate preparation by GOSL officials. The Special Court for Sierra Leone, a hybrid institution staffed both by Sierra Leone personnel and international legal experts, has indicted thirteen persons. The United States has contributed \$20 million for the Special Court.

The sustainability of peace within Sierra Leone and the region rests on the success of the "relief-to-recovery" process. U.S. assistance will address some internal threats to Sierra Leone's long-term stability such as poor governance, lack of effective popular participation in government, and widespread corruption. These conditions, combined with the effects of the war, led to the collapse of most of Sierra Leone's institutions and a near total loss of confidence in government. Revitalizing Sierra Leone's economy and society will require years of determined effort. So far, the GOSL's efforts to counter corruption have been half-hearted and ineffectual, which bodes ill for Sierra Leone's future when foreign assistance ends. Stability in neighboring Liberia and Guinea also have a significant impact on Sierra Leone. Prospects for stability in Liberia have improved with the departure of Charles Taylor and the deployment of peacekeeping forces. The potential for increasing instability in Guinea could threaten gains in Sierra Leone.

FY 2005 Development Assistance (DA) and Economic Support Funds (ESF) will be used to continue civic education and reconciliation activities in order to strengthen the electoral and political processes, improve respect for human rights throughout the country, and relieve human suffering. A large proportion of assistance will be directed toward the agricultural sector, where many Sierra Leoneans can find work. DA will also be used to solidify the GOSL's ability to manage the country's diamond resources and participate under the new Kimberley process regulations. Finally, FY 2005 DA and ESF will support continuation of the program started in FY 2002 to rehabilitate public infrastructure destroyed during 10 years of civil war.

The International Military Education and Training (IMET) program in FY 2005 will help to rebuild the military and reinforce democratic values as well as support improvement of Sierra Leone's military justice

system and civil-military relations. The program will focus on professional military training for senior military officers and on technical assistance in defense resources management.

Sierra Leone is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Assuming continued progress with the peacekeeping mission, grant EDA may be provided to support the ongoing rebuilding and restructuring of Sierra Leone's armed forces.

Sierra Leone is also eligible to receive benefits provided under the African Growth and Opportunity Act (AGOA), which provides greater access to the U.S. market as a means of enhancing U.S. economic engagement with eligible African countries and supports sustainable economic development. Necessary regulations and procedures should be in place early in 2004 to enable Sierra Leone to make use of AGOA-based trade.

The United States and other Paris Club countries forgave Sierra Leone's sovereign debt obligations in July 2002. In September 2001 the International Monetary Fund (IMF) provided Sierra Leone a \$169 million loan under its Poverty Reduction and Growth Facility.

Sierra Leone is a member of the Economic Community of West African States (ECOWAS) and the African Union.

Somalia
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	250	100	-
DA	3,122	899	986
NADR-HD	450	-	-
P.L. 480 Title II	136,422	88,984	-

The United States has three primary interests in Somalia: national security and law enforcement; democracy and human rights; and humanitarian assistance. U.S. policy goals include removing the terrorist threat in Somalia and preventing the use of Somalia as a terrorist base, ensuring that unfavorable developments in Somalia do not threaten regional peace and stability, and overcoming the long-term governance challenges exploited by terrorists in Somalia. In the absence of a national government and institutional capacity in Somalia, U.S. assistance seeks to contribute to the socio-economic recovery and create an enabling environment for long-term institutional and policy change.

The combination of civil war, external intervention, clan conflict, and poverty abetted by natural disasters has resulted in the “failed state” of Somalia. Somalia has lacked a central government since the collapse of the Siad Barre regime in 1991. In the same year, the former British colony of Somaliland declared independence from Somalia and established the self-proclaimed “Republic of Somaliland” in northwest Somalia, but has thus far failed to achieve international recognition. In 2000, reconciliation talks sponsored by the Intergovernmental Authority on Development (IGAD) resulted in the establishment of the Transitional National Government (TNG), which was given a three-year mandate to create a new central Somali government. This mandate expired in August 2003 without producing a new central Somali government. Several political and military opposition groups also currently exist, including the semi-autonomous region of Puntland in northeastern Somalia, challenging the authority of the TNG, which aspires to be the nucleus of a national government but controls only a portion of the capital, Mogadishu, and a section of Somalia’s long coastline. The United States currently does not recognize any Somali government, although it does maintain informal contacts with various provincial authorities and power centers. Numerous warlords continue to vie for dominance at the local level. Hundreds of thousands of Somalis live as refugees in neighboring countries, especially Kenya, and many others are internally displaced.

Somalia’s economy, largely based on agriculture and pastoralism, is underdeveloped. Alternating droughts and floods, combined with endemic strife, have seriously reduced productivity and threaten widespread starvation. Foreign assistance and remittances from overseas are Somalia’s primary sources of income. Despite the lack of a central government, the telecommunications industry thrives in Somalia with a wide cellular phone network and cellular phone rates amongst the cheapest in sub-Saharan Africa. Livestock, one of its principal exports, is largely banned from major regional markets in the Arabian Peninsula due to the lack of veterinary certifying capabilities for Rift Valley Fever. There is little infrastructure, and even less in the way of civil services. This situation provides a fertile ground for international terrorism and lawlessness. The assets of two organizations active in Somalia, al-Ittihad al-Islami and the al-Barakaat group, were frozen following President Bush’s executive order of September 23, 2001, due to their links to terrorist groups.

Widespread insecurity and the absence of legitimate governance in most of Somalia’s territory, combined with a shortage of information resulting from the lack of a U.S. presence in Somalia since 1995, make achieving U.S. goals in Somalia very challenging. These factors also limit the ability of the United States to

supply substantial amounts of assistance other than humanitarian aid through international humanitarian organizations and make it impossible for Somalia to participate in other arrangements, such as the African Growth and Opportunity Act.

In this context, we will provide Development Assistance (DA) funds in FY 2005 through non-governmental and international organizations to improve the standard of living of the Somali people while strengthening local governance and conflict mitigation. This mix of assistance will enable people to seek a more productive livelihood while meeting the critical needs of vulnerable groups and helping to build democratic institutions and practices in Somalia. FY 2002 regional Economic Support Funds (ESF) are being used to improve and expand basic education in Somalia and to increase retention of girls in schools in the "Republic of Somaliland". These programs are small but vital pledges of continued U.S. interest in addressing Somalia's multitude of economic and developmental problems. They have contributed to modest improvements in conditions in some areas of Somalia.

FY 2002 ESF was used to support municipal elections held in the territory of the "Republic of Somaliland" in December 2002, which were characterized as generally free and fair. In April 2003, Somaliland conducted presidential elections declared free and fair by international observers. FY 2005 Africa Regional ESF will support legislative elections, which are currently scheduled for June 2005.

Despite efforts by the USG and other donor countries, the underlying problem in Somalia continues to be the lack of a central government, without which Somalia will be unable to confront long-term terrorism issues or effectively promote economic development in the region. In this regard, the United States has provided support for Somali reconciliation talks taking place in Kenya and will continue to work with local and regional authorities and other states in the region in future reconciliation efforts to promote national dialogue and the establishment of a central Somali government.

South Africa
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	28,565	23,328	24,011
DA	34,393	28,678	26,789
ESF	80	1,988	1,000
FMF	5,950	-	-
IMET	1,258	1,600	50
INCLE	-	1,770	1,770
NADR-EXBS	-	-	25
Peace Corps	2,745	2,978	3,463

With its globally-integrated and resource-rich economy, its diplomatic profile, and its ability to project limited military force beyond its borders, South Africa is a cornerstone of regional stability and the essential foundation for economic growth in southern Africa. The United States has major interests in South Africa's continuing development as a stable, democratic and market-oriented state, one that is capable of addressing its major internal challenges (joblessness, racially-demarcated income disparities, and the health catastrophe of HIV/AIDS) and maintaining a positive and active role in Africa. Although South Africa opposes some U.S. policies in international fora, it is a cooperative partner in tangibly addressing terrorist and international crime threats, nonproliferation, regional instability and the security of Americans visiting South Africa. The government has sought a balance between using affirmative action-type policies to address the economic legacy of apartheid for its black majority while maintaining a good investment climate for domestic and foreign investors. By contributing to South Africa's economic development, the United States helps ensure the durability of the market-based model in southern Africa and sustains an open door for enhanced U.S. trade and investment in the region.

