

II. REQUEST BY REGION

Africa
East Asia and the Pacific
Europe and Eurasia
Near East
South Asia
Western Hemisphere

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AFRICA

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Angola
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	7,111	14,623	13,374
DA	4,990	4,468	7,544
ESF	2,726	2,970	2,500
IMET	313	396	400
NADR-HD	6,172	6,000	6,000
NADR-SALW	115	-	-
P.L. 480 Title II	29,250	-	10,000

The United States has strategic, economic, and humanitarian interests in facilitating Angola's post-war consolidation of peace and economic recovery. U.S. assistance policies and programs support Angola's progress toward a stable, multi-party democracy, sound and transparent fiscal governance and economic development, and a healthy, more productive, and increasingly prosperous population. A stable, democratic, and economically progressive Angola will have a major positive impact on the continent, and can contribute to the international fight against terrorists, drug traffickers, and organized crime. Already a major U.S. energy supplier, Angola's oil production is expected to reach to two million barrels per day by 2008. U.S. investment in Angola's energy sector calls for economic and political stability. The relatively low HIV/AIDS infection rate of 2.8 percent presents an opportunity to control the disease that is ravaging Angola's neighbors. With a large military and expressed interest in peacekeeping, Angola can potentially play a helpful role in regional stability and peacekeeping operations.

Since the end of the civil war in 2002, the Government of Angola (GRA) has slowly undertaken economic reforms and begun preparations for national elections. Despite the country's oil and mineral wealth and agricultural potential, Angola's health and social indicators are among the worst in the world. An estimated 4 million internally displaced civilians, ex-combatants, and refugees have returned to their former homes or settled permanently elsewhere in Angola. U.S. assistance is critical in ensuring the country's progress toward democracy, good governance, and prosperity.

FY 2007 Child Survival and Health (CSH) funds will improve the responsiveness of local and national health care providers by increasing capacity, promoting reform, and supporting maternal and child health (MCH) and HIV/AIDS programs to reduce morbidity and mortality. The MCH component supports activities to monitor and eradicate polio, and protect children and pregnant women from malaria. We will support the distribution of insecticide treated bed nets, indoor residual spraying, and the upgrade of institutional capabilities of the health ministry's national malaria control program, as well as a nationwide malaria monitoring and evaluation system to measure success of the President's Malaria Initiative. The HIV/AIDS component will continue prevention efforts particularly among populations with high-risk behavior and high transmission potential, expanding the number and reach of voluntary counseling and testing centers, advocating behavioral change and counseling efforts, condom distribution, and reduction of TB complications and mother-to-child transmission. CSH-funded programs have helped achieve an 11 percent increase in the use of oral hydration therapy to treat children with diarrhea, a near doubling of the percentage of children under five sleeping under a bed net, and greater access for pregnant women to prenatal care, tetanus immunizations, and safe delivery at health centers. Behavioral change and communications programs have also raised HIV/AIDS awareness among commercial sex workers and youth.

FY 2007 Development Assistance (DA) will support democratic local government capacity building and foster an environment conducive to broad-based economic growth. Programs will provide technical assistance and training to strengthen local and municipal governmental and non-governmental institutions, as well as community-based organizations, and facilitate access to and productive use of resources such as financial services and property rights for agricultural sector entrepreneurs and small and medium businesses. These programs will revitalize rural economies and improve the food security of subsistence farmers, allowing Angolans to feed themselves. Technical assistance to strengthen the regulatory and supervisory capacity of the Central Bank of Angola will enhance the operational efficiency of the financial sector and improve the enabling environment for the development of non-bank financial service providers. The United States will use a Junior Achievement approach to provide youth with hands-on experiences to prepare them for vocational training. The United States will continue to support the independent think tank at the Catholic University of Angola to increase locally produced socio-economic research and analysis and encourage more open debate. Through technical assistance and training, the United States will continue to strengthen the capacity of selected civil society organizations (CSOs) and improve the GRA's ability to respond to civil society. DA-funded programs have successfully increased public-private sector dialogue on critical socioeconomic issues such as oil revenue management, poverty reduction, HIV/AIDS, and citizenship. Microlending programs have been very successful, with higher than anticipated demand for services and repayment rates of over 96 percent.

FY 2007 Economic Support Funds (ESF) will bolster Angola's democratic transition through additional training for political parties, government institutions, local governments and communities, electoral bodies, CSOs, and the media. Funding will be used to further support the electoral process, information dissemination, and efforts to consolidate peace and reconciliation. The United States will continue to advance justice sector reform through technical assistance on case management. ESF resources will also continue to strengthen the institutional capacity of the Ministry of Finance with additional funding to the Fiscal Programming Unit project to support transparent and accountable fiscal programming. ESF training programs have fostered civil society engagement with the GRA on regulatory issues and the drafting of electoral law. The CSO election network has been effectively established in five provinces, and technical support has strengthened political parties. ESF programs have helped the Ministry of Finance to better manage and program fiscal revenues and expenditures.

Angola is one of the world's most heavily mine-affected countries. Lack of access to vulnerable populations and to arable land due to landmines continues to be one of the greatest problems facing the Angolan people, limiting the movement of humanitarian and development agencies and denying rural populations the opportunity to end their dependence on assistance. Landmine and unexploded ordnance removal saves lives and promotes economic development. U.S. assistance has helped Angola train and equip deminers to clear land for the return and reintegration of its four million former refugees and internally displaced persons (IDPs) and to promote safe access to polling places for anticipated elections. FY 2007 Non-Proliferation, Anti-terrorism, Demining, and Related Programs - Humanitarian Demining (NADR-HD) funds will be used to support continued NGO demining efforts and assist the Government of Angola in building a national humanitarian demining capability.

Funding for the International Military Education and Training (IMET) program in FY 2007 will continue to advance initiatives to raise Angolan military awareness of democracy, human rights, the rule of law, and effective civil-military relations. Training will also support maritime security efforts, and will include subject matter courses, such as leadership training. IMET will be used to provide Professional Military Education training -- e.g., Command and Staff College -- to field grade officers. Angola has been identified as a candidate for the African Contingency Operations Training and Assistance (ACOTA) Program, which will help prepare the military to respond to crises, engage in peacekeeping operations, and perform civic action.

Angola will be eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Transfer of grant EDA to Angola will be used to help Angola protect and patrol its territorial waters and integrate its efforts into regional coastal security programs.

Benin
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	7,450	7,903	8,403
DA	6,972	4,378	400
IMET	-	149	150
P.L. 480 Title II	2,600	1,190	3,000
Peace Corps	2,719	3,003	3,056

The primary U.S. interests in Benin are economic growth and development, social and environmental welfare, and global health. The strategy for addressing these interests is to support economic reform and growth, strengthen education and civil society, and improve maternal and childhood health. While small, Benin plays an outsized role as an example both of a functional democracy and an increasingly free-market economy in a region struggling to make permanent progress in these important areas of U.S. interest. It should also be commended for its active participation in peacekeeping operations in the region, and its willingness to participate in them worldwide. Benin's economy has been pressured during the past year, suffering a combination of a fall in international cotton prices and troubles with unions as various parastatals move through the privatization process. Benin has, however, qualified to compete for Millennium Challenge Account funding and the MCC Board approved a \$307 million compact with Benin in January 2006.

In FY 2007, Development Assistance (DA) will focus on building the institutional capacity of Benin's civil society. Child Survival and Health (CSH) funding will support governmental and non-governmental health institutions, HIV/AIDS prevention and family planning strategies, as well as improve school attendance and enhance child health care. Education funding promotes teacher training programs, the publication of textbooks, community participation in school management, enrollment of girls, and technical support for the Ministry of Education.

DA from the West Africa Regional Program (WARP) 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 in Cote d'Ivoire and Ghana, in rock quarries in Nigeria, and to work as domestic servants in Cotonou and Gabon. 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 International Narcotics Control and Law Enforcement (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. The special Brigade for the Protection of Minors has also started keeping statistics of traffickers caught, tried, and convicted. The statistics already show some improvement over last year, but overall Benin has made insufficient progress in combating trafficking in persons since being placed on the Tier 2 Watch List in 2005.

In FY 2007, International Military Education and Training (IMET) funds will be used to reinforce civilian control of Benin's military and help develop a professional, non-political and well-trained military force contributing to Benin's stability and regional peacekeeping capacity. IMET courses will continue to focus on command and Staff College, civil-military relations, English language training, and technical specialty training. IMET training as well as the Peacekeeping Operations (PKO)-funded regional African Contingency Operations Training and Assistance (ACOTA) program were instrumental in Benin's ability to support peacekeeping operations in Cote d'Ivoire, Liberia, and soon the Democratic Republic of Congo.

Benin will be eligible for Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA would support Benin's participation in regional peacekeeping activities. Benin also hopes to be an active participant in the Gulf of Guinea Initiative of the U.S. Navy's Maritime Partnership Program.

Benin is eligible for trade benefits under the African Growth and Opportunity Act. Although it is certified to export apparel to the United States market duty-free under the Act's apparel provision, Benin is still working to start exporting textiles to the United States. Benin also benefits from the Highly Indebted Poor Countries Initiative and receives substantial debt reduction and stabilization assistance from multilateral lending institutions.

Humanitarian assistance with the refugee burden will benefit Benin through multilateral support to the UN and Red Cross from the Migration and Refugee Assistance Account.

Botswana
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
FMF	496	-	-
GHAI	35,544	41,000	58,000
IMET	710	693	690
Peace Corps	1,456	1,705	1,726

The primary U.S. national interests in Botswana are global/humanitarian issues and trade/investment. Botswana is well recognized for taking action to confront the HIV/AIDS epidemic. As a member of the Southern African Development Community and as an exemplary market-oriented democracy, Botswana advances regional stability and supports U. S. goals in Southern Africa. It has assisted the United States in fighting terrorism, particularly anti-terrorism financing, and is a signatory to all 12 UN anti-terrorism conventions. Botswana collaborates closely with U.S. law enforcement agencies and with the Mission, with which it operates the only International Law Enforcement Academy in Africa.

U.S. commercial efforts in Botswana focus on expanding U.S. business opportunities, increasing two-way trade with Botswana, 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 prosperous, especially in comparison to many of its neighbors because it has used its natural resources (diamonds) to develop the country. It “graduated” from bilateral Development Assistance (DA) programs in 1995. The income gap is wide, however, and at least 30 percent of the population lives below the poverty line. Moreover, the HIV/AIDS pandemic 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 the environment receive limited funding. Botswana is now approved for debt relief under the Tropical Forest Conservation Act (TFCA). Botswana qualified for textile/apparel preferences under the African Growth and Opportunity Act (AGOA) in August 2001 and in 2005 exported at least \$22.3 million in apparel to the United States.

Botswana is a focus country of the President's Emergency Plan for AIDS Relief (PEPFAR) (Emergency Plan). In FY 2007, Global HIV/AIDS Initiative (GHAI) funding will continue comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative. In addition to its major role in PEPFAR, the Centers for Disease Control conduct non-PEPFAR tuberculosis and HIV research. While some of the military HIV/AIDS programs receive PEPFAR funding, Department of Defense (DOD) also has contributed to the overall effort to combat HIV/AIDS through its Humanitarian Assistance program.

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 2007 IMET program will continue to train Botswana Defense Force (BDF) officers. Botswana is eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section

516 of the Foreign Assistance Act. EDA will be used primarily to support Botswana's participation in peacekeeping operations in Africa.

Burkina Faso

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	128	109	120
P.L. 480 Title II	14,995	14,057	21,000
Peace Corps	3,017	3,175	3,285

The primary U.S. national interest in Burkina Faso is to see that the Government of Burkina Faso (GOBF) contributes to regional stability, an area where the GOBF has improved its policies and played a constructive role over the past few years. Other interests include: promoting democracy, responding to humanitarian crises, establishing respect for human rights, speeding economic development, combating child labor, reducing poverty, and eradicating disease, including HIV/AIDS.

Burkina Faso continues to be among the poorest of African countries. The economy is dominated by subsistence agriculture. This magnifies the impact on the population's well being of the cycles of drought and desertification that have severely affected agricultural activities, population distribution and economic development. In FY 2004 - FY 2005, locust invasions caused marked crop damage in parts of the country. 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. In FY 2005, Burkina was granted access to the benefits of the African Growth and Opportunity Act and signed an agreement to receive assistance under the Millennium Challenge Account (MCA) Threshold Program. In FY 2006, Burkina Faso was declared eligible to develop a compact for assistance under the MCA. 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 2007 will continue to support distribution of materials in local languages on democracy, human rights, and rights under Burkinabe law.

Beginning in FY 2004, Burkina Faso showed positive steps towards supporting regional stability. In order to support these initiatives, FY 2007 International Military Education and Training (IMET) funds will provide opportunities for enhancing the professionalism of the armed forces and increasing defense cooperation between the military forces of the United States and Burkina Faso. IMET funding supports training for military officers that emphasizes civilian control of the military, respect for human rights, the role of the military in a democracy, defense resource management, English language skills, and military justice.

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 debt forgiveness.

Burundi
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	3,093	2,669	3,080
DA	2,118	2,917	3,943
ESF	3,224	3,811	2,500
IMET	-	149	100
P.L. 480 Title II	16,501	7,778	-

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

In August 2005, Burundi successfully completed its transition to peace through negotiated agreement, as outlined in the Arusha Peace Accords. On February 28, 2005, Burundians overwhelmingly approved a post-transitional constitution in a popular referendum, setting the stage for local and national elections. In April 2005, Burundi's transitional government was again extended and an electoral calendar was established at a regional summit held in Uganda. In accordance with the new electoral calendar, the Burundian people voted in Commune Council direct elections on June 3, 2005 and National Assembly direct elections on July 4, 2005. An electoral college of commune and provincial councils indirectly elected Senate members on July 29, 2005. A joint session of the Congress elected Pierre Nkurunziza as President of Burundi on August 19, 2005 in a vote of 151 to 9 with one abstention, establishing the post-transition government. Finally, the Burundian people established Colline (hill) councils through direct elections on September 23, 2005.

Based on the establishment of this democratically elected government in Burundi, Section 508 restrictions on assistance were removed on October 18, 2005 and the United States can now recommence a normal assistance relationship with Burundi. In addition, the President of the United States proclaimed Burundi eligible for benefits under the African Growth and Opportunity Act (AGOA) on December 22, 2005.

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 provided Economic Support Funds (ESF) under regional programs to support the peace negotiations in Arusha, 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 also supported the United Nations peacekeeping operation in Burundi (ONUB). The UN mission helped to administer disarmament, demobilization and reintegration programs, and secure the peace.

The new democratically elected government of Burundi is launching a broad range of reconstruction projects aimed at rehabilitating the country's economic and social spheres. Burundi's nascent government must also build its own capacity to govern and administer services, particularly in the area of health care. A nation-wide disarmament and demobilization program is returning thousands of ex-combatants to their villages. As of October 23, 2005, some 17,460 adult ex-combatants, including 3,007 child soldiers had been demobilized. Approximately 67,000 refugees and displaced persons have voluntarily returned home. These returns present communities with serious economic and social challenges.

The United States will enhance the ability of Burundians to mitigate conflict over scarce natural resources, specifically by working at the community level to enable the sustainable management of natural resources, encourage the resolution of conflicts over resources, and support local reconciliation and reintegration

efforts. USAID humanitarian activities will target Burundi's most vulnerable populations through emergency relief as well as through long-term initiatives to bolster food security. Humanitarian activities will aim to increase agricultural sector productivity, mitigate conflict and support peace, protect vulnerable populations and increase food security.

The United States will also strengthen the legitimacy of Burundi's new government through activities that build the capacity of the government to engage with civil society to define and implement key reforms and create institutions to increase accountability. The effectiveness of the new government will be bolstered through activities that bring the government and civil society together to improve the provision of basic services, especially in the health and HIV/AIDS sectors. These activities will aim to improve child survival, health and nutrition, reduce transmission and impact of HIV/AIDS, strengthen civil society, and strengthen the legislative function/legal framework.

FY 2007 International Military Education and Training (IMET) programs will help promote basic democratic values and respect for human rights in Burundi's armed forces. Programs would include courses on English language training, professional military education, civil-military relations, and military justice. Burundi will be eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be used to help Burundi's military reform.

Cameroon
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	236	248	295
Peace Corps	2,827	3,028	3,043

The primary U. S. national interests in Cameroon are promoting democracy, good governance, 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 police and gendarmes forces are a concern. Cameroon's strategic location and improving port facilities make it ideal as a base for regional programs. Continued border tensions with neighboring Nigeria as well as illegal immigrant flows from Nigeria pose economic challenges for Cameroon and ties up a significant number of Cameroon’s military. Cameroon is a stable country in which the government has been effective in managing ethnic and linguistic diversity.

Cameroon will receive funds to deal with HIV/AIDS through the Ambassadors’ Special Funds Program implemented by USAID. This program provides grants to non-governmental organizations (NGOs) that work to prevent mother-to-child transmission of HIV/AIDS as well as to provide voluntary counseling and testing.

Cameroon is eligible to receive trade benefits under the African Growth and Opportunity Act. Cameroon is also defined as a Heavily Indebted Poor Country (HIPC), and in 2005 the IMF approved a formal program with the country to target corruption and improve the business climate. If Cameroon performs well, it may be granted further debt relief sometime toward the end of 2006.

International Military Education and Training (IMET) funds for FY 2007 will be used for professional military development courses stressing resource management, civilian-military relations, officer professionalism, and English language proficiency. The IMET program promotes positive military-to-military relationships between Cameroon and the United States, and will, along with other programs, help Cameroon realize its commitment to and participation in peacekeeping activities.

Cameroon is eligible in FY 2007 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-narcotic activities, peacekeeping deployments, and military professionalization and modernization efforts.

Cameroon is one of the beneficiaries of U.S. support for the Congo Basin Forest Partnership, primarily through USAID’s Central African Regional Program for the Environment. This support, complemented by use of Africa Regional Economic Support Funds, supports Cameroon’s efforts to better manage its forest and marine natural resources.

Cape Verde
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	181	119	145
P.L. 480 Title II	3,650	3,679	4,500
Peace Corps	1,664	1,787	1,802

Cape Verde is a model of stability and democracy in a region of instability. Supporting democracy and improving food security in this arid island nation are the principal U.S. national interests. Cape Verde has been an enthusiastic supporter of the war against terrorism and has fully cooperated in adopting anti-money-laundering measures. 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.

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 2007 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 military police unit.

Cape Verde will be eligible in FY 2007 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) and is implementing a \$110 million assistance compact with the Millennium Challenge Corporation (MCC). Taking full advantage of these opportunities has and will continue to boost economic growth and provide employment opportunities in the country. The United States is also assisting Cape Verde's efforts to accede promptly to the World Trade Organization.

Central African Republic

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	-	99	100
P.L. 480 Title II	428	-	-

Key U.S. interests in the Central African Republic (CAR) are democracy, economic development, conservation of natural resources and humanitarian assistance. U.S. goals include the consolidation of democratic reforms in the wake of the May 2005 elections and economic, political, and military reforms to promote democratic governance, including respect for human rights, and to prevent further instability in the CAR.

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 the consultative National Transition Council, including political parties and civil society groups, to prepare for new elections in 2005. Following a nearly two-year hiatus in resident American diplomatic presence in the country, normal operations resumed in January 2005 with the arrival of a charge d'affaires in Bangui. Bozize won what was a relatively free and fair presidential election and was inaugurated as president in June 2005. In September 2005, section 508 aid restrictions were lifted on the CAR.

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 reinstating 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 is defined as a Heavily Indebted Poor Country (HIPC), but it must re-engage with the International Monetary Fund (IMF) and establish a track record of good performance under a disbursing IMF program before it is eligible to receive debt relief from Paris Club creditors, including the United States, under the enhanced HIPC initiative.

The CAR receives Africa Regional ESF resources to promote democratic elections and public participation in democratic processes, and to support biodiversity conservation through the Central African Regional Program for the Environment. We envision similar programs for FY 2007. The CAR is currently not eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA).

In FY 2007, International Military Education and Training (IMET) programs will help promote basic democratic values and respect for human rights in the CAR's armed forces. IMET programs will include English language training, professional military education, civil/military relations, and military justice. The CAR will be eligible to receive FY 2007 Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Excess equipment will be used to help CAR meet basic troop support equipment needs, improve communications and enhance mobility.

Chad
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	470	247	295
NADR-ATA	988	1,350	693
NADR-HD	1,000	2,200	3,000
P.L. 480 Title II	25,678	11,246	3,000
Peace Corps	1,734	1,863	1,944

U.S. interests in Chad are counter-terrorism, economic prosperity and security, environmental protection and mutual understanding, promotion of democracy, good governance and respect for human rights. Significant U.S. investment in the petroleum sector makes the recent dispute between the World Bank and Chad regarding Chad's recent, unilateral changes to its petroleum revenue management law an issue of particular USG interest.

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 pursuing political reconciliation with former rebel groups, and exiled opposition political leaders. Chad hosts over 200,000 refugees from the Darfur region of Sudan. It has played a key role in the international effort to meet their security and humanitarian needs and serves as mediator in peace negotiations between rebel factions and the Sudanese government. A U.S. majority-owned consortium's investment of some \$4 billion in petroleum development in southern Chad and the related Chad-Cameroon pipeline project is among the largest infrastructure projects 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, educational programs for girls and reforestation.

Respect for human rights and appropriate civil/military relations will be supported through FY 2007 International Military Education and Training (IMET) programs for courses on civil-military relations, military justice, and human rights issues. The IMET program enables the United States to build important military-to-military contacts that 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 Trans-Sahara Counter-terrorism Initiative (TSCTI) that builds upon and expands the Pan-Sahel Initiative (PSI), which provided training and equipment to Chad along with other African countries to protect their borders, thus supporting the U.S. national security interests of waging war on terrorism and enhancing regional peace and security.

Chad is eligible to receive FY 2007 Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA will be used to help Chad secure its borders through improved communication, mobility for its troops and troop support equipment.

FY 2007 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 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	82	99	105
NADR-ATA	-	56	-

The primary U.S. national interests in the Union of Comoros are promoting democracy and strengthening our counter-terrorism cooperation. Comoros has been plagued by political instability and civil strife through numerous coups and secession attempts since independence from France in 1975. In early 2001, with the assistance of the Organization of African Unity, 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, Azali Assoumani, won the national presidential election in April 2002 in flawed but fair elections. President Azali signed a power-sharing agreement with the three island presidents in December 2003 that initiated a plan to settle power sharing disputes and should reduce the instability among the islands. In March and April 2004, a National Assembly was elected in elections international observers deemed free and fair. In October 2004, the National Assembly began working on legislation outlining the power sharing arrangements between Azali and the island presidents, which was adopted in 2005. Elections are scheduled in the first half of 2006. Under the constitution Azali is ineligible to run, as the constitution requires that the next president must come from another island. Resolution of political instability, consolidation of democratic gains 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 is a Muslim country with historic trade ties to the Middle East that condemned the September 11, 2001 terrorist attacks on the United States. Comoros-born Fazul Abdullah Mohammed, also known as Harun Fazul, has been indicted in U.S. court for his alleged involvement in the 1998 bombings of the United States Embassies in Dar es Salaam, Tanzania, and Nairobi, Kenya. After several months of discussions with the American Ambassador, President Azali decided to close the local offices of Saudi non-governmental organization (NGO) Al-Haramain in August 2004. On September 9, the Department of Treasury's Office of Foreign Assets Control designated the Comoros-based branch of Al-Haramain as a terrorist finance organization. On September 28, the United Nations Security Council followed suit. The closure of this organization's operations in Comoros has left a significant aid gap in that country. Proposed Africa Regional Fund ESF projects will target economic development programs and education. In September 2005, the USG opened an "American Corner" in the University of Comoros library to give young Comorians better access to American culture and values.

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. FY 2007 International Military Education and Training (IMET) programs will continue to help build a professional military that respects civilian rule. These courses 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 no resident diplomatic presence. Comoros is eligible to receive Excess Defense Articles (EDA) on a grant basis in FY 2007 under Section 516 of the Foreign Assistance Act (FAA). EDA may be used to help improve communications, mobility, and coastal security measures.

Cote d'Ivoire

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
GHAI	25,512	30,137	47,000
IMET	-	-	50
NADR-CTF	-	300	-
NADR-TIP	-	-	50
P.L. 480 Title II	5,859	3,463	-

The primary U.S. national interests in Cote d'Ivoire remain regional and national stability. Our principal goals are disarmament, reunification of the country, which has been divided between the government-held south and rebel-held north for over three years, and national elections (to take place no later than October 2006). With a new African Union peace process underway, and a new prime minister and government in place, there is renewed hope for a negotiated solution to a conflict that has implications for regional stability as well as terrorism in West Africa. 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. Following reunification and elections, ongoing goals will remain 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 Cote d'Ivoire in the war on terrorism. Until September 2002, Cote 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 community of overseas Lebanese, some of whom support organizations with terrorist links, including Hizballah.

FY 2007 International Military and Education Training (IMET) funds will be used to assist Cote d'Ivoire's transition to a more stable democracy by providing training to military officers that focuses on human rights, defense resources management, military justice, and civil-military relations. Cote d'Ivoire will also then be eligible in FY 2007 for Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Transfer of grant EDA will be used to support the country's efforts to secure its borders and to provide a tangible indication of our cooperative relationship.

USAID has not had a bilateral presence in Cote d'Ivoire for many years. Following the 1999 coup d'etat, legislative restrictions on assistance limited USAID options. However, Cote d'Ivoire benefits from several regional programs, including programs to combat trafficking in persons and HIV/AIDS, and humanitarian assistance programs (supporting primary health care and reproductive health, addressing gender based violence, water and sanitation projects, seeds and tools, food security monitoring, and humanitarian coordination) as well as assistance to IDPs and refugees. These programs will continue through non-governmental organizations in FY 2007.

Cote d'Ivoire remains a focus country of the President's Emergency Plan for AIDS Relief (PEPFAR). In FY 2007, Global HIV/AIDS Initiative (GHAI) funding will be provided to support comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative.

In December 2004, President Bush determined that Cote d'Ivoire was no longer eligible to continue receiving benefits under the African Growth and Opportunity Act (AGOA). Cote d'Ivoire had initially qualified in 2002 and was again certified as eligible in FY 2004. However, by late 2004 it was decided that

the government of Côte d'Ivoire had made insufficient progress in a number of long-standing trade and investment issues, as well as in the peace-making process.

Cote d'Ivoire is defined as a Heavily Indebted Poor Country (HIPC), but it must re-engage with the International Monetary Fund (IMF) before it is eligible to receive debt relief under the enhanced HIPC initiative.

Democratic Republic of Congo

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	25,415	23,960	23,170
DA	16,812	10,670	11,088
ESF	4,960	4,950	5,000
IMET	196	248	220
P.L. 480 Title II	29,205	-	-

The United States has a vital interest in supporting the Democratic Republic of Congo's (DRC's) transition from conflict to stability, preventing a reversion to the widespread cross-border conflict that prevailed prior to the Global and Inclusive Agreement of December 2002, also known as the Sun City Accord. Our challenge is to help establish a functioning legitimate state through a successful democratic transition, to nurture and guide the development of democratic institutions that will extend government authority to the DRC's borders, advancing democracy and prosperity for all Congolese people. The DRC took an important step toward completing its democratic transition by holding a successful constitutional referendum December 18-19, 2005. Despite enormous logistical challenges, the Congolese Independent Electoral Commission registered almost 25 million voters out of a potential electorate of 28 million. With the overwhelming approval of the constitution, the DRC is poised for its first free presidential and parliamentary elections since 1960 and the inauguration of an elected president in June 2006. Security sector reform (SSR), and a large disarmament, demobilization, and reintegration program promise significant change for the DRC and the Great Lakes region as a whole. It is crucial that these ambitious programs be completed. Effective government control over all DRC territory, particularly the east, remains a key unrealized objective of the transition process. If stability and peace can prevail in the DRC and the Great Lakes region in general, political and economic reform can take hold and will serve to attract U.S. investment.

The United States worked closely with the international community to end "Africa's World War" which ravaged the Congo in the 1990's. Through the Kinshasa-based Committee to Accompany the Transition (CIAT), the Great Lakes Contact Group, and the UN Security Council, we have leveraged our support for the DRC's democratic transformation to maintain an influential role in the transition process. With peace, Congolese in neighboring countries, hundreds of thousands of internally-displaced persons (IDPs), and tens of thousands of demobilized combatants can return to their homes, and will require substantial assistance for successful reintegration. Returning one of Africa's largest countries to peace will require further U.S. support for the reintegration of former combatants, the return and reintegration of refugees and IDPs, the extension of central government control, national reconciliation and good governance. FY 2007 Economic Support Funds (ESF) can help DRC build the national legislative, judicial, and political institutions needed to preserve stability. FY 2007 ESF investments will also help lay the groundwork for promotion of the full range of U.S. interests in this resource-rich country.

FY 2007 International Military Education and Training (IMET) funds will provide important professional training for key Congolese officers in such areas as joint operations, military justice, human rights, and officer and non-commissioned officer professionalism. Increasing attention will be given to how these programs can most effectively support post-conflict SSR. These training programs will assist in the continued integration and professionalism in an integrated national armed forces composed of former government and rebel troops working together. 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 U.S. funded Tripartite Plus Fusion Cell based in Kisangani to be established in January 2006 is further investment in regional security and lasting peace for the DRC. The DRC is eligible in FY 2007 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 2007 Child Survival and Health (CSH) funds, programmed through non-governmental channels, will support activities addressing child survival, maternal health and mortality, family planning, basic health, HIV/AIDS and other infectious diseases, as well as expand immunization coverage throughout the country. In FY 2007, Development Assistance (DA) funds will be used to support the development of sustainable democratic institutions, accountability and governance, agriculture and food security, support for the reintegration into society of victims of gender-based violence and other vulnerable populations, environmental conservation efforts, the reintegration of ex-combatants, and improvement in the quality of basic education. In addition, humanitarian non-food and food assistance will be provided to vulnerable populations within the DRC and to help support Congolese refugees outside the DRC prepare for their return and reintegration.