Adult HIV prevalence in South Africa is estimated at 20 percent and South Africa has the world's largest populations of AIDS victims and AIDS orphans. Out of humanitarian concern and to prevent this pandemic from undermining South Africa's development efforts, the USG, along with the South African Government and other donors, is applying increasing resources to the challenge. As one of the focus countries of the President's Emergency Plan for AIDS Relief, South Africa will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized. Child Survival and Health (CSH) programs will continue to focus on primary health care delivery, with an increased focus on capacity building. A joint DOD-NIH program will be launched in FY 2005 to help the South African National Defense Force (SANDF) deal with the HIV/AIDS challenge to the armed forces.

The United States also has a clear interest in helping South Africa address a serious problem with local and international organized crime, as well as the related threat of terrorist activity. The country's developed economy and financial institutions, coupled with incomplete or under-funded regulatory and policing powers, have left it vulnerable to crime syndicates and potentially to terrorists. Islamic extremism is a growing threat. The national police force, the South African Police Service (SAPS), is an organization still in painful transition; its legacy as an instrument of the apartheid regime still evokes public hostility, and funding cuts have eroded morale and its ability to fight ever-stronger criminal elements. Regulatory changes and additional resources are being identified to help deal with general crime, with Trafficking-in-Persons (TIP) abuses, the drug trade, document fraud and related challenges.

The South African Government has requested USG assistance to help it address international organized crime and potential terrorist threats, and our governments together have identified the following priorities for continuing assistance in FY 2005: border controls, counternarcotics, youth and domestic violence, sex crimes, organized crimes, major case management, corruption, and money laundering. In all of these areas, FY 2005 International Narcotics Control and Law Enforcement (INCLE) resources will be used to assist in building South African judicial and law enforcement capacity to deal effectively with its very serious crime problems. In addition, FY 2005 ESF resources will be used to expand existing forensic and investigative capabilities, particularly with regard to financial crime and counterfeiting, which have a direct impact on U.S. citizens and businesses.

Education is another high priority in U.S. assistance to South Africa, with the long-term objective that of workforce development. Through USAID programs in curriculum reform and implementation, teacher training, and institutional strengthening, FY 2005 Development Assistance (DA) will continue to support South African Government efforts to overcome the legacy of substandard-to-nonexistent schools, books and teachers serving the black majority. Rapidly improving the now integrated primary and secondary school system is essential if South African workers are to compete successfully under the free market model their government has embraced.

FY 2005 DA will continue to focus on and support South Africa's efforts to strengthen and consolidate democracy, with special emphasis on strengthening the criminal justice system, democratic and effective local governance, and civil society/government partnerships. USAID programs will promote the empowerment of women, establish effective local government and rule of law, and make the judicial system more accessible to and representative of the majority of the population through institutional and policy support to the Ministry of Justice. FY 2005 DA programs will also support private sector development as well as the delivery of housing and related human services.

USG-provided technical assistance is helping small, medium and micro-enterprises in South Africa succeed and in many cases expand their workforce. One aspect of this effort is to help them take advantage of the important trade benefits presented by the African Growth and Opportunity Act (AGOA). To date, over 500,000 low-income households have benefited from USG-facilitated home loan guarantees or enhanced services. USAID-facilitated technical assistance and credit for small farmers is helping another key sector and benefits historically disadvantaged farmers, including those who will participate in land-reform programs.

South Africa's political and military leadership in southern Africa and beyond is a key element for promoting regional stability. Modest funding for International Military Education and Training (IMET) activities has been requested for FY 2005.

As part of its efforts to prevent the proliferation of weapons of mass destruction, their delivery systems, related technologies, and other weapons, the United States provided Non-proliferation, Anti-terrorism, Demining and Related Programs - Export Control and Related Border Security (NADR-EXBS) funds for a cooperative program to help establish a fully effective export control system in South Africa.

South Africa is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will support South Africa's peacekeeping activities and enhance our cooperative relationship. EDA C-130s from FY 1996, as well as FY 2002 and 2003 FMF and PKO funds, were used to support South Africa's mission in Burundi.

The Peace Corps has an active program in South Africa, focusing on community health and education. Volunteers are working with educators, parents and community members to foster greater partnership between schools and their communities. They are also involved in activities related to HIV/AIDS.

Sudan
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	700	11,500	11,000
DA	18,171	50,263	70,000
ESF	7,000	9,941	20,000
IDFA-SUP	-	20,000	-
NADR-HD	896	1,000	1,800
P.L. 480 Title II	111,316	44,664	-

The primary U.S. national interests in Sudan are national security and law enforcement, democracy and human rights, and humanitarian response. Given Sudan's size, potential oil and resource wealth, and location in the volatile Horn of Africa, it is important to U.S. national interests in the region that the Sudanese reach a just, negotiated resolution to the country's ongoing civil war.

The United States is generally pleased with the Government of Sudan's cooperation on counter-terrorism, though some concerns remain due to the presence of representatives of terrorist groups such as HAMAS and Palestine Islamic Jihad. Persons based in Sudan continue to provide support to the Lord's Resistance Army, a Ugandan terrorist group, though the government does not appear to provide such support. Sudan remained on the state-sponsors of terrorism list at the end of 2003.

Sudan's civil war of 20 years is a cause of great concern to the United States and the international community. Two million Sudanese have died of war-related causes. Coupled with frequent droughts, war is the primary cause of the long-term humanitarian crisis that has required over \$1.3 billion in humanitarian assistance from the United States. This pervasive human suffering and its contribution to regional instability have necessitated continued action and involvement by the United States.

With that in mind, the chief U.S. short-term goal is an end to the conflict. Slavery, abductions, forced servitude, human rights abuses, and religious persecution are all consequences of the civil war that both warring parties say they want to end. To address these, President Bush named Senator John Danforth the Special Envoy for Peace in Sudan in September 2001. The President tasked Senator Danforth with determining whether the Sudanese are earnest in their stated desire for peace. During 2001 and 2002, Senator Danforth's work, supported by Economic Support Funds (ESF) from the Countries in Transition account, has led to the conclusion and implementation of four concrete confidence-building measures: an internationally-monitored cease fire in the Nuba Mountains, an agreement on unimpeded access for special humanitarian interventions, a report by an anti-slavery Eminent Persons Group, and the formation of a U.S.-led civilian protection and monitoring team. Support for these initiatives is essential to maintain an atmosphere conducive to peace talks while negotiations are underway. If peace talks succeed in 2004, reconstruction and development in Sudan, particularly southern Sudan, will become a high priority for the United States. Non-proliferation, Anti-terrorism, Demining and Related Programs – Humanitarian Demining (NADR-HD) resources will be required in FY 2005 to develop an indigenous humanitarian demining capacity to provide safe passage for refugee and internally displaced persons (IDP) returnees. ESF will be required in FY 2005 to ensure implementation of a just peace, including administrative, technical, legal, operational and other support. If peace talks are unsuccessful, ESF will be used to support the Sudanese opposition and provide additional assistance to the south.

Inequitable access to resources and disruptions in production, marketing and service delivery as a result of years of isolation, neglect and conflict are the primary challenges in humanitarian and development

assistance in war-affected areas of Sudan. The isolation of some areas, in combination with continued warfare have effectively stalled assistance and prevented access to even the most essential goods and services. The vast areas over which aid needs to be provided, the enormous physical challenges - from swamp to desert-like conditions - and the lack of basic infrastructure make the delivery of humanitarian and development assistance logistically very difficult and costly. Many war-affected areas of Sudan have few roads, and no electrification or telecommunications infrastructure. Millions of Sudanese lack access to basic education, business opportunities or markets, basic health care services and even rudimentary judicial systems. Communities are largely without the ability to receive accurate information about the post-peace environment, and the tools needed to promote the participation of civil society in the new government. Polio, malaria, guinea worm, river blindness, and other diseases are prevalent, and the potential threat of a rapid increase in the rate of HIV/AIDS infections is significant. In spite of these serious humanitarian and development issues, there are large areas of relative stability and calm in opposition-held areas of southern Sudan where communities are working to help themselves, but urgently need support in becoming more efficient and able to meet expectations raised by the prospect of peace.