The President determined that the DRC was eligible to receive virtually the full range of trade benefits under the African Growth and Opportunity Act (AGOA) in late 2003, following installation of the transitional government. The DRC does not yet qualify for textile benefits, as it lacks an approved visa scheme to prevent transshipment of textiles from other countries.

Djibouti
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
ESF	1,984	4,950	3,500
FMF	4,468	3,960	4,000
IMET	239	322	345
NADR-ATA	-	170	400
NADR-TIP	25	-	75
P.L. 480 Title II	1,512	-	-

The primary U.S. national interests in Djibouti include counter-terrorism, regional stability and promoting economic and social development, human rights and democratization. Djibouti hosts the only U.S. military base in sub-Saharan Africa with approximately 1,000 U.S. military personnel physically on the ground 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 and Yemen. A predominantly Muslim country (95 percent) and Arab League member, Djibouti has responded positively to U.S. requests to interdict terrorists, their supporters, and their financial resources. Djibouti is a front-line state in the war on terrorism and stands shoulder-to-shoulder with the United States and its coalition partners.

Djibouti currently hosts military forces from several counter-terrorism coalition partners, including the largest French military base outside of France, and naval contingents from Germany, Spain, and the United Kingdom. Djibouti's deep-water port enhances its usefulness to U.S. military planners. Its location at the strategic 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.

The Arabic language program, Radio Sawa, currently broadcasts from Djibouti to Sudan via medium wave transmitter, seven days per week. Radio Sawa also broadcasts 24 hours a day on FM in Djibouti. The Voice of America (VOA) broadcasts French and English programming 24 hours a day via an FM transmitter in Djibouti. In addition, the Broadcasting Board of Governors is close to concluding an agreement with Radio and Television Djibouti (RTD) to broadcast VOA programs in Amharic, Afar Oromo, Tigrigna and English via medium wave transmitters.

The U.S. Agency for International Development (USAID) opened a country office in Djibouti in 2003 and will use FY 2007 Economic Support Funds (ESF) to expand existing U.S. assistance programs in the areas of education, health, and democracy thus advancing existing gains in these critical areas. ESF will also be used to advance Muslim outreach efforts and assist private enterprises around the Port of Djibouti. 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 order to continue our robust military relationship with Djibouti, International Military Education and Training (IMET) in FY 2007 will promote professionalism and respect for civilian rule. IMET courses will 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 2007 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, will support counter-terrorism and other security requirements resulting from Djibouti's upgraded security profile as a front-line state in the war on terrorism.

FY 2007 Foreign Military Financing (FMF) will be used to continue programs focusing on regional security and counter-terrorism, and enhance border and coastal security. Specifically, funds will be used to provide services and support the procurement of defense articles such as vehicles, small craft and patrol vessels, communications equipment, fencing, guard towers, and night-vision goggles to enhance interoperability within the Djiboutian forces and with international partners. 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 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	-	49	45

U.S. national interests in Equatorial Guinea (EG) include promoting democracy, good governance, human rights, economic prosperity, and energy security in the third largest oil producer in Africa. Democratic institutions are very weak. While the economy has experienced strong petroleum-based growth in recent years, fiscal discipline and transparency are lacking. In 2004, foreign mercenaries targeted Equatorial Guinea in an unsuccessful coup plot because of its oil wealth, making security a high priority for the country.

A top U.S. policy goal is to encourage the Equatorial Guinean Government's investment in the country's health and education programs. To encourage greater transparency and efficiency in the Equatorial Guinean Government's spending of energy revenues, the U.S. Agency for International Development is currently in negotiations with the government to provide technical assistance under a program that would be fully funded by the Government of Equatorial Guinea. This program would help ensure that social programs are funded and implemented in a manner that is transparent, efficient and accountable to the citizens and the EG Government.

The Equatorial Guinean Government is receiving technical assistance from the World Bank and the International Monetary Fund (IMF) to increase transparency in its fiscal management. The country's worker and human rights record is poor.

FY 2007 International Military Education and Training (IMET) programming will increase respect for civilian rule and human rights through the development of a professional military. Through coastal security training and contact between U.S. and Equato-Guinean military personnel, 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.

Equatorial Guinea is one of the beneficiaries of U.S. support for the Congo Basin Forest Partnership, primarily through USAID's Central African Regional Program for the Environment. This support, complemented by use of Africa Regional Economic Support Funds, supports Equatorial Guinea's efforts to better manage its forest and marine natural resources.

Since December 30, 2002, the President has determined that Equatorial Guinea is ineligible to receive trade benefits under the African Growth and Opportunity Act (AGOA).

Eritrea
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	14	-	-
DA	14	-	-
IMET	241	247	445
NADR-HD	2,800	350	400
P.L. 480 Title II	53,604	-	-

The primary U.S. national interests in Eritrea are democracy and human rights, humanitarian assistance, and counter-terrorism. The most important U.S. strategic goal is 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 disastrous two-year conflict that left Eritrea economically devastated and in dire need of humanitarian assistance. Nurturing recovery from the war and overcoming the deep-seated bitterness between the former combatants will require considerable diplomatic and financial support. Eritrea is a coalition partner in the war on terrorism, and has been helpful in the past, but has slowed its active cooperation due to the erroneous perception that the United States sided with Ethiopia in the border dispute.

Eritrea's position on U.S. policy on its border dispute and its troubling record on democratization and human rights will remain obstacles to improved relations. Eritrea was designated a "Country of Particular Concern" (CPC) for its lack of respect for freedom of religion. A stronger bilateral relationship with Eritrea would be advantageous to both the United States and Eritrea and is the preferred avenue we have for tackling these serious concerns.

Eritrea's deteriorating human rights and democracy performance as well as its role in the war on terrorism is taken into account in programming FY 2007 International Military Education and Training (IMET) funds. FY 2007 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 and counter-terrorism efforts.

Eritrea was eligible for African Growth and Opportunity Act (AGOA) benefits in 2002 and 2003, but lost its eligibility in December 2003 because of its poor performance.

Eritrea will be eligible to receive Excess Defense Articles (EDA) in FY 2007 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 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	20,090	31,570	28,813
DA	32,616	28,910	22,810
ESF	3,960	3,960	4,000
FMF	7,050	1,980	2,000
GHAI	69,945	109,500	225,000
IMET	572	594	640
NADR-ATA	301	335	425
NADR-TIP	-	-	200
P.L. 480 Title II	330,144	14,804	12,000

Primary U.S. interests in Ethiopia include ensuring counter-terrorism support, fostering democracy and respect for human rights, supporting regional stability, promoting economic growth, 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. In FY 2007, Ethiopia will receive Development Assistance (DA) from USAID, which will provide support to countries, usually fragile states, which are in transition from crisis to development. This account provides a mechanism that retains the responsiveness and flexibility of humanitarian aid, but with a focus on addressing the causes of fragility, advancing democratic governance and managing conflict in transition environments. In Ethiopia, the cycle of famine has repeated itself over the last 30 years, necessitating substantial and cyclical emergency food aid. USAID has developed a strategy to manage the transition from a largely emergency response program to one that proactively builds capacity to prevent famine by increasing capacity of the government, the private sector, nongovernmental organizations, communities and households to generate economic growth and to build a foundation for permanently reducing famine vulnerability, hunger and poverty. The Development Assistance account will complement food aid (food for work, food for relief) to support the growth of effective and sustainable markets and provide the chronically food insecure with income generation opportunities. Ethiopia is a focus country of the President's Emergency Plan for AIDS Relief (Emergency Plan). In FY 2007, increased Global HIV/AIDS Initiative (GHAI) funding will be provided to expand comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative.

The Horn of Africa is a turbulent region. In addition to facing domestic challenges, Ethiopia must contend with neighbors who are emerging from 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 9 million people in need of food assistance in FY 2006. The long-term effects of the food crisis will continue to be felt in FY 2007.

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, potentially endangering counter-terrorism cooperation and negatively affecting the region.

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. To diminish the opportunities for terrorists to exploit poverty and other societal divisions, FY 2007 Economic Support Funds (ESF) will be used to support programs on good governance and respect for human rights, anti-corruption activities, trade competitiveness, and reform of the banking and capital market systems. FY 2007 ESF will also be used for conflict mitigation programs in troubled regions of the country, such as Gambella, and to support the regional and local elections tentatively scheduled for late 2006. ESF funds will be used to help prevent trafficking in persons and to strengthen civil society and local government decentralization.

Ethiopia has a large and professional military that has provided support for the war on terrorism (including an offer of troops for the US-led effort in Afghanistan). It is the fifth largest contributor to United Nations peacekeeping missions around the world. The United States will use the African Contingency Operations Training and Assistance (ACOTA) Program, along with other military assistance funding to increase Ethiopia's capacity and willingness to participate in future peacekeeping missions. FY 2007 International Military Education and Training (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 institutions. FY 2007 Foreign Military Financing (FMF) will be used to provide Ethiopia with additional equipment and spare parts to increase its counter-terrorism and peacekeeping abilities, including enhancing Ethiopia's own training capabilities, and to finance the existing vehicle and C-130 aircraft maintenance contracts. Ethiopia is eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be used 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 2007, DA funding will support sustained economic growth through agricultural programs and enable private sector growth, building on programs started with DA funds. 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. DA funds will strengthen public finance management systems, improve the capacity of public sector managers and improve planning. Funds 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. Twenty teacher education institutes and other programs such as in-service training for principals to improve the quality of basic education will be supported with DA in FY 2007.

FY 2007 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 build capacity in the health system, improve maternal nutrition using Vitamin A supplements, improve child health through breast feeding programs, immunizations and

nutritional supplements, as well as combat infectious diseases such as tuberculosis and malaria using treated bed-nets and other programs. CSH funds will also be used in conjunction with DA funds to improve emergency preparedness contingency planning at the local level and disaster mitigation. Ethiopia is a focus country of the President's Emergency Plan for AIDS Relief (Emergency Plan). In FY 2007, increased Global HIV/AIDS Initiative (GHA) funding will be provided to expand comprehensive and integrated prevention, care and treatment programs.

Ethiopia is a Heavily Indebted Poor Country (HIPC). In 2004, it qualified for debt reduction from its Paris Club creditors under the enhanced HIPC initiative, which resulted in a dramatic reduction in its external debt, including to the United States.

Gabon
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	292	198	245
Peace Corps	1,687	-	-

U.S. national interests in Gabon are democracy, good governance, economic prosperity, the protection of American citizens, mutual understanding, and conservation of the country's rich environmental resources through responsible management and sustainable use. Bilateral military cooperation is important and enhanced through the use of Gabon as a safe haven and staging base for regional evacuations of U.S. citizens as needs arise. The United States and Gabon cooperate through combined military exercises and training, which will be strengthened since Gabon has been named eligible to participate in the African Contingency Operations Training and Assistance (ACOTA) program. Gabon has been influential in promoting regional stability through mediation of regional conflicts.

The United States seeks to strengthen Gabon's democratic institutions. President Bongo won reelection for his sixth term in November 2005 in a process marred by some irregularities. The United States will continue to support Gabon's involvement in activities to promote regional stability, including efforts to resolve conflict in Darfur, and Gabon's efforts to protect its environment while improving governance and expanding economic opportunity through projects developed in synergy with the President's Congo Basin Forest Partnership (CBFP) initiative. Gabon is one of the beneficiaries of this initiative, primarily through USAID's Central African Regional Program for the Environment. The United States is also encouraging Gabon to reform and diversify its economy as oil production declines, as well as open doors to U.S. investment and exports. We support ongoing privatization efforts. Gabon's 2004 – 2005 Stand-by Arrangement with the IMF helped promote these goals and the government is negotiating for a follow-on program with the International Monetary Fund (IMF). In June 2004, the United States participated in a Paris Club debt rescheduling of \$716 million with Gabon.

Close military cooperation enhances Gabon's role as a regional peacekeeping leader under the African Union Regional Brigade concept, and as such, Gabon became a partner in the African Contingency Operations Training and Assistance (ACOTA) program in 2005. In FY 2007, the 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.

In FY 2007, Gabon is eligible to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA can help support modernization of Gabon's military and participation in peacekeeping efforts; it can also help strengthen coastal security. The EDA program will reinforce the U.S.-Gabon political/military relationship, thereby reinforcing appropriate civil-military relations.

Gabon is eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA).

Gambia
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	190	99	120
P.L. 480 Title II	-	2,621	-
Peace Corps	1,873	2,002	1,926

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, the United States made it eligible for African Growth and Opportunity Act (AGOA) benefits. In FY 2006, The Gambia was also made eligible for the Millennium Challenge Account (MCA). 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. However, in recent months, the Jammeh government has taken actions, such as jailing the opposition and harassing journalists, which have led the international community to question its commitment to democracy. It is in the interest of the United States to remain engaged with The Gambia to promote democratic reforms.

In FY 2007, African Regional Economic Support Funds (ESF) will be requested for The Gambia to support democratization, market-based economic reforms, and humanitarian assistance. ESF assistance will be targeted to strengthening political parties and the Independent Electoral Committee in advance of 2007 legislative elections. Work to strengthen the political opposition parties is crucial, as this election will test the sustainability of The Gambia's emerging democracy. ESF will also support efforts to maintain a strong independent media in the face of increased government pressure for censorship.

FY 2007 International Military Education and Training (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. IMET training will focus on respect for human rights and the rule of law, defense resources management, and the role of the military under civilian control. The Gambia is eligible in FY 2007 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 deployed in Darfur. Gambians have also participated in peacekeeping missions in Sierra Leone, East Timor, Kosovo, and Liberia.

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 (HIPC)

Ghana
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	18,920	18,157	18,543
DA	18,173	25,834	15,451
FMF	496	495	400
IMET	648	569	640
NADR-TIP	-	-	50
P.L. 480 Title II	17,784	21,855	25,000
Peace Corps	2,528	2,707	2,840

The principal U.S. interests in Ghana remain democracy, human rights and humanitarian concerns, particularly HIV/AIDS, and regional security. Ghana is a growing market for U.S. exports in sub-Saharan Africa and has begun to attract new U.S. investment. Its successful multi-party election in December 2004, its fourth since 1992, solidifies Ghana as a model for regional stability. Ghana continues its proud tradition of professionalism in international peacekeeping, especially in West Africa, with troops presently serving in UN Missions in Liberia and Cote d'Ivoire. Ghana's national HIV/AIDS prevalence among the adult population is 3.64 percent.

FY 2007 Child Survival and Health (CSH) funding will support activities to reduce the rate of HIV/AIDS transmission through aggressive workplace-based education of workers and employers and by training community-health non-governmental organizations (NGO's), funding mass media AIDS awareness campaigns, and distributing condoms to the most at-risk populations. 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 funding will also 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. Childhood immunizations, the continued development of an Integrated Disease Surveillance system, and the continued combat against malaria in concert with the Ministry of Health are also parts of the program.

FY 2007 Development Assistance (DA) funds will be used to 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 local government and parliament by tackling corruption and improving transparency by training NGOs to fulfill a "public watchdog" role. DA will continue to fund Ministry of Education efforts to improve access to and the quality of public schools. Aside from the intrinsic value of education, more children in school plays a role in preventing child labor. FY 2007 Africa Regional Economic Support Funds (ESF) will be requested to continue to strengthen democratic institutions by supporting conflict prevention, strengthening parliament, expanding women's rights and advocacy for people with disabilities.

In FY 2007, Foreign Military Financing (FMF) will support strategic interests in regional stability, counter-terrorism, democracy, and health, and expand the peacekeeping roles of the Ghanaian military in the region. To maintain Ghana's leadership in regional peacekeeping, international crime prevention, and counter-terrorist activities, the funds will be used to purchase equipment, spare parts, and maintenance support. Ghana is eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. During previous fiscal years, Ghana received several surplus naval vessels under the EDA program. These vessels improved Ghana's ability to sustain regional peacekeeping operations and conduct coastal patrols to reduce smuggling and illegal fishing in its territorial waters. Shifts

in international crime patterns will mean that Ghana will need to play an increasing role in prevention. EDA can provide needed equipment to support that enhanced crime prevention role.

In FY 2007, the International Military Education and Training (IMET) program will continue to enhance the professional, technical and tactical proficiency of the Ghanaian Armed Forces through U.S. professional military education courses. IMET will focus on the continued development of effective civilian (Defense Ministry and Parliament) oversight of the military and efficient defense resource management. Furthermore, IMET enhances the capacity of the armed forces to effectively participate in peace support operations. FMF and IMET, and the African Contingency Operations Training and Assistance (ACOTA) program provides training and other crisis response assistance to contingents of the Ghanaian Armed Forces. Such training enhances Ghanaian peacekeeping support and humanitarian relief operations capacity and were crucial in providing Ghana the equipment, training, and ability to deploy a robust, professional peacekeeping unit to Cote d'Ivoire and Liberia in 2003 and to maintain that role today. Ghana's commitment to peacekeeping is evidenced by the country's establishment of the Kofi Annan International Peacekeeping Center, which is a regional training center for Economic Community of West African States (ECOWAS) peace support operations.

Because of Ghana's role in regional stability (IMET and FMF), its record of continuous Peace Corps programs and the measurable results of past Development Assistance (DA), Child Survival and Health (CSH), and Africa Regional Economic Support Funds assistance to Ghana continues to be vital to U.S. national interests.

Guinea
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	7,050	6,748	5,471
DA	8,132	7,855	4,529
IMET	508	347	345
P.L. 480 Title II	11,676	3,023	5,500
Peace Corps	2,099	2,581	2,571

The primary U.S. national interest in Guinea continues to be the development of a smooth transition and stable democracy. Guinea was host to roughly 200,000 refugees from regional conflicts in recent years. Significant accomplishments in repatriation and integration have been realized, although the conflict in Cote d'Ivoire and gradual rebuilding efforts in Liberia and Sierra Leone continue to make Guinea's openness to humanitarian response an important aspect of its relationship with the United States. If further refugee flows arise, for example from Cote d'Ivoire, the United States will again contribute to humanitarian solutions as well as help Guinea defend its borders against aggression by its neighbors. Peace requires the expansion of democracy, good governance, respect for human rights and economic development. Guinea completed comparatively peaceful and orderly local elections in December 2005. It has publicly supported U.S. anti-terrorism initiatives and has ratified 11 United Nation conventions on terrorism.

The bilateral assistance program focuses on: 1) improving the effectiveness of agriculture, natural resources management, health, education, and democracy-focused civil society organizations (CSOs) to participate in and monitor government activities and advocate for reforms; and 2) improving the performance of targeted local and national Government of Guinea (GOG) institutions in the areas of technical capacity, service delivery, policy reform and implementation, and the prevalence of transparent and accountable management systems.

FY 2007 Development Assistance (DA) and Child Survival and Health (CSH) funds will support the liberalization of media by providing technical assistance and training to private community radio stations and investigative journalists, as well as improving radio programming in priority areas. The media will continue to play an important role in HIV/AIDS prevention. DA and CSH funds will continue to support CSOs, the anti-corruption agency, and ministries in their reform efforts to combat corruption. DA and CSH funds will also be used to strengthen the ability of CSOs to: promote governance reform and participate in and monitor the quality of education and health services, and the rational use and public access to natural resources; and advocate for the de-stigmatization of HIV/AIDS, and ending female genital cutting and child marriage. Funding will expand support to the GOG in the implementation of its Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) program.

In FY 2007, the International Military Education and Training (IMET) program will pursue its emphasis on 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. In FY 2007, 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 will be eligible in 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be used for basic individual soldier needs, to improve mobility, communications, and contribute to coastal and border security efforts.

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, institutionalize democratic advances following recent elections, and discontinue support to the Liberians 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 and robust rule of law.

Guinea is also defined as a Heavily Indebted Poor Country (HIPC). While performing under a formal International Monetary Fund (IMF) program, Paris Club creditors (including the United States) cancelled \$70 million of Guinea's bilateral debt in 2001 and rescheduled a further \$81 million. Due to its failure to meet the requirements, its formal IMF program expired in 2002. Guinea is currently performing weakly under an informal IMF monitored program. Satisfactory performance on this informal program is a precursor to a formal IMF program and further debt relief.

Guinea-Bissau

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	87	99	100
NADR-HD	-	-	500

Struggling to re-emerge as a democratic society following a 1998-99 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. Stability in this vulnerable, fragile state is important to regional stability due to its porous borders and its historical ties to separatist groups in Senegal's Casamance region. The United States lifted Section 508 sanctions in August 2004, following the inauguration of a democratically elected Prime Minister, Carlos Domingos Gomes Junior, in May 2004. The government has steered the country towards improved relations with the international community, emergency measures to control public finances, and successful legislative elections that were held in March 2004. While moving slowly to achieve stability, promote economic development, and institutionalize recent democratic advances, Guinea-Bissau remains troubled by an outdated, bloated military; an oversized civil service with few private sector job alternatives; and a serious lack of resources and capacity in the justice sector. According to the World Bank 2003 figures, per capita income in the country is only \$150, making it one of the poorest countries in the world.

FY 2007 International Military Education and Training (IMET) funds will be used to expose military officers and their civilian counterparts to democratic values, respect for individual civil and human rights, and the rule of law. Additionally, military personnel will be taught the principles behind civilian control of military and proper civil-military relations in a democracy and how to manage defense resources. Guinea-Bissau is eligible to receive Excess Defense Articles (EDA) in FY 2007 on a grant basis under Section 516 of the Foreign Assistance Act.

Regional Economic Support Funds (ESF) and Development Assistance (DA) supported a project to train local entrepreneurs in improved techniques for cashew processing and marketing, and to help with local production of machines and equipment needed to process cashews for market. The program has significantly increased the value added from cashews and provides labor for hundreds of Bissau-Guineans. Another regional program assists refugees, displaced persons, and host communities in Guinea-Bissau. FY 2004 Africa Regional ESF was allocated to assist the parliament, an important sovereign institution re-starting its activity following its November 2002 dissolution by former President Yala.

The Ambassador's Special Self-Help fund is available to support local development projects each year. Democracy and Human Rights Fund projects for FY 2007 will improve capacity in the justice system, combat female genital mutilation, and achieve other goals.

Guinea-Bissau is a member of the Economic Community of West African States (ECOWAS) and the African Union (AU). Discussions are currently underway with the International Monetary Fund and Paris Club donors to establish Heavily Indebted Poor Countries completion point conditions to qualify for further debt relief. While Guinea-Bissau remains eligible for trade benefits under the African Growth and Opportunity Act (AGOA), it lacks the business expertise, strong political institutions, and technical capacity to develop AGOA-related exports.

Kenya
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	14,600	16,840	14,611
DA	15,782	17,792	21,002
ESF	7,678	7,920	6,755
FMF	-	495	25
GHAI	116,495	175,950	285,000
IMET	139	297	45
NADR-ATA	3,484	3,168	2,938
NADR-CTF	700	100	600
NADR-EXBS	75	100	500
NADR-TIP	285	-	300
P.L. 480 Title II	45,056	16,463	12,500
Peace Corps	3,150	3,264	3,190

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. There will be an increasingly close relationship with Kenya on counter terrorism (CT) initiatives as a top priority in coming years. Ongoing assistance through various channels, including Non-proliferation, Anti-Terrorism, Demining and Related Programs' (NADR) funds, Combined Joint Task Force/Horn of Africa (CJTF/HOA) activities, and military cooperation will help train Kenyan investigators and prosecutors. Training and equipment will also be possible for forces patrolling Kenya's coast and borders, and funding will help support efforts to control the flow of weapons through Kenya.

In late 2002, Kenya undertook its most important political transition in its 38 years as an independent nation. Incumbent President Daniel arap Moi stepped down to allow his successor, former opposition leader Mwai Kibaki, who was chosen in multiparty elections, to assume the presidency. This democratic transition proceeded freely, fairly, and without significant violence, strengthening liberty and human rights for Kenya's 30 million people. The United States is working closely with the GOK as it attempts to consolidate these gains and safeguard its fragile democracy for the future.

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 communications hub. President Kibaki and his cabinet campaigned on a public commitment to improve governance, essential to allow renewed economic growth. The Kenyan government has fallen short of this commitment, including backsliding on corruption over the past year. The United States and other donors are nonetheless committed to assist in efforts to improve governance. Kenya is eligible for assistance under the Millennium Challenge Account threshold program and the United States is working with Kenya to develop a proposal that will support Kenya to improve performance in governance and accountability.

Two of the great challenges facing President Kibaki and the GOK are 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 Kenyan leadership in meeting these challenges. FY 2007 Development Assistance (DA) will be provided in the form of technical assistance and capacity-building grants to local non-governmental organizations (NGOs) to increase the effectiveness of private sector and civil society organizations, enhance the independence of the parliament, and continue to promote a transparent and competitive electoral process. Kenyans participate actively in the democratic debate. During a 2005 national referendum, Kenyans defeated a proposed new constitution after vigorous national debate.

Kenya is a focus country of the President's Emergency Plan for AIDS Relief (Emergency Plan). In FY 2007, increased Global HIV/AIDS Initiative (GHAI) funding will be provided to expand comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative.

Sustained IMET funding and continued access to FMF funds for the provision of equipment would enhance Kenya's ability to protect its borders and coast from terrorists. FY 2007 FMF funding will be used to enhance Kenya's capability and confidence to participate effectively in peacekeeping operations through the provision of equipment and training. Kenya will be eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Equipment received under this program will be used to build upon Kenya's existing peacekeeping and counter terrorism capabilities. The United States will also help improve Kenya's capabilities in disaster preparedness and response.

Kenya is among the United Nations' top troop-contributing nations and does not shy away from difficult assignments such as operations in Sierra Leone or the Democratic Republic of Congo. Kenya receives training and assistance as an African Contingency Operations Training and Assistance (ACOTA) partner. Assistance will support multinational peace support exercises at the brigade level between Kenyan headquarters staffs and third-country battalion staffs. These training events test and reinforce interoperability and commonality in a multinational context. They also engage key officials from sub-regional organizations, paving the way for much more effective integration of political peace support mandates and military operations to achieve the objectives set out by the mandates.

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. Successful DA and Child Survival and Health (CSH)-funded operations to fight disease, improve child health, and reduce fertility rates will continue, as will efforts to promote increased rural household incomes for agricultural smallholders and micro-entrepreneurs. Previous work in these fields has already reduced child mortality, fertility rates, and rural poverty. Growth of rural incomes will be encouraged through improvements in productivity (including use of agricultural biotechnology), market access, and private sector management of key commodities. DA will also be used for improving natural resource management to protect Kenya's wildlife and the important tourism industry that wildlife attracts. Economic Support Funds (ESF) will support development activities in predominantly Muslim Northeast and Coast Provinces, to counteract the presence of extremist ideologies in these regions. All these programs will provide technical assistance as well as grants to local NGOs to build capacity and will not support GOK activities. DA funds will support increased access to quality primary education for children from marginalized populations in the Northeast and Coast Provinces and raise their enrollment rates.

Lesotho
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	-	49	45
Peace Corps	2,642	2,507	2,562

The priority U.S. interests in Lesotho are helping Lesotho combat HIV/AIDS, fostering economic development and advancing democratization. Assisting Lesotho in its efforts to address the HIV/AIDS crisis, improve its economy, 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 is also working to address food security in Lesotho; the United States is the largest single donor of humanitarian food assistance to Lesotho.

The HIV/AIDS crisis poses a serious threat to Lesotho's social, political, and economic future. Through USAID's Regional HIV/AIDS Program Office in Pretoria, the USG provides funding for public awareness, educational activities, and voluntary counseling and testing, building capacity in the relevant ministries. USAID seeks to extend programs with additional funding. The Department of Defense also offers assistance to the Lesotho military in the fight against HIV/AIDS through its Department of Defense HIV/AIDS Prevention Program (DHAPP), including more than \$105,000 worth of equipment and supplies in FY 2005. AIDS orphans and girls from economically and socially disadvantaged homes are being helped in Lesotho through the USAID-implemented Presidential Education Initiative with scholarships to attend school. Lesotho benefits from regional Child Survival and Health (CSH) funds. These funds 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.

Lesotho qualified to compete for Millennium Challenge Account funding and is in the process of developing compact proposals. Lesotho qualified for trade benefits under the African Growth and Opportunity Act (AGOA) in April 2001 and has met annual eligibility criteria each year since. Phenomenal growth in the textile industry resulted in an increase of employment in the industry, making the country the largest sub-Saharan exporter of garments to the United States under AGOA. Lesotho's dependence on one export product, textiles, dominated by one market destination, the United States, renders it vulnerable to changes in international trade regimes. For example, the end of the Multi-Fiber Agreement (MFA) increased competition from China, reducing production and causing a reduction in employment from 50,000 people to approximately 42,000 by the end of 2005. Efforts are underway to increase Lesotho's competitiveness through diversification under AGOA, and moving to high end products for American niche markets. Lesotho is a member of the Southern Africa Customs Union (SACU), which is currently negotiating a Free Trade Agreement with the United States, and of the Southern African Development Community (SADC). A Lesotho Trade Mission visited several states in the United States in 2005 to explore expanding trade opportunities related to its textile industry.