In FY 2005, Development Assistance (DA), Child Survival and Health (CSH), and ESF will be used to continue support for the longer-term development challenges prevalent in southern Sudan, with an emphasis on building capacity at the local level and improving skills of southern Sudanese to become increasingly self-reliant. Assistance will focus on good governance, basic education, health, economic recovery and support for peace implementation. Good governance activities will include assistance to developing democratic institutions and skills, and civil society authority partnerships in decision-making. Economic recovery activities will enhance food security opportunities, including assistance in restoring and increasing traditional food production, increasing market demand and access for local sources of food, and providing access to start-up capital for small local businesses. In addition, rehabilitation of major farm-to-market roads and other infrastructure essential to economic recovery in southern Sudan will begin in 2004. Support to the peace process will include grassroots peace building initiatives led by Sudanese inter-faith and civil society organizations, and incentives such as rehabilitated water sources, schools and markets.

Swaziland
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	97	135	100
Peace Corps	1,171	1,317	1,593

Democracy, human rights and humanitarian response are our primary interests in Swaziland. Swaziland is currently reviewing a draft constitution released in March 2003. Meaningful implementation of the constitution will be critical to addressing several key concerns. Rule of law issues, particularly judicial independence, are particularly pressing. Most troubling, the country has been without a Court of Appeals since the Court resigned en masse in December 2002 due to the government's refusal to abide by two of the Court's decisions. The judicial system remains in disarray. Humanitarian concerns include the devastating impact of the nation's 38 percent HIV/AIDS adult prevalence rate which threatens economic and social stability. Lacking a bilateral aid program, we use tools such as the African Growth and Opportunity Act (AGOA) and its textile benefits to encourage economic growth – and we hope increased stability -- through increased business activity and investment.

Although Swaziland does not receive bilateral Development Assistance (DA), it benefits from regional DA funds. The regional USAID center in Botswana implements economic growth programs in Swaziland and will expand its programs in the coming years. Continued support for education will be provided through the DA-funded Africa Education Initiative. U.S. HIV/AIDS-related assistance, provided through the Regional HIV/AIDS program based in South Africa, has increased HIV/AIDS awareness and prevention, and increased the capacity of non-governmental organizations (NGOs) to provide palliative care to victims of HIV/AIDS. This program funds a small grants initiative which provides technical assistance and funding to build the capacity of NGOs. Recent recipients have included some of the primary palliative-caregivers for Swazis suffering from HIV/AIDS. The U.S. Government will also continue to conduct training workshops through this initiative. In addition, USG assistance supports the National AIDS Committee and prevention of mother to child transmission programs. In collaboration with several donors, additional assistance to strengthen HIV/AIDS surveillance is under consideration. The State and Defense Departments will continue to support an HIV/AIDS awareness program in the Swazi military. USAID provides most of the billboards, pamphlets, and other items the Swazi government uses in its HIV/AIDS public awareness efforts.

Efforts to increase the professionalism of the Swazi military directly support U.S. policy goals of advancing democracy and human rights, and humanitarian assistance. They also bolster our broader goals of supporting regional stability. FY 2005 International Military Education and Training (IMET) resources will fund military assistance programs that promote a higher degree of professionalism in the Swazi defense forces through education on the role of the military in a democracy and in respect for human rights.

Tanzania
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	25,040	21,200	19,856
DA	12,769	7,000	7,132
IMET	210	230	100
NADR-EXBS	-	544	25
NADR-SALW	-	-	200
P.L. 480 Title II	22,535	5,813	-
Peace Corps	2,822	2,424	3,387

Regional stability, counterterrorism, the promotion of democracy and human rights, humanitarian response (particularly to refugee issues), and law enforcement are the United States' principal interests in Tanzania. Tanzania's strategic location (adjacent to the Great Lakes region and just south of the conflict-prone Horn of Africa) makes it a vital partner in assuring the stability of East Africa. Having suffered an Al-Qaida terrorist attack (the 1998 bombing of the U.S. Embassy in Dar es Salaam), Tanzania is a strong supporter of the war on terrorism. Tanzania has historically enjoyed internal political stability and continues to support peace and stability in the region, particularly as regards conflict in and between the Democratic Republic of Congo (DRC), Burundi, Rwanda, and Uganda. As a member of the East Africa Community, along with Kenya and Uganda, Tanzania is working to establish economic stability throughout the region. Tanzania is the only East African member of the Southern African Development Community (SADC) and provides a vital link between these two regions on economic and political issues. President Benjamin Mkapa is the 2003-04 SADC chairman.

In Tanzania, the United States has worked to fight the scourge of HIV/AIDS and has successfully enhanced public-private partnerships to counter the disease. Working with the Ministry of Health, we crafted and implemented zonal programs to combat priority infectious diseases like malaria and tuberculosis. As one of the focus countries of the President's Emergency Plan for AIDS Relief, Tanzania will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized. CSH will fund a measles and polio immunization program and provide vitamin supplements for Tanzania's chronically vitamin A-deficient population.

FY 2005 Development Assistance (DA) funds will be used for governance, environment, and economic growth activities. As a result of four years of successful work with all major political parties in Tanzania to foster the growth of multi-party democracy, DA funding has decreased in the areas of democracy and governance. Our support for an agreement over the disputed Zanzibar election of 2000 led to peaceful by-elections in May 2003. But, we will continue to finance advanced advocacy training with 55 partner, non-governmental organizations (NGOs) and business associations, as well as an in-house training program in Parliament, and implementation of election reforms leading up to the 2005 elections. In FY 2005 significant new resources will be committed to Natural Resource Management and the environment. We have had a great deal of success working to develop Tanzania's National Park system, especially in working with local communities to better exploit their relationship with the parks. This has led to a decrease in poaching and an increase in the economic development of the communities involved. FY 2005 DA will support implementation of the Government of Tanzania's coastal strategy and fund community-based natural resource management programs. By the end of FY 2005, approximately 1.5 million hectares of land will be under conservation management. In FY 2005, more DA resources will be committed to Economic Growth as well. Improved productivity, increased access to markets and new focus on the

agricultural sector, including reducing red tape and shifting from parastatal activity to a market economy, will provide results. Already the coffee industry has been successfully assisted.

Peace Corps' FY 2005 programming plans continue to be very active and are complimentary to the use of CSH and DA funds in Tanzania. The number of volunteers is increasing rapidly in Tanzania due to the stability of the country.

Tanzania is eligible for the trade benefits of the African Growth and Opportunity Act (AGOA) and is working to complete the requirements for AGOA's additional textile and apparel benefits. The government and private sector remain intensely interested in accessing the AGOA program and attended the December 2003 AGOA Forum in Washington.

Tanzania has been key to our efforts to bring peace to the Great Lakes region of Africa. During 2003, President Mkapa, other Eastern and Southern African Presidents and the government of Tanzania significantly assisted the successful conclusion of a Burundi peace deal between the government of Burundi and the major opposition party. However, there is much work to be done as nearly 500,000 refugees prepare to return home. Tanzania will need P.L. 480 funds in FY 2005 if the current drought continues to affect food production and the refugee populations remain in country.