Through various programs, the USG assists Lesotho's consolidation of democracy. Recent local elections increased the participation of women in the legislature by one third. Various Lesotho law enforcement agencies/organizations including the Lesotho Mounted Police Service, the Lesotho Revenue Authority (LRA) and the Directorate on Corruption and Economic Offenses (DCEO) have sent officials to various courses offered by the International Law Enforcement Academy (ILEA).

A stable military is an important element in Lesotho's democratic development, and we maintain an interest in its professionalization. International Military Education and Training (IMET) will support education that

emphasizes leadership, management, civil-military relations, and human rights training. Training and equipment to assist the Lesotho Defense Force (LDF) in combating HIV/AIDS have been provided under the DOD HIV/AIDS Prevention Program. Lesotho sends both civilian and military participants to the African Center for Strategic Studies programs each year.

Liberia
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	3,971	3,164	3,001
DA	6,854	23,926	29,499
ESF	24,800	42,719	40,000
FMF	2,976	1,980	1,600
IMET	-	198	245
INCLE	5,000	990	800
P.L. 480 Title II	22,550	5,960	-
PKO	-	-	14,800

The United States is playing a leading role in helping Liberia's successful recovery from almost 20 years of civil war that uprooted close to half its population, generations of corruption, and a near-total absence of government services and of respect for human rights and the rule of law. With the inauguration of Africa's first elected female head of state, Ellen Johnson Sirleaf, after free and fair elections in October and November 2005, Economic Support Funds (ESF) will continue to support 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 former combatants into society; judicial and rule of law programs; education and literacy; customs, tax, auditing, and budgetary reforms; aviation safety; privatization of Liberia's parastatals and utilities; development of a private sector through microcredit grants and loan programs; a World Trade Organization compatible (WTO) trade and investment framework; and sustainable and transparent management of natural resources, including forest management under the President's Initiative Against Illegal Logging. Substantial progress in these areas ultimately could lead to Liberia's accession to benefits under the African Growth and Opportunity Act (AGOA).

The United States is supporting UN peacekeeping operations, and efforts to establish an effective Liberian government and to restore Liberia's capacity to provide for its own security. We are assisting the Government of Liberia (GOL) in reforming the Liberian military to become an effective civilian-led force, with the capacity to secure the country's borders and to 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 will be used to continue to assist Liberia's development of a credible and competent police force and functioning judicial institutions.

Following two decades of civil strife, the transitional government has made the creation of a professional, apolitical military one of the cornerstones for building a stable and democratic Liberia. Standing up a reformed and professional Armed Forces of Liberia is part of the exit strategy for the U.N. Mission in Liberia. The USG will use Peacekeeping Operations (PKO) and Foreign Military Financing (FMF) funds to support security sector reform (SSR) to ensure a successful transition to a professional and capable military. PKO will support the restructuring of Liberian ground forces by providing equipment, training, and infrastructure needs. Expanded PKO will allow support for naval and coastal units. FMF will provide technical assistance by U.S. military trainers and other assistance to complement the PKO-funded SSR efforts. To support SSR efforts, the International Military Education and Training (IMET) program will

help to build professionalism in the military and reinforce democratic values as well as focus on civil-military relations, defense resource management, and military justice. Liberia is eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act.

In FY 2007, Development Assistance (DA) funds will be used to expand community-focused, post-war rehabilitation and reconstruction activities. In addition to programs that encourage ex-combatants and other war-affected persons to return to their communities of origin, these war-affected persons will receive training in agriculture, masonry, roof tiling, and business skills. The U.S. will expand activities to diversify crops and increase market access; train newly elected government officials; and establish a leadership development program for college and post-graduate training to fill the vacuum left by years of war and corruption. We will continue to strengthen civil society organizations, with an added focus on business associations that can advocate for an enabling environment for private sector development. The U.S. will work to improve the quality of basic education in a country of 85 percent illiteracy by providing equipment, textbooks, and technical assistance to the Education Ministry thus building the education system's capacity to provide in-service teacher training, develop curriculum, and improve access for all students.

In FY 2007, Child Survival and Health (CSH) funds will be used to expand primary and reproductive health care activities in targeted communities; expand its efforts to combat HIV/AIDS; further address the institutional strengthening of Liberian non-governmental organizations and county health teams in organizational development; and continue to expand support for the development of in-service training for health care personnel.

In FY 2007, Migration and Refugee Assistance funds will be used to support ongoing refugee repatriation and reintegration assistance to returnees and return communities in sectors such as health, education, child protection/family reunification, micro-enterprise development, and gender-based violence through multilateral support to the UN and Red Cross, and bilateral support to non-governmental partners.

International Disaster and Famine Assistance funds appropriated by the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan in FY 2004 (IDFA-SUP) targeted relief, resettlement, education, and community revitalization programs for Liberian refugees, internally displaced persons, ex-combatants, and women and children associated with the fighters. These funds also provided support for the October 2005 presidential and legislative elections, Treasury Department advisors in building an accountable and transparent budget and revenue process, forest management, and police and criminal judicial training and assistance, including anti-corruption and rule of law programs. In addition, these monies are leveraging debt relief and grants from the African Development Bank, developing smallholder agriculture, monitoring and combating HIV/AIDS, and supporting the initial phase of developing a professional and apolitical military.

Madagascar

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	13,315	11,526	11,479
DA	9,424	9,966	8,129
IMET	253	198	225
NADR-ATA	-	56	-
P.L. 480 Title II	10,528	14,063	18,000
Peace Corps	2,244	2,203	2,173

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. Although the disputed December 15, 2001 presidential election plunged the country into chaos in the first half of 2002, 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. The GOM projects GDP growth in 2005 to be in excess of seven percent. The United States approved Madagascar for benefits under the African Growth and Opportunity Act (AGOA). Driven by the availability of AGOA benefits, Madagascar has been successful in adding jobs and investment. FY 2007 Development Assistance (DA) will foster agricultural and trade development. DA funding also will be used to promote democracy and help the Malagasy government's anti-corruption efforts. U.S. public diplomacy programs will complement efforts for the consolidation of democratic institutions.

The fourth largest island in the world, Madagascar has a unique environment. FY 2007 DA-funded 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, which led to further development of national parks. FY 2007 funds will be used to continue these efforts and consolidate the gains already made.

FY 2007 Child Survival and Health (CSH) 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.

Madagascar is also a Heavily Indebted Poor Country (HIPC). In 2004, it qualified for debt reduction from its Paris Club creditors under the enhanced HIPC initiative, which will result in a significant reduction in its

external debt, including to the United States. The U.S. implemented its debt reduction agreement in early 2005. Madagascar was also among the first sixteen countries to achieve eligibility for Millennium Challenge Account (MCA) funding. On April 18, 2005, the Government of Madagascar and the Millennium Challenge Corporation (MCC) signed a four-year compact in the amount of \$110 million. The funding aims to increase competition in the financial sector, enhance agricultural production technologies and improve the country's land titling system.

U.S. strategy for consolidating democracy includes enhancing the professionalism of the Malagasy military forces through International Military Education and Training (IMET) programs. FY 2007 IMET funds will provide courses on civil-military relations, coastal security, military justice, officer professionalism, and defense resources management. Madagascar is eligible in FY 2007 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, counter-terrorism efforts and coastal security operations.

Malawi
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	21,425	21,125	21,060
DA	17,523	10,352	8,716
IMET	362	347	355
NADR-ATA	-	118	-
P.L. 480 Title II	10,288	8,103	14,500
Peace Corps	2,222	2,400	2,429

Economic growth, governance, and humanitarian assistance, especially to combat HIV/AIDS, are our primary goals in Malawi. Since the election of a reformist administration in May 2004, Malawi is working its way back to fiscal responsibility and macroeconomic stability. These efforts and President Mutharika's anti-corruption campaign earned Malawi designation as a Millennium Challenge Account threshold country. Malawi continues to suffer from a lack of fiscal resources and a devastating HIV/AIDS epidemic. By helping the government address these problems, the United States will help to strengthen democracy, enhance regional stability, and encourage economic development and trade/investment opportunities, thereby advancing U.S. global interests.

Malawi has been a strong supporter in counter-terrorism efforts. The Government of Malawi has been outspoken in its condemnation of terrorism aimed against the United States and other democratic nations. Malawi has cooperated with the United States in coordinating anti-terrorism activities.

FY 2007 Development Assistance (DA) funds will support 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. DA funds will also support anti-corruption efforts in the private sector, complementing and leveraging the Millennium Challenge Account Threshold Country Plan for Malawi. USAID will also support the development of a private sector code of ethics and a rating system intended to contribute to a cleaner, more transparent business environment.

FY 2007 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 and tuberculosis and community child health interventions will also receive support, as will activities focusing on training, service provision, logistics and management systems for family planning and reproductive health. CSH funds will also continue to support an HIV/AIDS mitigation Life Skills Curriculum in the school system.

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 2007 International Military Education and Training (IMET) 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, HIV/AIDS prevention, and other military professional training. 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 a 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.

Mali
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	16,705	16,529	15,893
DA	20,669	14,581	16,932
IMET	-	49	45
NADR-ATA	1,249	1,505	954
P.L. 480 Title II	667	-	-
Peace Corps	3,623	3,819	3,880

The primary U.S. national interests in Mali are promoting the consolidation of democratic institutions and helping the national government reduce the effects of poverty and prevent the spread of HIV/AIDS. Other interests include support for sustainable regional stability and support for Mali's efforts to prevent terrorists from using its territory for safe haven and fundraising. Mali is 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 has a close relationship with the USG and supports U.S. interests in the region. Mali is a beneficiary of the Heavily Indebted Poor Countries Debt Reduction Initiative and the Africa Trade and Investment Policy Program.

FY 2007 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.

DA funds will be used to help integrate the northern ethnic groups into Mali's political, economic and social structures, improving national cohesion. In northern Mali, DA will also 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 agricultural efficiency and to increase farmer incomes through agricultural best practices and better management, especially of irrigated agriculture.

FY 2007 International Military Education and Training (IMET) funding will be used for a program to reinforce progress towards professionalization of the Malian Armed Forces through training and seminars. It will also promote 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 a participant in the Trans-Sahara Counter-Terrorism Initiative (TSCTI) designed to provide a regional response to terrorism by offering a balanced program of military assistance, intel sharing, democratization and good governance support, and humanitarian aid.

In FY 2007, Mali will be eligible 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, combat terrorism 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.

Mali is also eligible to compete for funding under the Millennium Challenge Account.

Mauritania

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	112	129	130
NADR-ATA	1,483	500	345
P.L. 480 Title II	13,638	1,328	5,000
Peace Corps	2,315	2,443	2,449

Primary U.S. national interests in Mauritania are promoting a timely democratic transition after the military coup on August 3, 2005, and advancing the Global War on Terrorism (GWOT). 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. The military government has declared its desire for close relations with the United States and continued cooperation on counterterrorism.

The USG, as a matter of policy, suspended most non-humanitarian assistance to Mauritania after the coup. With the exception of counterterrorism programs deemed to be of immediate and vital interest to the United States, this assistance will likely remain suspended until elections are held and a credibly elected civilian government assumes power.

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. Humanitarian programs will continue and democratization programs will support a democratic transition and our counter-terrorisms goals.

In FY 2007, the International Military Education and Training (IMET) program will serve U.S. interests by encouraging military support for a 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, counter-terrorism and coastal/border security. Mauritania will be eligible to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be furnished to assist Mauritania in providing support 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 programs that focus on water access development, and HIV/AIDS awareness and education programs targeted at women and girls.

Mauritania was eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA) but took little advantage of this law prior to the August 2005 coup. After the coup, Mauritania lost its AGOA eligibility.

Mauritius
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	137	124	145
NADR-ATA	479	1,324	345

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, financial services 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. In November 2004, Mauritius received a one-year Third Country Fabric exemption under AGOA. Mauritius has sought, unsuccessfully thus far, an extension of that exemption into 2006 and stands to lose some textiles market share as a result. 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 2005, Mauritius hosted the Small Island Developing States (SIDS) Conference at which actions in support of the sustainable development of the SIDS were discussed.

U.S. national security is enhanced through the creation of a stable and secure Indian Ocean region. In FY 2007, International Military Education and Training (IMET) funds will provide courses for Mauritius armed forces including 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 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA to Mauritius will support its coastal security activities.

Mozambique

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	13,430	17,361	15,929
DA	17,435	12,307	13,403
GHAI	48,434	79,600	124,000
IMET	220	213	215
NADR-HD	2,336	1,900	1,000
P.L. 480 Title II	8,850	7,816	19,000
Peace Corps	2,349	2,345	2,367

The United States is deeply engaged with Mozambique, with emphasis on economic development, HIV/AIDS, and good governance. Mozambique is an increasingly important partner on regional security issues and in the war against terrorism.

Mozambique has enjoyed rapid economic growth for over a decade as it recovered from the devastation of the long civil war. Mozambique's successful transition since the end of its civil war is reflected in the country's ability to sustain strong levels of economic growth, including GDP growth of 7.2 percent in 2004 and 7.7 percent in 2005. Mozambique's greatest medium-to-long term economic development challenge is to diversify the economy in order to attract investment, especially in labor intensive export sectors. With a trade-weighted average tariff of nine percent, the economy is one of the most open in Africa. Without structural reform that creates an environment in which it is possible to complete, however, investors and business will not be able to take full advantage of the global marketplace.

To improve the business climate and attract investment, Development Assistance (DA) funds would be used to: (1) increase international market access for Mozambican products; (2) enhance Mozambique's competitiveness by reducing the cost of doing business; and (3) increase exports in specific sectors such as tourism, and potentially wood and horticulture. These activities would improve the country's trade policies, create a more supportive enabling environment, and directly increase exports in target sectors.

The Mission is united in the fight against HIV/AIDS. Although the estimated HIV prevalence rate of around 16 percent is still below those of neighboring countries, Mozambique is in the early stages of the epidemic, and national leaders fear the worst is yet to come as increasing development and mobility spread the disease. The Mission is building on the Mozambican government's political commitment to check the spread of the disease. Mozambique is a focus country of the President's Emergency Plan for AIDS Relief (Emergency Plan). In FY 2007, increased Global HIV/AIDS Initiative (GHAI) funding will be provided to expand comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative.

FY 2007 Child Survival and Health (CSH) funds would be used to improve child survival, health and nutrition by focusing on maternal and child survival, immunization, malaria, nutrition, and diarrheal disease; preventing and controlling infectious diseases, especially malaria if Mozambique is included in the President's Malaria Initiative in FY 2007; and supporting family planning programs by procurement of contraceptives and providing training and technical assistance for family planning.

Support for democracy is a top U.S. priority. The Mission's municipal governance program creates models of democratic governance in selected municipalities and strengthens Mozambique's anti-corruption efforts

at the local and national levels in selected sectors. These results are being accomplished with technical assistance and training to democratically elected municipal officials, civil servants, and civil society organizations to: (1) ensure that government decision-making is more transparent and elected officials are increasingly more accountable to citizens; (2) increase civic action and participation in municipal planning and development; (3) foster a more ethical and effective civil service; and (4) reduce corruption. By building the skills of municipal officials and creating opportunities for civil society to partner with government, the Mission is demonstrating the value of democratic governance, citizen empowerment, and citizen participation.