In the past, International Military Education and Training (IMET) programs have helped to professionalize the Tanzanian Peoples' Defense Force (TPDF) and train it to better control the country's borders as well as manage refugee flows from conflict areas like Burundi. As of January 2004, Tanzania had not signed an Article 98 agreement with the United States and is therefore restricted from receiving certain military assistance in accordance with the American Servicemen Protection Act (ASPA). If on-going negotiations with Tanzania are successful in FY 2004, IMET funds for FY 2005 will support the training of TPDF personnel in democratic values and respect for civilian institutions. Tanzania's program focuses on training for all strata of the TPDF from senior-level, Ministry of Defense officials down to non-commissioned officers. The courses will strengthen the TPDF's capacity to conduct peacekeeping and humanitarian operations. Funds will also be used to deepen the TPDF's understanding of the impact of HIV/AIDS upon the military.

If not prohibited by ASPA, Tanzania will be eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA, such as vehicles, radios, and individual clothing and equipment, will help support Tanzanian peacekeeping efforts in the region. As home to more than a million refugees over the last decade, Tanzania has benefited from IMET and EDA funds and used them effectively in the past.

Togo
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	116	125	120
Peace Corps	2,415	2,433	2,587

The United States seeks to promote democracy and human rights, advance economic development, and combat the scourge of HIV/AIDS in Togo in order to further our strategic goal of regional stability.

Togo is governed by Africa's longest-ruling head of state, President Eyadema, who has held office since 1967. Last June Eyadema won re-election in voting marked by fraud and intimidation. He ran for re-election despite pledging in 1999 to retire in 2003. A pliant National Assembly, filled by his supporters after main opposition parties boycotted legislative elections in October 2002, in December 2002 amended constitutional term limits to enable Eyadema's candidacy. Opposition parties then failed to unite behind one candidate, which contributed to their loss to Eyadema in the presidential election.

Most bilateral and multilateral aid to Togo has been cut off for a decade because of the country's stalled transition to democracy and its poor human rights record. The World Bank suspended funding in 2002 due to an accumulation of arrears and the International Monetary Fund (IMF) is closed to Togo. The Bank and Fund will not renew financial assistance to Togo until traditional donors (in particular the European Union) resume assistance based on genuine progress on democratic reforms. However, both the EU and the United States are increasingly concerned that the cut-off in assistance has only hurt the general population and left Eyadema unscathed. Targeted assistance for the education system, for instance, may be a vehicle for increased aid, if a way can be found so that Eyadema would not claim credit for the aid.

Togo is ineligible for trade benefits under the African Growth and Opportunity Act. In addition to the slow pace of democratization, there remain credible reports of human rights' violations by Togo's security forces.

The bulk of U.S. assistance to Togo goes to address health and social concerns - combating HIV/AIDS and trafficking in children. According to the United Nations, Togo has the second highest rate of HIV/AIDS in West Africa - 8.5 percent. Along with anti-HIV work with the media and civil society by a U.S. non-governmental organization (NGO) and Peace Corps volunteers, some funding is now being steered toward the Togolese military, a key disease vector, with very positive results. President Eyadema strongly supports anti-trafficking initiatives.

To support a successful transition to democracy, it is vitally important to improve the military's professionalism and commitment to democracy. The FY 2005 International Military Education and Training (IMET) program proposes to enhance the Togolese military's regard for democratic values, respect for individuals' civil and human rights, and acceptance of the rule of law. Although a modest program, it will facilitate development of professional and personal relationships that may provide U.S. access and influence in a critical sector of society. Togo is eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act.

The Peace Corps program in Togo focuses on education, business development, girls' empowerment, and protection of the environment. Peace Corps volunteers also assist local health personnel to promote activities that address HIV/AIDS prevention, nutrition, and management of health clinics.

Togo is a member of the Economic Community of West African States (ECOWAS) and the African Union.

Uganda
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	41,114	34,460	34,294
DA	27,183	27,182	20,450
FMF	-	1,990	-
IMET	170	200	225
P.L. 480 Title II	75,896	22,580	17,591
Peace Corps	1,480	1,411	1,655

Promoting democracy, liberalizing the economy, improving primary education and combating HIV/AIDS are the United States' primary interests in Uganda. Uganda solidly supports coalition efforts to defeat terrorism and has taken several effective law enforcement and financial sector actions to help the coalition. The United States also is concerned about the problem of terrorism in Uganda as the Government of Uganda continues to battle terrorists who have abducted and killed thousands of Ugandans. To address this issue, Uganda is participating in the President's East Africa Counter-terrorism Initiative. U.S. assistance will be used to promote democratization, good governance, human rights and health as we continue to create greater economic opportunity and growth for Uganda's 25 million people. Uganda struggles against a legacy of dictatorship and poverty and will continue to require donor assistance in building a democratic and prosperous future. Uganda is involved in the peace processes of three regional conflicts: the civil wars in the Democratic Republic of Congo (DRC), Sudan, and Burundi.

Under the current system of government, political parties are legal but the law severely restricts their activities. President Museveni has stated he will not seek reelection in 2006, and that political parties will be allowed to organize beginning in 2004. The United States will encourage the Government of Uganda to adhere to this timetable. Development Assistance (DA) funds are being utilized to support effective governance in Uganda, including providing technical assistance, capacity building, and training for civil society, the legislative branch, and local government. Support is also being provided to areas of the country affected by terrorist conflict to promote peace, reintegration of terrorist abductees, and development. FY 2004 Child Survival and Health Programs (CSH) funding and DA are being used for the Community Resilience and Dialogue program aimed at providing psychosocial support to formerly abducted children, internally displaced persons, and neighboring communities in Northern and Western Uganda; community peace building in conflict-affected areas; and addressing HIV/AIDS and conflict.

FY 2005 DA will be used to continue to expand economic opportunities for rural Ugandans, including support of Ugandan efforts to utilize the African Growth and Opportunity Act (AGOA) to create jobs. The United States will provide technical assistance and training to improve agricultural and livestock production, build and diversify Uganda's export base, and strengthen resource management to preserve Uganda's fragile ecosystems. Substantial attention will continue to be directed to the private sector and non-traditional agricultural exports, areas in which the United States is already working. Progress has been made in expanding the resources available to microfinance borrowers through strengthening microfinance institutions and expanding guaranteed loan funds.

In Uganda, economic growth will also depend on continued improvements in health and primary education. Ugandan government and donor efforts are addressing infant mortality, HIV/AIDS prevalence, and illiteracy rates. As one of the focus countries of the President's Emergency Plan for AIDS Relief, Uganda will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of

Global HIV/AIDS Initiative funds have yet to be finalized. CSH funds will be used to support measures to increase child immunizations, prevent the spread of tuberculosis, reduce malaria, and limit population growth. Efforts to improve child health have been integrated with work to expand the access to and quality of primary education, particularly by and for girls. These activities are supported through the provision of technical assistance and capacity-building to local non-governmental organizations.

FY 2005 International Military Education and Training (IMET) programs will help restore greater professionalism in a reorganized and downsized Ugandan military. FY 2005 IMET programming will provide training in human rights, officer professionalism, peacekeeping, and civil-military relations. This will directly support democratization efforts, create a basis for Uganda to become a possible peacekeeping contributor, and improve its capacity to combat terrorism effectively in border areas.

In FY 2005, Uganda is eligible to receive Excess Defense Articles (EDA) under Section 516 of the Foreign Assistance Act. EDA will support future peacekeeping efforts and help Uganda counter threats from terrorist organizations such as the Lord's Resistance Army.

The Peace Corps returned to Uganda in 2001 and is involved in teacher training for primary education and health extension. In FY 2004, Peace Corps plans an expansion into secondary education and teacher training.

Zambia
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	37,904	34,200	34,100
DA	15,676	13,677	11,150
IMET	225	225	225
NADR-HD	450	-	-
P.L. 480 Title II	-	-	2,877
Peace Corps	3,128	2,782	3,179

The primary U.S. national interest in Zambia is economic prosperity to support Zambia's development as a stable, peaceful, and prosperous free market democracy, enhancing the stability of southern Africa. With the unsettled situation in one of its largest neighbors (the Democratic Republic of Congo) and political and economic instability in Zimbabwe, a stable, democratic, and prosperous Zambia is important for the United States and the region. As a country with significant natural resources, a market-based economy, and a multi-party democratic political system, Zambia can play a significant role in promoting peace and stability in a region of growing importance to the United States. Food security in Zambia and the sub-region will be enhanced by better governance, increased public participation in decision-making, and broadened public debate. A peaceful, democratic Zambia will assist in the war against terrorism by denying terrorists refuge and financial or other support.

Democracy and good governance are essential to the long-term stability and economic growth of Zambia. FY 2005 Development Assistance (DA) funds will support Zambian efforts, both governmental and non-governmental, to strengthen democracy. The current national leadership promised to fight corruption and is following through with public prosecutions of members of the previous administration. Regional Economic Support Funds (ESF) will be used to implement public prosecutor-led investigations of corruption cases. The December 2001 elections resulted in the emergence of a large and potentially effective opposition presence at all levels of government. Projects will assist activities related to strengthening the parliament, enhancing the role of civil society in governance, and improving the administration of justice, public debate, and selected local government councils. Funds will support the establishment of a permanent alternative dispute resolution center.

Zambia's economy continues to overcome decades of statist economic policies. FY 2005 DA will support market-oriented economic reforms and increase the productive capacity of rural Zambia. Such activities will include support for improved soil conservation techniques, better product marketing skills, and a micro-credit insurance program. Projects will also support business linkages in all economic sectors, with particular emphasis on agriculture, light manufacturing, information technology, and tourism. Zambia has recently qualified for trade benefits under the African Growth and Opportunity Act (AGOA). Zambia is scheduled to be granted debt relief by the International Monetary Fund and World Bank under the enhanced Highly Indebted Poor Countries (HIPC) initiative in mid 2004. Zambia is the home of the secretariat of the Common Market of Eastern and Southern Africa (COMESA), which is working to expand regional economic integration -- an objective the United States shares -- to promote prosperity and stability both within Zambia and throughout the region. U.S. companies continue to benefit from investments in a range of sectors in Zambia, especially energy and mining-related enterprises.

To develop one of Zambia's greatest resources -- its people -- DA will be used to increase the quality of and access to primary education, as well as to improve school-based health and nutrition. The Peace Corps is

working at the grassroots level to expand economic opportunities, improve sanitation and health care, and enhance basic education, while providing excellent opportunities for volunteer service to Americans.

Diseases and their effects significantly hamper economic growth. Zambia is struggling to deal with high fertility rates and infectious diseases, including the HIV/AIDS epidemic. One-fifth of the adult population is HIV positive. As one of the focus countries of the President's Emergency Plan for AIDS Relief, Zambia will receive a portion of the \$1.45 billion requested for the Global HIV/AIDS Initiative account to expand comprehensive and integrated prevention, care and treatment programs. Country allocations of Global HIV/AIDS Initiative funds have yet to be finalized. FY 2005 Child Survival and Health (CSH) funds will support child survival and maternal health care programs, expand malaria prevention and treatment programs, reduce vitamin deficiencies, further consolidate immunization services, and prevent and treat diarrheal diseases. Assistance will also be provided to local-level Zambia health management teams. In addition, the Centers for Disease Control and Prevention is working in Zambia to monitor HIV prevalence, build public health laboratory capacity, and improve programs to prevent and treat tuberculosis and sexually transmitted infections.

The International Military Education and Training (IMET) program supports regional stability and enhances democratic values in the Zambian military. FY 2005 IMET will enable Zambian military personnel to attend courses at the Defense Institute of International Legal Studies and U.S. military staff colleges and receive training in peacekeeping, logistics, defense resources management, and tactics. IMET will also fund courses in anti-corruption and terrorism.

Zambia will be eligible in FY 2005 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will help Zambia to better control its borders and participate in peacekeeping activities.

Landmines in five provinces render an estimated 2,500-square-kilometer area inhospitable for economic development activities. Zambia was accepted into the U.S. Humanitarian Demining Program in FY 2001, and U.S. NADR-HD funds have helped to train and equip an indigenous humanitarian demining unit. FY 2005 NADR funds will enable Zambia to continue mine risk education and humanitarian demining operations that reduce landmine casualties.

The International Law Enforcement Academy in Gaborone, Botswana provides training opportunities for Zambian law enforcement and drug enforcement agents.

Zimbabwe
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
CSH	11,923	11,100	11,369
DA	2,919	746	1,246
ESF	4,050	2,982	2,000

Zimbabwe is in the midst of worsening political, economic, and humanitarian crises resulting from its government's misrule, repression, and economic mismanagement. Zimbabwe's collapse has caused unrest and great hardships within the country, population dislocations to neighboring countries, and damage to regional economic development. The principal U.S. interests in Zimbabwe are democracy, human rights and economic prosperity. Our policy seeks re-emergence of Zimbabwe as a country with a democratically legitimate government that respects the rule of law and wellbeing of its citizens, that fosters regional peace and stability, and that follows sound economic policies contributing to regional economic growth. Repairing Zimbabwe's tattered institutions and rebuilding its economy will be a long and difficult process that cannot begin without first addressing the underlying political crisis that polarizes this troubled nation. Assistance will help Zimbabwe address its acute HIV/AIDS problem and food shortages, foster reforms to help reverse Zimbabwe's economic and political decline, restore the rule of law and respect for human rights, and promote regional stability. The program remains subject to the restrictions of the Brooke-Alexander Amendment and Section 620q. U.S. policy restricts provision of direct assistance to the Government of Zimbabwe (GOZ). Despite strained relations, Zimbabwe cooperates with the United States on law enforcement and counter-terrorism matters.

Zimbabwe was once a post-independence success story and a force for regional stability and growth, but the actions of the GOZ over the last several years have caused immense damage to the nation's economy, democratic institutions, social cohesion, and welfare. Zimbabwe is experiencing negative economic growth (-13 percent), high inflation (620 percent), and chronic unemployment (70 percent). Political instability, violence and increasing poverty are undermining social stability and the rule of law. Severe food shortages threaten seven million people, over half the population, for a second straight year and will require infusion of donor resources for the foreseeable future. Nearly one-third of the sexually active population is HIV-positive. Acute shortages in basic food supplies, medicines, and fuel persist. The nation's crisis has resulted in a large-scale exodus of teachers, social/health care workers, and professionals with marketable skills. Life expectancy has declined from 61 years in 1990 to 34 years in 2002, infant mortality is 76 per 1,000 live births, and under-five child mortality is 123 per 1,000 live births.

FY 2005 Child Survival and Health (CSH) programs will mitigate the devastating HIV/AIDS pandemic by supporting voluntary HIV counseling and testing (VCT); assistance to those testing positive; economic opportunities for HIV/AIDS-affected households; behavior modification and awareness campaigns; condom availability; public sector and civil society capacity to advance HIV/AIDS policies; assistance to orphans and vulnerable children (OVC); a national anti-retroviral therapy (ART) program; and a national prevention-of-mother-to-child-transmission program. During FY 2004 five additional VCT sites (for a total of 20) and mobile VCT services are being established; social marketing of condoms will result in the sale of at least 26 million male and one million female condoms; mass media campaigns will encourage risk reduction strategies including abstinence and fidelity; over 200 faith-based leaders will receive HIV policy advocacy training; and an estimated 150,000 of Zimbabwe's estimated 800,000 OVC will receive U.S.-supported community-based assistance. In response to the food crisis, the United States is collaborating with UN agencies, other donors, and non-governmental organizations (NGOs) to provide food aid to as many as seven million of the 11 million Zimbabweans remaining in the country.

FY 2005 Development Assistance (DA) and Economic Support Funds (ESF) will continue to promote democracy by increasing civil society's ability to influence economic and political policymaking, especially in Parliament and at local government levels; by building a more effective and accessible Parliament; and by supporting local authorities to be more capable and open to local citizen input. During FY 2005, 15 civil society organizations (CSOs) will receive ongoing training and technical assistance as well as institutional support to strengthen their organizational structures and advocacy to Parliament. This support will help these organizations press for transparency, respect for the rule of law, and changes to repressive legislation while articulating constituents' concerns. The viability of CSOs and an improved culture of interaction between policymakers and organizations representing groups of citizens will foster Zimbabwe's eventual political transition. Progress to date includes sustained CSO viability despite a climate of severe repression and intimidation, greater CSO participation in parliamentary public hearings and committee meetings, and greater parliamentary oversight resulting in several reports critical of Executive branch programs and policies.