The Mission seeks to use Economic Support Funds to support election observers and civic education for the 2007 provincial elections and the 2008 municipal elections. In addition, the Mission seeks to use International Narcotics and Law Enforcement (INL) and DA funds to support expansion and training of Mozambique's Central Office to Combat Corruption.

Porous borders, corruption, weak law enforcement and judicial institutions, and a significant Muslim minority mean that Mozambique could become a transit country for terrorists or even the location of a terrorist attack against U.S. interests. Forming a backdrop to the terrorist threat is the presence of organized crime, including money laundering and trafficking in narcotics, persons and arms. The Mission will work to build the capacity of Mozambican authorities to detect and deter terrorist activity.

Non-proliferation, Anti-terrorism, Demining and Related Programs – Humanitarian Demining (NADR-HD) funds support Mozambican efforts to open land and infrastructure for development and to build Mozambique's capacity to provide demining expertise in other mined areas. A reduction in funding levels from previous years reflects the anticipated completion of ongoing efforts.

The FY 2007 International Military Education and Training (IMET) program will provide professional training, emphasizing the necessity of an apolitical, professional, civilian-controlled military. IMET education and training will continue to build in-country English language training to support the military's ability to participate in regional peacekeeping operations and enhance Mozambique's ability to patrol its maritime borders through maritime law enforcement instruction. Mozambique is eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be used primarily to support Mozambique's participation in peacekeeping operations in Africa.

Namibia
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	796	1,168	1,180
DA	6,602	6,179	5,275
GHAI	37,461	51,500	73,000
IMET	-	49	45
NADR-ATA	37	-	-
Peace Corps	2,507	2,650	2,674

The primary U.S. national interests in Namibia are helping the country fight HIV/AIDS, advancing economic development and trade, and consolidating democracy. Independent for only fifteen years, Namibia is one of Africa's most stable democracies and has one of its most open and promising economies. Successfully addressing the HIV/AIDS crisis and accelerating Namibia's political, economic, and social progress would enhance regional stability and thereby advance U.S. global interests.

Namibia is a focus country under the President's Emergency Plan for AIDS Relief (Emergency Plan). Global HIV/AIDS Initiative (GHAI) funding will continue to support successful, comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative

U.S. trade policy is a great success in Namibia in large part due to the African Growth and Opportunity Act (AGOA). AGOA has brought Namibia over \$300 million in foreign investment since April 2001 and created over 9,000 new jobs, 5,500 of which remain despite the end of worldwide quotas in 2005. The challenge remains for Namibia to take greater advantage of AGOA benefits through the diversification of exports. Namibia is a member of the Southern African Development Community (SADC) and Southern Africa Customs Union (SACU). As a member of SACU, Namibia is an engaged participant in the ongoing U.S.-SACU Free Trade Agreement (FTA) talks.

FY 2007 Development Assistance (DA) will increase the quality of primary education in disadvantaged areas by improving teacher performance through training and strengthening the Ministry of Education's decentralized management system. Activities to mitigate the impact of HIV and AIDS on the sector initially were funded through DA funds but activities will be expanded in FY 2007 with funding secured from the Emergency Plan. Funds from the Africa Education Initiative also support scholarships and mentoring for 950 disadvantaged girls. In addition to the basic education support program, a workforce skills development activity will be implemented to support technical assistance, training and capacity building of selected vocational training institutions.

DA funding will also finance continuation of USAID's successful community-based natural resource management (CBNRM) program, and will provide funding for programs to assist rural Namibians to benefit from effective management of a broader set of natural resources, beyond wildlife. Previous funding has been instrumental in the establishment of community-based conservancies in several parts of the country, which in turn have enabled the resurgence of populations of wildlife including endangered species. Among other emphases, support will be given to foster joint ventures between tourism operators and conservancies in an effort to create jobs. These conservancies benefit 119,000 Namibians, have created 547 full-time and 3,250 part-time jobs, generated \$2.65 million in benefits to participants (from \$62,500 in 1998), reinforced local democratic institutions, and advanced the status of women.

DA funds will enable the continuation of programs to assist with the consolidation of Namibia's democratic institutions. Under its Democracy and Governance Program, USAID will support outreach efforts of Parliamentarians and Regional Councilors to their constituencies. Training will strengthen their ability to incorporate input from civil society into policy formulation, legislative decision-making, and regional and local planning. Advocacy skills training and institutional strengthening will also be provided to civic groups across the country to enable them to participate more effectively in outreach and advocacy activities and to increase the range and quality of the submissions made to elected representatives (with continued emphasis on HIV/AIDS- and CBNRM-related issues and policy concerns).

Namibia has actively contributed to international peacekeeping operations and assistance to the Namibian military will bolster Namibia's ability to participate in peacekeeping initiatives and thereby contribute to regional stability. FY 2007 International Military Education and Training (IMET) funds will provide training and education to military officers, to enhance the military's capacity and management of existing resources to support the war on terrorism, engage in peacekeeping operations, and perform civic action. Namibia is eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will support Namibia's participation in peacekeeping operations and the war on terrorism.

Niger
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	-	49	45
NADR-ATA	1,400	955	576
P.L. 480 Title II	12,368	2,449	6,000
Peace Corps	2,685	2,963	2,990

U.S. interests in Niger are democracy, human rights, regional security and countering terrorism. Niger, bounded by Algeria, Libya, Chad, Nigeria, Burkina Faso, Benin and Mali, is 95 percent Muslim and the second poorest country in the world. With its porous borders and impoverished people, Niger is a ready target for anti-Western extremism and a potential crossroads for terrorist activities. Despite this backdrop, however, Niger continues to hold the promise of democracy in a moderate and secular state. Since free and fair elections at the end of 1999, the Government of Niger has made economic reforms and invested in its people. In 2004, successful local and national elections provided the first peaceful democratic succession in Niger's history. Niger's human rights record has improved and corruption has decreased since democracy was restored. Counter-terrorism will also improve in a democratic environment.

U.S. interests are advanced by supporting Niger's democratically elected civilian government with targeted assistance aimed at economic and political development and reform, human survival, social justice, health, and security. Ensuring Niger's uranium production is not diverted to states of concern is also an important U.S. interest in the war on terrorism and in our efforts to halt the proliferation of weapons of mass destruction.

Niger is the least developed country on the UN Development Programme's (UNDP) Human Development Index. Only 17 percent of primary and secondary school aged children enroll in school. Sixteen percent of the population 15 years of age and older can read; only 7 percent of adult women can read. Forty percent of the children in the country are malnourished, and Niger experienced a severe food security crisis in the summer of 2005, brought on by drought and a rise in cereal prices. Niger also has one of the highest fertility rates (8.1 children per adult woman) and population growth rates (3.2 percent) in the region. By 2050 the World Bank estimates that the population of Niger will be second only to Nigeria in Sub-Saharan Africa, and currently 50 percent of the population is under 15 years of age. Living conditions for women and children, two of the most vulnerable sectors of the population, are marginal.

Most of our assistance to Niger is derived from a mix of Africa Regional Economic Support Funds, USAID Title II Food for Peace resources and limited funding from USAID, including through the West Africa Regional Program (WARP). Niger receives humanitarian assistance from the Department of Defense, and support for democratic systems from the National Endowment for Democracy. State Department's Office of Trafficking in Persons and the U.S. Department of Labor fund human rights and education projects. The Centers for Disease Control, the U.S. Geological Survey, National Oceanic and Atmospheric Administration (NOAA) and the Environmental Protection Agency (EPA) provide technical assistance to the Government of Niger along with U.S. universities including Purdue, Michigan State, Alabama A & M and Clark.

In FY 2007, the United States will support a limited military assistance program in Niger. To help professionalize the military and reduce the threat of destabilization to Niger's fragile democracy, the International Military Education and Training (IMET) program is designed to reinforce the military's role as a professional institution, subordinate to Niger's democratically elected civilian government. FY 2007

IMET funds will support the continued enhancement of civil-military relations, military justice, and peacekeeping capabilities. Niger is a participant in the Trans-Sahara Counter-Terrorism Initiative (TSCTI) and units previously trained under the Pan-Sahel Initiative (PSI) will receive follow-on equipment and training in counter-terrorism. Niger will be eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be used to help Niger to better control its borders and participate in peacekeeping activities.

Nigeria
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	28,250	21,544	19,677
DA	14,808	14,000	21,204
ESF	4,960	4,950	5,000
FMF	-	990	800
GHAI	85,928	138,100	272,000
IMET	-	792	590
INCLE	2,232	990	400
NADR-ATA	-	435	-
NADR-CTF	100	200	600

Nigeria is the dominant economic and political power in West Africa. Nigeria's 140 million people represent 20 percent of sub-Saharan Africa's total population. Its increasingly restive 60 million Muslim population is about the same size as the Muslim populations in Egypt and Turkey. Our over-arching national interests in Nigeria are promoting democracy and human rights, combating poverty and ensuring a cooperative partnership on regional stability, and trade. 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 the fifth largest source of U.S. oil imports, and disruption of supply from Nigeria would represent a major blow to U.S. oil security strategy. Nigeria staunchly supports the global war on terrorism and has been an indispensable partner in addressing crises in Darfur, Liberia, Côte d'Ivoire, and Zimbabwe. Assistance supports efforts to increase security and stability in the vulnerable oil-producing Niger Delta region, strengthen Nigeria's governmental and nongovernmental institutions, engage with an increasingly disaffected Muslim population, and promote credible elections in 2007 during a period when Nigeria's democracy remains extremely fragile. The United States also supports efforts to fight trafficking in narcotics and persons and address Nigeria's vulnerability to financial crime and terrorist finance.

Nigeria is a focus country of the President's Emergency Plan for AIDS Relief (Emergency Plan). In FY 2007, increased Global HIV/AIDS Initiative (GHAI) funding will be provided to expand comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative.

National elections in 2003 and local elections in 2004 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. 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.

Cooperation with Nigeria to combat drug trafficking, international crime, and terrorism continues to improve. Nigeria remains susceptible to violence, instability and high crime rates. We will work with Nigerian police to professionalize the force, improve basic skills, and promote law and order across the country. Nigerian criminal organizations are transnational in scope and have a direct impact on the United States, costing American victims tens of millions of dollars each year. Southeast and Southwest Asian

heroin smuggled through Nigeria amounts to a significant portion of the heroin smuggled into the United States, resulting in Nigeria being placed on the U.S. list of major drug producing and drug-transit countries. Funding will be directed at counternarcotics and financial crime units that are working with U.S. law enforcement organizations against transnational crime. FY 2007 International Narcotics Control and Law Enforcement (INCLE) funds will be used to cover program development and support costs for an INL Section Chief and his office staff. The section chief is responsible for overseeing INCLE programs, which provide assistance in counternarcotics, police modernization, and financial crime. Counternarcotics programs have focused on interdiction training and technical assistance for the National Drug Law Enforcement Agency. Financial crime assistance has been directed toward training and technical assistance to the Economic and Financial Crimes Commission and INTERPOL. We will facilitate the active prosecution of Nigerian criminals, 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. The United States will contribute to G8 support for Nigerian programs focused on increasing budget transparency and improved fiscal performance.

In the Niger Delta, disputed access to vast oil wealth has provoked violence and human rights concerns. We will use Economic Support Funds (ESF) to continue work with local groups, including governmental and non-governmental organizations, and the private sector to develop conflict resolution mechanisms. In the North, Sharia courts issue harsh sentences. We will use FY 2007 ESF and other resources to work with the judiciary and local and international human rights groups to address concerns about these punishments. We will also use FY 2007 ESF to support preparations for 2007 national elections, focusing on capacity building for Nigeria's Independent National Election Commission (INEC) and training for domestic nongovernmental organization election observers and political party representatives.

FY 2007 Development Assistance (DA) and Child Survival and Health (CSH) funding will continue to address impediments to economic growth and will strengthen basic education, enhance agricultural productivity, and expand and improve health services, with a particular focus on women and infants. Democracy and governance programs will strengthen the National Assembly, the Independent National Electoral Commission, and civil society, and promote conflict resolution. We will support economic reform and agricultural development by focusing on improved economic management, promoting privatization, greater access to micro-finance, and environmental sustainability.

Nigeria's success in peacekeeping missions in Sierra Leone and Liberia was due in part to U.S. support and training under the Operation Focus Relief Program completed in 2001. Nigeria has played a leading role in negotiations to end the Darfur crisis and has been a major troop contributor to the African Union Mission in Sudan (AMIS). To further strengthen Nigeria's peacekeeping capacity, the nation is expected to become a partner in the African Contingency Operations Training and Assistance (ACOTA) program in 2007. Assistance to the Nigerian military will 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, consolidate the Nigerian military's position under civilian authority, improve professionalism and enhance its regional peacekeeping capabilities. Nigeria is eligible in FY 2007 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 and modernization efforts.

Foreign Military Financing (FMF) will be used to help Nigeria improve military management and training. FMF will strengthen the Armed Forces Staff College/Infantry Center and the school's simulation center, train teams in counter-terrorism and peacekeeping, build military justice capacity, develop a small boat unit to enhance energy security in the Niger Delta, and provide C130 technical support. Nigeria remains eligible for trade benefits under the African Growth and Opportunity Act (AGOA). Taking advantage of this opportunity will promote economic growth, increasing stability in Nigeria and the region.

Republic of the Congo

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	163	99	105
P.L. 480 Title II	1,364	-	-

U.S. national interests in the Republic of the Congo (ROC) are promoting democracy, human rights, and economic prosperity, including good economic governance of the country's significant oil resources, as well as the protection of its unique and precious environment. An associated goal is mutual understanding and raised awareness of American values, including respect for human rights, respect for freedom of the press and of association, educational reform, and HIV/AIDS awareness. To achieve these and other U.S. goals, diplomatic facilities destroyed during the civil war are being refurbished.

Since a 2003 peace agreement ending major conflict, the Republic of Congo has continued its transition to a still fragile peacetime society. But a small segment of the war-torn Pool Region continues to suffer from armed bandits and piracy at times affecting the major rail system in the region and causing intimidation and harassment of the local population.

Improvements in governance and efforts to ensure transparency in the oil sector contributed to economic stabilization and the approval of a concessional loan arrangement in December 2004 and subsequent debt treatment by the Paris Club that same month. There were revelations in 2005 that oil revenue transparency had faltered significantly, and national oil company officials had grave conflicts of interest in Congo's oil sales. These revelations led the World Bank and the International Monetary Fund (IMF) to delay further debt relief. The United States and the international community will be monitoring the ROC's performance and its commitment to economic reform under its ongoing IMF arrangement. U.S. investments are largely in the oil industry, but further diversification of the economy is necessary to sustain economic growth.