CSH, DA, and ESF funds will increase access to economic opportunities for disadvantaged groups in rural and peri-urban Zimbabwe through increased provision of business, communications, and technical services. In light of Zimbabwe's ongoing food crisis and severe economic contraction, food security activities that provide income have become a centerpiece of this program. Anticipated activities for FY 2005 include continued support to two leading micro-finance institutions to provide small loans and other financial services, and training in business, communications, and technical areas. In FY-2003, an estimated 420,126 individuals from over 70,000 households benefited from services funded by the program. By the project's end, 240,049 households representing almost 1.5 million Zimbabweans will have benefited from the program. By helping disadvantaged groups realize economic opportunities, these programs also help address their food security concerns, mitigate the impact of HIV/AIDS through improved diet, and improve livelihoods.

Zimbabwe is not currently eligible for the African Growth and Opportunity Act or for security assistance, largely due to the prevailing political and human rights situation. The Peace Corps presence in Zimbabwe was suspended in November 2001 when the Government of Zimbabwe failed to provide work permits for volunteer teachers.

African Contingency Operations Training and Assistance

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
PKO	8,000	14,912	15,000

The African Contingency Operations Training and Assistance (ACOTA) program trains and prepares select African militaries to respond effectively to peace support and humanitarian crises on their continent. The program's comprehensive approach reduces quick response demands on the United States while assuring that the United States is a key partner to peace support efforts in Africa. The program enables African military contingents from different countries to execute multinational peacekeeping operations (PKO) by providing them with interoperable peace support operations skills and basic equipment.

ACOTA works in collaboration with our African partners and European allies and in general agreement with the G-8/Africa "Plan to Enhance African Capabilities to Undertake Peace Support Operations." Major changes in the program include providing additional flexibility in the training offered (including preparation for higher threat peacekeeping operations), developing the ability of partner nations to sustain capabilities through their own peacekeeping training capacity, and integrating ACOTA efforts with other peacekeeping training. ACOTA also emphasizes equipment maintenance, works with regional and sub-regional organizations, makes use of evaluation measures, and coordinates crisis response training with other U.S. Government programs. The process centers on extensive consultations with African countries and other stakeholders.

ACOTA enhances African capabilities to participate in an expanded range of peace support operations through a program combining classroom instruction, field training, and computer-assisted exercises. Emphasis is placed on preparing host nation trainers to conduct programs of instruction in tasks such as convoy escort, logistics, protection of refugees, negotiations, robust force protection, and command and control. Brigade-level training develops skills necessary for effective sub-regional command and control structures. The program integrates humanitarian, nongovernmental, and international relief organization participation into the training program in order to facilitate critical coordination in real-world operations. ACOTA funds provide basic equipment appropriate to peace support operations (PSOs), such as a comprehensive communications package, portable electric power generators, soldier support, mine detectors, night vision devices, portable light sets, and water purification units.

In 2003, ACOTA training was conducted in Ghana, Kenya, Ethiopia, Senegal and Botswana. The program provides PSO skill training and equipment to battalions capable of PSO deployment, while developing trainer cadres in the partner military that can provide sustained capacity for these militaries to train and prepare their own troops to operate effectively in peace support situations.

ACOTA partners have been instrumental in regional and international efforts to achieve security and stability in Africa. ACOTA and its predecessor program, the African Crisis Response Initiative (ACRI), partner countries are currently active in every UN and regionally-mandated peace mission in sub-Saharan Africa. Kenya provides the current Force Commander for the UN mission in Liberia (UNMIL) and one battalion to the UN mission in Sierra Leone (UNAMSIL), while Ghana provides another battalion. Ghana, Benin, and Mali have contingents serving in UNMIL. Kenya provides a battalion to the UN mission in Eritrea/Ethiopia, and an ACRI-trained Ghanaian brigadier serves as the chief Africa Union military advisor to this peacekeeping effort. Senegal and Ghana provide contingents to the UN mission in the Democratic Republic of Congo (MONUC), while Malawi provides a number of military observers. ACRI/ACOTA trained elements are deployed as part of the Economic Community of West African States (ECOWAS)-

mandated peacekeeping force enforcing the fragile cease-fire in the Ivory Coast, while Ethiopia provides an ACOTA-assisted battalion to support Africa Union peacekeeping efforts in Burundi.

In FY 2005, Peacekeeping Operations funds are needed to continue the ACOTA training program designed for partner countries such as Botswana, Senegal, Mali, and/or South Africa. The program will conduct bilateral and multinational brigade-level training exercises (that include sub-regional organization participants), continue cross-regional work, expand equipment and logistics training support, and begin assistance and training with at least two new partner nations. In addition, training/mentoring support to African regional security organizations will be expanded to help establish strong planning and organizational units that can respond to humanitarian and peacekeeping crises in the region.

Africa Regional Fund

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
ESF	14,390	11,929	11,000
ESF-REIMB	15,740	-	-

The Africa Regional Fund addresses the democracy and human rights, economic prosperity, law enforcement, and global issues interests of the United States. Democracy promotion in Africa is not only a reflection of American ideals but represents the bedrock supporting all key U.S. interests on the continent. Democracy represents a stabilizing force capable of alleviating humanitarian crises resulting from armed political power struggles that cost the United States billions of dollars each year. U.S. economic prosperity flourishes through partnerships with stable governments that strive to enforce the rule of law and create suitable investment climates. Like-minded democracies also make the best partners in our global efforts to address international concerns ranging from terrorism, crime, and drug trafficking to weapons proliferation, environmental degradation, and the spread of infectious diseases.

Institutional weakness, civil, ethnic and religious strife, environmental hazards, and corrupt regimes combine to make parts of Africa highly unstable and unpredictable. Economic Support Funds (ESF) offer distinct advantages for dealing with unanticipated developments or taking advantage of limited windows of opportunity as they open. More ESF resources have been requested in country-specific accounts in FY 2004 and FY 2005 than in the recent past. While the Countries in Transition Fund has been eliminated as a result, the Africa Regional Fund has been retained to respond to more immediate, less predictable needs, and to achieve U.S. foreign policy objectives in countries where USAID has no presence. FY 2005 programming with Regional ESF will permit strategic investments in countries with the will to cooperate on counterterrorism and democracy strengthening initiatives but without the means. Assistance will support efforts to help countries draft counter-terrorism legislation, improve administration of borders, combat money laundering, and create stable governments in places such as Somalia where anarchy gives terrorists potential new bases.

Creating opportunities for American investment depends on stable and predictable institutions of governance. The use of Regional ESF in FY 2005 will also strengthen the rule of law and democratic development through timely interventions in support of electoral processes, human rights, judiciaries, the media, and civil society.

Nearly half of the FY 2005 Africa Regional ESF will be used for democracy, election support, and human rights projects. This might include projects to strengthen parliaments, central governments, and civil society in countries that are not included in the bilateral funding requests; support elections; and address trafficking-in-persons and other human rights concerns in countries such as Cameroon, the Central African Republic, Equatorial Guinea, Chad, and Sao Tome and Principe; as well as efforts to increase the capacity of the Rwandan judicial system to prosecute genocide cases transferred from the International Criminal Tribunal for Rwanda. Roughly one quarter of the FY 2005 Africa Regional ESF will be used to support counterterrorism training and assistance not otherwise provided through other programs, including projects to help countries draft counter-terrorism legislation, improve administration of borders, and combat money laundering.

FY 2005 Regional ESF will also support African efforts to manage its environment and natural resources that are of global value such as the Congo Basin Forest. Its diverse and unique environments also help make tourism the second leading earner of foreign currency in Africa. ESF projects help fill gaps in current efforts to achieve habitat, resource, and species conservation, as well as promote cross-border cooperation.

A special effort is made to ensure that affected communities have a voice in decision-making and derive economic benefit from sustainable management of resources. Helping Africa protect its environment and manage its resources in a sustainable manner will not only help preserve globally important habitats and provide economic opportunity for Africans, it contributes to development of diversified economies that can benefit U.S. interests through trade and investment relationships.

Effective government is necessary for economic growth. FY 2005 Africa Regional ESF will support economic reform through programs that assist with implementation of the African Growth and Opportunity Act (AGOA), trade and investment promotion, and development of capital markets. Donor coordination and burden sharing will help ensure that U.S. resources are used strategically and continue to achieve maximum results with minimum duplication.

Nigeria's success fielding a second civilian administration after national elections held in Spring 2003 represented a landmark development that was helped in large measure by the use of targeted ESF resources to strengthen civil society and field domestic and international election observers. ESF resources were also used to support successful elections, and important democratic progress, in Ghana, Malawi, and Mali. Our successes are not limited to election support activities, however, and we have realized gains in ESF-supported efforts to work with Africans to strengthen their capabilities to impede the flow of terrorist finances, improve border and airport security, and improve judicial systems.

Africa Regional Peacekeeping

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
PKO	59,134	8,947	45,000

Africa's greatest challenges are conflict resolution and regional stability. Conflict in Africa undermines efforts at promoting effective governance, human rights and economic growth. With U.S. troops and resources heavily dedicated in response to the war on terrorism, it is critical that we continue to invest in efforts to manage and reduce conflict in Africa, and to create an African capacity to respond to their own contingencies. Peacekeeping Operations (PKO) funds will be used to help end destructive conflicts in Sudan, Burundi, the Democratic Republic of Congo (DRC), and Cote d'Ivoire, as well as Liberia and the other Mano River states of Sierra Leone and Guinea. Funds will be used to place African forces in the field either to guard against the outbreak of fighting or to uphold ceasefires and peace agreements. PKO funds will also help to implement vital security sector reform (SSR) requirements in Liberia and Sudan. In addition, PKO resources will continue to be used to sustain or implement important capacity building efforts in regional organizations such as the African Union (AU) and the Economic Community of West African States (ECOWAS). These low expenditures provide improved U.S. access, increase U.S. leverage to press parties to fulfill commitments, and make it more likely that capable African forces will respond regionally, reducing a potential need to deploy U.S. troops.

For West Africa, PKO funds will be used to continue programs to train and restructure Liberia's armed forces, an absolutely vital component of bringing stability to Liberia and the region and allowing the UN to drawdown its large peacekeeping mission. Funds are also needed to assist African peacekeepers to complete peacekeeping activities in Cote d'Ivoire, but more importantly to help assist the country to reintegrate and reform the military so that it no longer poses a hazard to democratic governance. Funds will also help West African forces maintain and use USG-provided surplus military equipment at the Logistics and Logistics Training Depot in Freetown, Sierra Leone; support ECOWAS with communications among member states; and train peacekeeping units and staffs at three regional training centers.

In the Democratic Republic of Congo (DRC) and Burundi, scene of Africa's first multi-nation regional war and an extreme humanitarian crisis, PKO funds will enable African forces to deploy in support of peace agreements. Assistance will include individual equipment, vehicles, communications gear, generators, aerial and sea transport, and contract logistics. Funds will also support demobilization and disarmament of rebel forces in the region. In conjunction with European partners, we will continue efforts to integrate and reform the Congolese and Burundian armies.

In the Sudan, with the presumed end to the civil war, consolidating the peace through reform of the security forces and deployment of international and peacekeeping and monitoring mechanisms will require support. Of most importance will be supporting the process of integrating the new Sudanese joint-integrated military units while helping reform the Sudanese Peoples Liberation Army (SPLA). This assistance will include training and equipment to professionalize the senior defense staff, to train newly integrated and SPLA units, especially on civil-military relations and human rights, and to provide defense resources management. PKO funds will also support deployment of regional monitors and peacekeepers through equipment, training and logistical support.

PKO-funded programs have produced concrete results in our efforts to bring peace to Africa and expand African capacity to manage conflict. In FY's 2002 and 2003, the USG assisted the deployment of South African National Defense Force (SANDF) and Ethiopian Peoples' Defense Force peacekeepers to Burundi, which was critical to bringing parties to Bujumbura so that a long-term peace agreement could be signed

and implemented. During FY 2002 and FY 2003 in Sudan, the Department selected a contractor to run the Civilian Protection Monitoring Team (CPMT) and provided logistics support to the Joint Military Commission in the Nuba Mountains. Both of these efforts were vital to heightening confidence in the peace negotiations in Kenya as well as improving the humanitarian and human rights environment in Sudan.

In West Africa, our capacity building assistance to ECOWAS has paid great dividends as the organization seeks to support the peace agreements in Liberia and Cote d'Ivoire. As a direct result of U.S. logistics assistance, West African peacekeepers deployed to Liberia soon after the signing of the peace agreement and helped abate the humanitarian crisis and restore peace to many parts of the country. PKO-funded contractor logistics has supported the ECOWAS Mission in Cote d'Ivoire (ECOMICI) which has successfully monitored the ceasefire line and mitigated early calls for the transition to a much more expensive UN force.

PKO funds are supporting efforts to strengthen the Achilles' heel of African forces everywhere: logistics. The PKO-funded Logistics and Logistics Training Depot in Freetown, Sierra Leone has played a critical role in two separate ECOWAS deployments in 2003. With U.S. and French assistance, including through the use of USG-owned equipment maintained at the Freetown depot, five ECOWAS countries deployed to Cote d'Ivoire in January 2003. Later, the depot helped facilitate the deployment of ECOWAS peacekeepers to Liberia. ECOWAS is also aided in this effort through a PKO-funded satellite communications package that linked member state ministries of defense on a round-the-clock basis.

Using FY 2002 and FY 2003 PKO funding, the Department has sponsored the Pan Sahel Initiative (PSI), a multi-year effort to wage the war on terrorism and enhance regional peace and security in the Sahel region of West Africa. PSI aims to assist the countries of the Sahel – Chad, Niger, Mauritania and Mali – in counterterrorism, controlling their borders, countering traffickers and smugglers, and monitoring the trafficking of people and illicit material through their territories. Initial coordination activities funded by PKO have drawn countries in the region together and permitted information sharing and operational coordination which will improve their collective ability to respond to threats within and between their borders. Special unit training begins in FY 2004.

Military Health Affairs

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
FMF	1,990	1,490	2,000

The HIV pandemic is ravaging Africa, and its effects are especially pernicious in one of the continent's most prominent institutions, the military. African uniformed services are estimated to carry HIV-positive rates twice that of the local populations. Compounding the deleterious effects of the military HIV vector is the fact that governments in many sub-Saharan African countries often neglect to provide health care resources for uniformed services. Further, international HIV/AIDS organizations rarely address the problems inherent in the military sector. Among Western nations, the United States stands alone in offering a program for African military forces. Keeping African militaries healthy and capable of protecting the state and its citizens, and able to participate in regional and international peacekeeping operations is directly related to U.S. foreign policy goals. Retaining African military personnel who have benefited from U.S. technical training, International Military Education and Training (IMET), and other capacity development programs for the duration of their careers is also a sound investment.

Under provisions of the Department of Defense (DoD) HIV/AIDS Prevention Program, the DoD provided \$3.5 million in Health Care funds in FY 2003 and will provide nearly \$4 million in FY 2004. DoD's role under this program is limited to supporting training and education activities for sub-Saharan African militaries. The Naval Health Research Center in San Diego has been sending medical teams to sub-Saharan Africa as part of this two-year initiative. The teams assist with HIV prevention programs in 27 African militaries with the following objectives:

- Establish HIV/AIDS-specific policies for military personnel.
- Adapt and provide HIV prevention programs.
- Train military personnel to implement, maintain, and evaluate HIV prevention programs.
- Provide information/training to change high-risk HIV attitudes and behaviors among military personnel.
- Integrate and make use of other U.S. government programs and those managed by allies and the United Nations.