Mutual understanding and raised awareness of American values have been promoted in the past through an American Corner (a U.S. - UN Development Programme education center), U.S. speakers, bilateral meetings, girls' scholarships, and workshops on a variety of subjects including democratic principles, human rights, HIV/AIDS, and civil-military relations. At this time, there is no public diplomacy officer assigned to Post to sustain these activities. To help ensure stability, past Africa Regional Economic Support Funds (ESF) have been used to support election planning, provide training in legislative affairs for the new legislature, and develop environment projects in synergy with the President's Congo Basin Forest Partnership (CBFP) initiative. ROC is one of the beneficiaries of this initiative, primarily through USAID's Central African Regional Program for the Environment.

FY 2007 International Military Education and Training (IMET) funds will support courses in the English language, civil-military relations, human rights, and military professionalization. Such programs enhance regional stability, strengthen ROC peacekeeping capacity, and facilitate beneficial cooperation between the USG-ROC militaries. The ROC is eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will support ROC military participation in peacekeeping and the activities of Central Africa's brigade in the African Union's Standby Force

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

Rwanda
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	7,100	7,163	7,729
DA	5,680	5,852	3,943
GHAI	43,800	60,000	82,000
IMET	296	223	270
P.L. 480 Title II	14,000	11,758	15,000

The primary U.S. national interests in Rwanda include: 1) diplomatic engagement with neighboring states, especially Democratic Republic of Congo, through the U.S. initiated tripartite mechanism, the United Nations and other efforts to bring peace to Central Africa; 2) promotion of democracy and human rights, as well as HIV/AIDS prevention and education; and 3) facilitation of Rwandan peacekeeping operations in Darfur. U.S. programs aim to aid Rwanda's recovery from the 1994 genocide that claimed an estimated 800,000 lives. The United States implements a variety of governance, health, and rural economic growth programs that help 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 also aid Rwanda's transition to sustainable development and support regional peace and stability in Africa's Great Lakes region.

Rwanda is eligible to receive trade benefits under the African Growth and Opportunity Act (AGOA). Rwanda also received 100 percent debt relief under the enhanced Highly Indebted Poor Countries (enhanced HIPC) initiative. FY 2007 Development Assistance funds (DA) will finance ongoing activities to improve governance by increasing citizen participation, enhancing democratic local and national governance, strengthening civil society, and improving community-based reconciliation efforts.

Rwanda is a focus country of the President's Emergency Plan for AIDS Relief (Emergency Plan). In FY 2007, the Global HIV/AIDS Initiative (GHAI) will continue to provide comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative.

Programs financed by USAID help increase citizen participation, enhancing democratic local and national governance, strengthening civil society, and improving community-based reconciliation efforts. USAID will continue to support Rwanda's groundbreaking decentralization program, increase dialogue between citizens and government at all levels, and help civil society organizations (CSOs) increase citizen participation in local and national governmental decision-making. Efforts to bring justice for crimes through the special genocide courts (Gacaca) or the formal justice system will be coupled with civil society efforts to ease the trauma still pervasive in Rwandan society.

Health programs funded by USAID strengthen Rwanda's decentralized system for family planning, reproductive and child health, malaria, HIV/AIDS and nutrition. They improve access, quality and sustainability of basic health services. Major components reduce maternal and neonatal mortality, improve the quality and sustained use of family planning, reduce malnutrition among children, mothers and people living with HIV/AIDS, and prevent the transmission of HIV/AIDS, tuberculosis, and malaria. Communication initiatives improve health promotion and disease prevention practices, increase care-seeking behavior and strengthen the referral and counter-referral system. Special emphasis is placed on community level HIV/AIDS prevention and care mobilization.

A United States rural economic growth program focuses on value-added agriculture in Rwanda. Targeted production, processing and marketing assistance support productive enterprises in key commodities such as specialty coffee, chili peppers, pyrethrum, and essential oils. Value-added processing through off-farm employment provides the first source of cash income for many rural women. By strengthening the financial sector, targeted agribusinesses have access to credit, and rural enterprises expand through micro-credit. P.L.480 resources are fully integrated into the program and help to improve rural infrastructure and raise agricultural competitiveness through lower transportation costs.

FY 2007 International Military Education and Training (IMET) programs will focus on developing the professionalism and peacekeeping capabilities of the Rwandan military, with particular emphasis on expanded IMET courses designed to promote respect for human rights and civilian control of the military, military justice, and improved civil-military relations. Rwanda will receive training in Equal Opportunity to encourage non-discriminatory practices and equal access to all ethnic groups in the country. In addition, Rwanda will be eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Provision of grant EDA will help Rwanda to modernize its military and continue its participation in international peacekeeping operations.

Sao Tome and Principe

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	194	198	200

U.S. national interests in Sao Tome and Principe (STP) are democracy, human rights, mutual understanding, and economic prosperity and security, all of which help promote regional stability. U.S. efforts focus on enhancing political stability to preserve one of the most exemplary democracies in Africa, and the preservation of STP's human rights record, which international organizations rate highly. Support of the Voice of America facility and its operations provides long-range broadcasting access to promote American values and understanding of U.S. views and culture. In the coming decade, U.S. companies will increase their already substantial investments in the development of the vast petroleum resources in Sao Tome's territorial waters.

In Sao Tome and Principe, 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. In July 2003, some members of the military supported a coup attempt that was resolved through talks between the rebels and a multinational negotiating team, including the United States, to preserve good governance and democratic practices.

Historically, STP has been one of the poorest and most indebted nations in Africa, and the government of STP has run high deficits. However, in 2005, STP enjoyed a surplus as a result of a large oil signing bonus. The discovery of large oil reserves in STP's coastal waters should eventually lead to a dramatic change in the government's fiscal situation and revenue base and make STP a major player in the economically and strategically important Gulf of Guinea. However, expectations of oil wealth are unduly high, and oil production will not commence for several years. We continue to promote American investment in STP and support STP's attempts to ensure transparency in the oil sector. We are also working with the government to help ensure that STP's oil resources and subsequent earnings are appropriately utilized to ensure sustained economic growth to benefit the population. STP is eligible for support under the Millennium Challenge Account Threshold program.

In FY 2007, International Military Education and Training (IMET) programs will provide training in military leadership skills, military justice, English language capability, and professional development in the Sao Tome military. Such professionalization is vital to help preserve STP's democratic institutions and increase STP's capacity to secure its territorial waters.

Sao Tome and Principe is eligible in FY 2007 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, for example, to bolster the coastal security program to help protect Sao Tome's critical natural resources and equip its small military force with individual equipment.

Sao Tome and Principe is eligible to receive trade benefits under the African Growth and Opportunity Act. STP is also defined as a Heavily Indebted Poor Country (HIPC), but it must establish a track record of reform and sound policies in compliance with its current agreement with the International Monetary Fund (IMF) before it can reach Completion Point and become eligible to receive full debt relief under the enhanced HIPC initiative.

Senegal
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	14,775	14,001	14,183
DA	12,995	19,554	13,246
FMF	496	495	400
IMET	1,222	1,089	1,135
NADR-ATA	339	168	-
NADR-HD	-	300	600
NADR-TIP	-	-	50
P.L. 480 Title II	2,269	3,749	3,500
Peace Corps	3,502	3,660	3,568

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 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 Operations Training and Assistance (ACOTA) Program, Senegal contributes troops to United Nations peacekeeping forces in Cote d'Ivoire, Liberia, and the Democratic Republic of the Congo, as well as the African Union Mission in Sudan.

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 economic growth, Development Assistance (DA) funds will help to start and operate a business and build trade capacity, particularly for nontraditional agricultural and natural products. FY 2007 funds will be used to improve the effectiveness, transparency and accountability of local governments as well as broaden political participation. The USAID health program, using Child Survival and Health (CSH) funds, targets HIV/AIDS prevention and treatment and improvement of the health of women and children, particularly through reduction in malaria and other infectious diseases. The USAID basic education program, in collaboration with the Africa Education Initiative, will increase the number of children, especially girls, who complete middle school.

In late 2004, Senegal was chosen as one of the first 16 countries eligible for support under the Millennium Challenge Account (MCA) and can continue to be selected for both FY 2005 and FY 2006 MCA funding.

FY 2007 Africa Regional Economic Support Funds (ESF) will be requested to support efforts to enhance Senegal's ability to monitor and investigate suspicious financial transactions related to terrorism finance, money laundering, or organized crime.

In FY 2007, 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.

FY 2007 Foreign Military Financing (FMF) funds will enhance the ability of Senegal's military to conduct peacekeeping operations and maintain the skills they have acquired through ACOTA training. Funds are intended to help improve Senegal's ability to contribute to regional missions, to communicate, to secure its borders and coastline, and to maintain previously provided U.S. equipment.

Senegal is eligible in FY 2007 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 the Economic Community of West African States (ECOWAS) and the African Union, reached its completion point under the Heavily Indebted Poor Countries Initiative in April 2004. This achievement resulted in a dramatic reduction in Senegal's bilateral debt obligation to the United States and other creditors.

Seychelles
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	106	99	120
NADR-ATA	-	56	-

The United States' primary national interests in the Seychelles, an island nation in the Indian Ocean, are fostering democracy and respect for human rights, promoting economic development, and securing the government's continued help in the war on terrorism. 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 20-25 port calls a year to the Seychelles.

The Seychelles economy, despite enjoying one of the highest per capita incomes in Sub Saharan Africa, has undergone a steep decline in recent years. Seychelles suffers from a chronic shortage of foreign exchange and government mismanagement has led to negative economic growth. The economy is primarily based on tourism, although there has been a recent downturn in this sector. 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. The government has taken measures aimed directly at creating a more business-friendly environment. AGOA, if used effectively, can help to attract investment.

The Government of Seychelles has been a consistent supporter of the USG in the global war on terrorism. In FY 2007, International Military Education and Training (IMET) will contribute to developing a professional military and respect for civilian rule by providing training in civil-military relations and other specialized issues. IMET-funded 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 resident diplomatic presence, with the exception of a joint Embassy and CENTCOM Consular Assistant in Victoria, Seychelles, who is responsible for Consular Services and acts as a local liaison for naval ship visits.

The Seychelles is eligible in FY 2007 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 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	100	297	300
DA	4,600	3,756	3,820
ESF	5,952	5,940	2,500
IMET	270	322	325
P.L. 480 Title II	13,277	7,015	11,000

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.

Continued peace in 2005 allowed the U.N. Mission in Sierra Leone (UNAMSIL) to terminate operations as scheduled, and all forces withdrew from the country at the end of December. UNAMSIL has been replaced by the U.N. Integrated Office for Sierra Leone (UNIOSIL), with goals of consolidating peace, strengthening human rights, improving transparency, realizing Millennium Development Goals, and holding free and fair elections in 2007. The Special Court of Sierra Leone (SCSL) war crimes tribunal instituted by the U.N. Security Council continues to deliberate on cases involving eleven indictees associated with all three of the country's former warring factions.

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. The Anti-Corruption Commission (ACC) has worked diligently against corruption and has received support from the GOSL in its efforts. A backlog of cases has decreased and the President pushed the Commonwealth Special Prosecutors' presence in ACC through Parliament, but convictions of high-level government officials for corruption still elude the ACC. Stability in neighboring Liberia and Guinea also has a significant impact on Sierra Leone. Prospects for stability in Liberia have improved with the departure of Charles Taylor and recent free and fair election of President Ellen Johnson Sirleaf; however, there are reports that Taylor continues to interfere in Liberian affairs from his exile in Nigeria. The potential for increasing instability in Guinea could threaten gains in Sierra Leone.

FY 2007 Development Assistance (DA) and Economic Support Funds (ESF) will be used to provide social, economic and physical support to further solidify the ongoing reintegration process. Efforts are shifting from relief activities such as basic infrastructure rehabilitation and feeding programs to programs that boost agricultural production and increase employment skills and opportunities, such as agricultural extension, marketing, and entrepreneurial training. USAID will also continue efforts aimed at broadening participation of local communities and interest groups in key national and local issues such as the utilization of Sierra Leone's diamond resources, the provision of social services, and putting an end to corruption. During FY 2007, USAID will focus on youth and gender issues, with targets aimed at reducing violence, promoting community healing, and safeguarding human rights. The program will also increase emphasis

on training politicians at the local and national levels in constituency relations, improved governance, and anticorruption. Advocacy training for civil society organizations will also receive increased emphasis.

The International Military Education and Training (IMET) program in FY 2007 will help to build professionalism in 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 will be eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA may be provided to support the ongoing rebuilding and restructuring of Sierra Leone's armed forces.

Child Survival and Health (CSH) funds will be used to help prevent the spread of polio in Sierra Leone by providing financial support to the World Health Organization's (WHO) Polio Eradication Program. 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. Sierra Leone holds a Category 9 textile visa, allowing it to export hand-made and folkloric textiles to the United States.

Sierra Leone is also a Heavily Indebted Poor Country (HIPC). Under the enhanced HIPC initiative, it qualified for cancellation of \$3 million from its Paris Club creditors, including the United States, in July 2002.

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

Somalia
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	100	-	-
DA	5,000	2,045	2,571
P.L. 480 Title II	26,286	4,997	-

United States interests in Somalia include national security and counter-terrorism, democracy, human rights, and humanitarian assistance. U.S. policy goals include eliminating the terrorist threat in Somalia, preventing its use as a terrorist base, and overcoming the long-term governance challenges exploited by terrorists by supporting the establishment of a functioning central government in Somalia. U.S. assistance programs seek to contribute to the country's economic recovery and create an enabling environment for long-term institutional and political change.

Somalia has lacked a functioning central government since the collapse of the Siad Barre regime in 1991; however, the formation of a transitional governing entity, known as the Somalia Transitional Federal Institutions, provides an opportunity for increased U.S. engagement in Somalia in FY 2007. In addition, other political entities and regional administrations also currently exist, including the self-declared "Republic of Somaliland" in northwestern Somalia and the semi-autonomous region of Puntland in northeastern Somalia. The United States maintains informal contact with a variety of actors in Somalia, including members of the Transitional Federal Institutions and regional authorities in Somaliland.

The continued lack of regional and national reconciliation inside Somalia hinders the ability of Somali leaders to confront terrorism issues or effectively promote economic development in the region. In this regard, the United States continues to support ongoing efforts towards Somali reconciliation and will continue to work with local and regional authorities and other states in the region to promote national dialogue and the establishment of effective governance inside Somalia.

Somalia's economy, which is based on nomadic pastoralism, is largely underdeveloped. Alternating droughts and floods, combined with endemic strife, have seriously reduced productivity and threaten widespread starvation. Hundreds of thousands of Somalis live as refugees in neighboring countries, especially Kenya, and many others are internally displaced. Foreign assistance and remittances from overseas are Somalia's primary sources of income. Livestock, one of Somalia's 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 a near-total lack of institutional capacity. This situation provides a fertile ground for international terrorism and lawlessness. Despite the lack of a functioning central government, however, a nascent private sector has emerged in Somalia, including a thriving telecommunications industry.