FY 2005 Foreign Military Financing (FMF) funds are required to supplement the DoD HIV/AIDS Prevention Program effort through the procurement of laboratory and medical supplies, testing equipment, and rapid test field kits that will both complement and sustain the training initiative in African partner countries.

All these activities are being integrated into the President's Emergency Plan for AIDS Relief and are within the purview of the Global AIDS Coordinator.

Regional Organizations

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
ESF	1,700	2,982	1,000

U.S. support of African regional organizations increases trade and the free flow of goods, services and capital to achieve the goals of economic prosperity and security, and regional stability. Regional economic integration can promote greater U.S. trade and investment in the region as small fragmented African economies combine to achieve the kind of market scale needed to attract U.S. traders and investors. The Regional Organizations ESF program will provide technical assistance to such regional organizations as the Southern African Development Community (SADC); East Africa Community (EAC); Common Market of Eastern and Southern Africa (COMESA); Economic Community of West African States (ECOWAS); and West African Economic and Monetary Union (WAEMU);

FY 2005 Regional Organizations ESF will be used to strengthen the institutional capacity of the organizations themselves and help them design the kinds of initiatives and programs that will contribute to regional and global economic integration, especially for opening markets and harmonizing tariff structures, and for investment and sectoral policies. Adherence to World Trade Organization (WTO) standards, and customs, border, and financial sector reforms that promote integration are some of the goals that will be pursued.

While ECOWAS has seen notable success in West Africa in the area of conflict resolution, it does not have a strong record of achievement in fostering sub-regional economic integration and is working to improve its performance in this area. However, a subset of eight ECOWAS members have formed WAEMU and made great strides toward economic integration. In this context, ESF will be used to assist ECOWAS to implement its decision to adopt the common external tariff put into place earlier by the WAEMU countries. Working with the ECOWAS Community Computing Center, this will involve funding to provide a computer network link among relevant trade and statistical agencies and training for personnel using the network as well as funding for mixed public/private sector trade committees to examine and make recommendations concerning other impediments to greater intra-regional trade.

In east and southern Africa, the focus will be on workshops and training to promote the harmonization of investment codes and regional policies to promote greater trade in agriculture within COMESA. There will be a particular focus on training to strengthen capacity in the area of phytosanitary regulation, taking advantage of the first ever appointment of an Agriculture and Phytosanitary Inspection Service (APHIS) specialist to the regional USAID competitiveness hub. ESF will be used to continue the African Growth and Opportunity Act (AGOA) linkages program in collaboration with the International Executive Services Corps to accelerate trade and investment links between the United States and COMESA countries.

Over the past several years a number of these organizations have registered notable progress in regional integration. The West African Economic and Monetary Union began implementation of a common external tariff and attracted a major U.S. investment that was predicated on the single regional market. COMESA's reduction of tariff barriers has resulted in a rapid increase in intra-regional trade from \$300 million to \$2.7 billion in ten years. Under the AGOA linkages program, there has been a concerted effort to achieve phytosanitary standards for the produce of fresh fruits and vegetables with Zambia gaining USDA approval for the export of a number of additional products to the United States. In addition, two of these regional organizations, COMESA (2000) and WAEMU (2001) have entered into Trade and Investment Framework Agreements (TIFAs) with the United States. These organizations have also served as valuable

platforms for AGOA Implementation Workshops as well as for consultations between the United States and African member states of these regional organizations on WTO matters.

Safe Skies
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
ESF	5,000	4,971	5,000

The Safe Skies for Africa (SSFA) initiative enhances U.S. economic prosperity, improves international law enforcement, increases the safety and security of airline passengers, including U.S. citizens, and advances the fight against terrorism. SSFA also encourages economic integration and growth and facilitates the expansion of aviation links, expanding opportunities for business travel, tourism, and cargo movements. Sub-Saharan Africa's enhanced participation in the global economy will lead to an increase in U.S. exports and imports from the region and promote regional stability. In addition to aviation security, improved passenger and baggage screening brought about by SSFA helps to combat narcotics trafficking and weapons smuggling.

SSFA recognizes that aviation safety and airport security are prerequisites for African economic development and will contribute to increased trade and investment between the United States and Sub-Saharan Africa. The primary goal of SSFA is to increase the number of African nations meeting International Civil Aviation Organization (ICAO) standards, but there are also four other components:

- Economic development;
- Combating international terrorism;
- Promoting U.S. exports; and
- Combating illegal drugs and contraband smuggling.

In FY's 2000 and 2001, SSFA interagency teams, composed of representatives from the Department of Transportation (DOT), the Federal Aviation Administration (FAA), the Department of Defense, and elements of what is now the Department of Homeland Security, surveyed airports in eight of the now ten SSFA countries. The resultant detailed reports are being used as the roadmaps for reaching ICAO standards in aviation safety and security in these countries. The original nine Safe Skies countries are Kenya, Tanzania, Cape Verde, Angola, Cameroon, Namibia, Mali, Zimbabwe, and Cote d'Ivoire. In FY 2003, Uganda became the newest SSFA participant. SSFA activities in Cote d'Ivoire are currently suspended under sanctions mandated by Section 508 of the Foreign Assistance Act and activities with Zimbabwe are in abeyance due to political considerations, leaving eight active SSFA partners in 2004.

SSFA teams continued work in FY 2002 and FY 2003 with aviation officials from these eight SSFA countries and began implementation of SSFA recommendations, work that is continuing in FY 2004 and being intensified under the President's Counterterrorism Initiative for East Africa. In FY 2003, Cape Verde became the first SSFA participant to attain FAA Category I status. (A Category I rating indicates that a country's civil aviation authority has been found by an FAA audit to meet ICAO safety oversight standards. A country must have a Category I rating before it can begin direct flights to the United States.) Based on future DOT recommendations, Safe Skies may invite additional countries to participate in FY 2004 and FY 2005. Nations being considered include Benin, Botswana, Gabon, Mauritius, and Mozambique.

The tragic events of September 11, 2001 forced the Department of State and its implementing partner DOT to review the priorities of the Safe Skies program. State and DOT agreed on the need to retain the goal of increasing the number of African nations meeting ICAO standards on both safety and security. Achieving

this goal would allow more African airlines to fly international routes and advance the integration of Africa into the global economy. However, both departments also recognized the urgency of improving passenger and baggage management and screening to prevent terrorist incidents. Aviation security in Africa has been described as the “soft underbelly” of the world aviation security system. Therefore, based on FAA security surveys, the Safe Skies program supplied x-ray, explosive trace detectors, and other similar equipment to seven SSFA nations in FY 2003 and will also do so for Uganda in FY 2004. Also, a regional safety and security expert will be stationed in Nairobi in FY 2004 for at least one year.

SSFA also promotes U.S. exports by bringing together U.S. industry and African Civil Aviation authorities on a specific and regional basis. This is usually done in cooperation with the U.S. Trade and Development Agency and is an effective and productive means of educating U.S. companies on the potential commercial opportunities presented by Safe Skies. For example, SSFA funded a Fall 2002 conference on air cargo operations in Washington, D.C., that brought together country and commercial sector representatives to discuss expansion of air cargo operations, and a regional conference in East Africa concerning satellite navigational systems.

In FY 2004 and FY 2005, DOT, State’s implementing partner intends to continue its efforts to bring several more of the Safe Skies countries into compliance with ICAO safety and security standards, especially Kenya and Tanzania, and hopes to advance its activities to establish self-sustaining Regional Training Facilities in one or more of the designated Safe Skies countries. Such facilities are intended to support the near-term goal of providing human capacity-building in a more cost-effective manner and, in the longer term, serve African nations and promote aviation safety, security, and capacity-building after the U.S. - funded SSFA program ends.