Due to continued insecurity inside Somalia, we will continue to provide assistance in FY 2007 through non-governmental and international organizations. FY 2007 Development Assistance (DA) and Child Survival and Health (CSH) funds will be used to strengthen the organizational and leadership capacities of civil society to manage and peacefully resolve conflict. FY 2007 DA will also be used to improve access to and the quality of basic education in Somalia. FY 2007 Africa Regional ESF will be requested to support peace building, civil society, capacity building and conflict resolution programs in Somalia, including Somaliland, as well as continued efforts towards democratization in Somaliland. The United States will work with Somali civil society organizations to build their organizational and financial management capacity, improving their links and relationships with local government and supporting interventions in selected sectors.

South Africa

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	5,328	5,070	5,130
DA	25,710	24,362	19,279
ESF	992	1,287	1,300
GHAI	118,165	191,553	330,000
IMET	-	49	45
INCLE	1,756	594	500
NADR-ATA	-	14	50
Peace Corps	3,137	3,443	3,614

South Africa is the cornerstone of regional stability and the leading catalyst for economic growth in southern Africa because of its globally integrated and resource-rich economy, prominent diplomatic profile, and ability to project limited military force beyond its borders. The United States has major interests in South Africa's continuing development as a stable, democratic, and market-oriented state that can address its major internal challenges (the HIV/AIDS pandemic, joblessness, income inequality, crime, and race relations) and maintain an active peacekeeping role in Africa. South Africa is a cooperative partner of the United States in addressing terrorist and international criminal threats, nonproliferation, and regional instability, although South Africa opposes some U.S. policies in international fora. The government has focused on Black Economic Empowerment (BEE) initiatives as one element of policies to address the economic legacy of apartheid while working to maintain 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. FY 2007 Economic Support Fund (ESF) resources will be used to partner with non-governmental entities in South Africa to address the social, political, and economic legacies of apartheid. Areas of attention will include support for projects to bolster legal and fair processes of land reform, advance interracial and interfaith tolerance, enhance private citizens' access to government and to promote economic growth and job creation. ESF and International Narcotics and Law Enforcement (INL) funds will be used to support activities under the Women's Justice and Empowerment Initiative. ESF will also be used to support South Africa-situated African Union training for post-conflict reconstruction and development.

South Africa has the world's largest populations of AIDS victims and AIDS orphans, with an adult HIV prevalence estimated at 21 percent and 29.5 percent in pregnant women. The USG, along with the South African Government and other donors, are applying increasing resources to the challenge to prevent this pandemic from undermining South Africa's development efforts. South Africa is a focus country of the President's Emergency Plan for AIDS Relief (Emergency Plan). In FY 2007, increased Global HIV/AIDS Initiative (GHAI) funding will be provided to expand comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative. Child Survival and Health (CSH) programs will continue to focus on building primary health care delivery capacity and curbing tuberculosis. A joint Department of Defense-National Institutes of Health (DOD-NIH) program in FY 2007 will help the South African National Defense Force (SANDF) deal with the HIV/AIDS challenge to the armed forces. During FY 2004, among other projects, ESF resources were used to support improved public sector hospital management at the largest hospital in South Africa, the Chris Hani Baragawanath Hospital in Soweto, Johannesburg.

The United States also has a clear interest in helping South Africa address serious local and international organized crime problems, 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. 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 2007: border controls, counternarcotics, youth and domestic violence, sex crimes, organized crime, major case management, corruption, and money laundering. A Presidential initiative announced at the G-8 will help raise awareness of crimes against women, upgrade criminal justice and police handling of such crimes, and improve services for and reintegration of victims. In all of these areas, FY 2007 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 serious crime problems.

Education is another high priority for U.S. assistance to South Africa, with the long-term objective of enhancing workforce development. Through USAID programs in curriculum reform and implementation, teacher training, and institution strengthening, FY 2007 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 2007 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 2007 DA programs will also support private sector development as well as the expansion of basic municipal services, including water and sanitation. To date, over three million low-income households have benefited from USG-facilitated home loan guarantees or enhanced 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 South Africa take greater advantage of the important trade benefits presented by the African Growth and Opportunity Act (AGOA). USAID-facilitated technical assistance and finance for historically disadvantaged farmers and agribusinesses are also strengthening South Africa's agricultural sector.

South Africa's military will continue to be an important leader in conflict resolution and peacekeeping in Africa. South Africa has signed on as an African Contingency Operations Training and Assistance program (ACOTA) partner to help strengthen its capacity to conduct peacekeeping operations. Also, through the FY 2007 International Military Education and Training (IMET) program, the United States will expand connections with South Africa's current and future military leaders and support their interest in strengthening military-to-military relations and continue their lead participation in regional contingency planning and requirements. South Africa will be eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under the authority of Section 516 of the Foreign Assistance Act. EDA will be used to support South Africa's contributions to regional peacekeeping efforts and improve their coastal and border security capabilities.

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 is providing 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.

Sudan
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	16,500	19,000	20,400
DA	70,000	70,000	70,000
ESF	19,840	19,800	60,000
ESF-SUP	22,000	-	-
IDFA	17,856	-	-
IDFA-SUP	40,000	-	-
IMET	-	49	100
INCLE	-	-	9,800
MRA-SUP	53,400	-	-
NADR-HD	2,500	2,400	3,500
NADR-SALW	560	600	600
P.L. 480 Title II	306,202	25,317	-
PKO	74,400	13,000	41,425
PKO-SUP	60,000	-	-

The primary U.S. national interest in Sudan is to ensure that the country never again becomes a base for terrorist activity and that there is a fundamental democratic transformation to a peaceful country. Operationally, this places particular emphasis on national security and law enforcement (including counterterrorism), regional stability, democracy, human rights, and humanitarian response. Given Sudan's size, potential oil and resource wealth, and location in the volatile Horn of Africa, full implementation of the North-South Comprehensive Peace Agreement (CPA), including in Darfur, is important to U.S. national interests in the region. The agreement, signed on January 9, 2005, in Nairobi, Kenya, ends a 22-year civil war and marks a potentially pivotal turning point in Sudan's future if implemented fully.

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. Allegations continue that persons based in Sudan continue to provide limited support to the Lord's Resistance Army (LRA), a Ugandan terrorist group, though the government asserts that it does not provide such support. In fact, the Government of Sudan permitted the Ugandan government to enter Sudanese territory in pursuit of the LRA. Nevertheless, Sudan remained on the list of state sponsors of terrorism at the end of 2005.

Ensuring an end to the violence in Darfur, accountability for its perpetrators, and full implementation of the comprehensive North-South peace agreement without compromising Sudan's counter-terrorism cooperation are top priorities for the United States and the international community. Reconstruction and development in Sudan, particularly southern Sudan, are also high priorities that will need adequate support if implementation of the CPA is to be successful. Strong support of this process is necessary to promote stability, prosperity, and democracy throughout a unified Sudan. This will contribute to stability in the strategic Horn of Africa and send a clear, positive message to the people of the Middle East, Africa, and throughout the world that the most intractable of conflicts can be resolved through peaceful negotiation.

To consolidate peace, it will be necessary to build security institutions in the armed forces and police that are more professional, smaller in size, and more representative of the whole country. In FY 2007, PKO and International Military Education and Training (IMET) funds will be used to transform the Sudan Peoples'

Liberation Army from a guerilla to conventional military force and help ease its integration into the national army. This assistance will immensely bolster prospects for peace as the government and people of South Sudan gain confidence in their security situation and are protected by a military that is both more professional and more representative of their diverse society. To support security sector reform efforts, IMET courses will focus on civil-military relations, defense resources management, military justice, and English language training. PKO funds will continue to expand the security sector transformation program throughout Sudan during this critical stage. Funds will provide technical assistance, unit and individual professional training, infrastructure rehabilitation and equipment for the new military. PKO funds also will assist in overall reform efforts such as to support the CPA-established Sudanese Joint Defense Board (JDB), which will direct and coordinate the Joint Integrated Units (JIUs) and U.S. participation in the International Military Advisory Team (IMAT).

Non-proliferation, Anti-terrorism, Demining and Related Programs – Humanitarian Mine Action (NADR-HD) resources will be used in FY 2007 to provide Mine Risk Education (MRE), clearance of mined roads to enable refugees and internally displaced persons (IDPs) to return more safely to their homes, and to develop an indigenous humanitarian de-mining capacity to make the country mine safe by FY 2009. NADR Small Arms and Light Weapons (SALW) Destruction funds will support the destruction of SALW circulating and hidden in caches around the country after decades of conflict.

Economic Support Funds (ESF) will be required in FY 2007 to continue support of the mechanisms that will monitor compliance and implementation of the peace agreement begun in FY 2005. At a minimum, this will include support to the international bodies responsible for holding the parties accountable for full implementation of the agreement, and support to the Commissions called for in the peace accord. Ensuring real political change in Sudan will only be accomplished by reintroducing repressed political voices into Sudan's previously closed political institutions. ESF will be essential for training support to opposition political parties and to assist in the wide-scale preparation and international monitoring of Sudan's elections. Funds will also be used to support the resolution of conflict and implementation of peace agreements in Darfur and eastern Sudan, as needed. Darfur will be a priority, particularly in supporting reconciliation programs to help end the current conflict and to prevent the recurrence of violent flare-ups.

The USAID program, including Transition Initiatives (TI), Child Survival and Health (CSH), International Disaster and Famine Assistance (IDFA), and food aid, will respond to the great challenges and many opportunities in assisting the South Sudanese in their transition from conflict to peace. USAID's goal is to establish a foundation for a just and durable peace with broad-based participation of the Sudanese people. Transition Initiatives will focus on recovery and rehabilitation through the following: support to the peace process; more responsive and participatory governance; improved equitable access to quality education; and establishing a foundation for economic recovery. Child Survival and Health funding will increase health, water, and sanitation services and practices.

The United States Government will also continue to respond to other humanitarian crisis needs throughout the country. In FY 2006, humanitarian funds are being used for immediate disaster response, especially in Darfur, where escalating conflict has displaced an estimated 1.8 million people and sent another 200,000 fleeing across the border into eastern Chad. Humanitarian assistance throughout the country is used for continuing essential health, water, and sanitation services for war-affected communities, for quick-impact programs that build public support for peace by providing rapid and visible benefits to communities, and for nutritional support for war-affected communities through food aid. This assistance will continue into FY 2007, as needed.

Swaziland
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	97	99	100
NADR-ATA	-	119	-
Peace Corps	1,706	1,929	1,913

Priority U.S. interests in Swaziland include responding to the HIV/AIDS pandemic with programs for prevention, care and treatment; democracy, rule of law, and the promotion of human rights; and economic opportunity and development.

Effective HIV/AIDS programs focus on assisting Swaziland to confront the devastating impact of the nation's 42.6 percent HIV/AIDS adult prevalence rate and the growing number of children left orphaned and vulnerable by the pandemic. U.S. HIV/AIDS-related assistance, provided through the USAID/CDC 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. Two contractors based in Swaziland and funded by USAID coordinate USG HIV/AIDS programs in the country, and work for behavior change in the region. In addition, USG assistance supports Swaziland's National Emergency Response Council on HIV/AIDS, prevention of mother-to-child transmission programs, and workplace HIV programs in conjunction with the International Labor Organization. The State and Defense Departments will continue to support an HIV/AIDS awareness program for the Swazi military. Projects supported by the Global Fund aim to reduce the incidence of HIV/AIDS, tuberculosis, and malaria. The African Development Foundation awards agricultural production and food security grants in AIDS-affected rural communities.

With the King's assent to a new constitution in July 2006, Swaziland has improved on the issue of the rule of law and human rights. Although the United States has concerns with both the drafting process and the substance of the constitution, the document represents the end of emergency rule (in force since 1973) and the possibility of democratic evolution within traditional structures. The Mission seeks further democratic change – e.g. full legalization of political parties – has supported government anti-corruption efforts, and is seeking additional funds to support civil society development.

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, including a small/medium enterprise development project. In addition, the DA-funded Africa Education Initiative will provide continued support for education. We use tools such as the African Growth and Opportunity Act (AGOA) and its textile benefits to encourage economic growth through increased business activity and investment.

Efforts to increase the professionalism of the Swazi military directly support U.S. policy goals of advancing democracy, human rights, and humanitarian assistance in addition to bolstering our broader goal to support regional stability. FY 2007 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 promoting respect for human rights. Swaziland will be eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA will be used to assist Swaziland with military needs and individual equipment for its military.

Tanzania
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	15,110	21,754	20,662
DA	8,755	9,167	9,260
GHAI	81,801	100,312	155,000
IMET	-	49	45
NADR-ATA	731	685	1,042
NADR-CTF	-	100	600
NADR-EXBS	25	200	300
NADR-TIP	-	-	175
P.L. 480 Title II	16,668	4,253	-
Peace Corps	2,632	2,663	2,686

The United States' principal interests in Tanzania include security and counter-terrorism, combating HIV/AIDS, promoting democracy and human rights, maintaining Tanzania's welcome for refugees fleeing conflicts in neighboring countries, promoting private sector economic growth, and increasing mutual understanding.

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 with 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 with regard to the conflicts 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.

Tanzania is one of the world's poorest countries, the result of two decades of socialism that seriously damaged the people's entrepreneurial spirit, but has been one of the few to escape serious internal conflict. New policies to support free enterprise have been slow in developing. To counter this situation, FY 2007 Development Assistance (DA) funds will be used for governance, environment, and economic growth activities. The United States is working to defend the Tanzanian environment, both on land and in offshore waters; and to promote sustainable eco-tourism. The United States has had a great deal of success working to develop Tanzania's National Park system, especially in working with local communities. This has led to a decrease in poaching and an increase in the economic development of the communities involved. Improved productivity, increased access to markets and a new focus on the agricultural sector, including reducing red tape, and shifting from parastatal activity to a market economy, will provide results. In 2005 Tanzania held elections in Zanzibar and the Mainland. In Zanzibar, the level of violence surrounding the disputed local polling was disturbing, but the national elections proceeded smoothly.

Tanzania is eligible to participate in the African Growth and Opportunity Act (AGOA), and there has been some recent improvement in the export of manufactured products. The United States 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.

Tanzania is one of 15 focus countries under the President's Emergency Plan for AIDS Relief (Emergency Plan) (PEPFAR), and the United States is rapidly expanding its response to the disease. The United States will use part of the Global HIV/AIDS Initiative (GHAI) account to expand comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative. Child Survival and Health (CSH) will fund a measles and polio immunization program and provide vitamin supplements for Tanzania's chronically vitamin A-deficient population. Working with the Ministry of Health, the U.S. Mission will continue to implement zonal programs to combat priority infectious diseases like malaria and tuberculosis.

Tanzania is home to one of the largest refugee populations in the world, with most of them currently coming from Burundi and the Democratic Republic of Congo (DRC). The U.S. engages the Tanzanian government diplomatically to urge continued hosting of refugees with safety and dignity until conditions allow for repatriation. The United States monitors refugee camps and the peace processes in the African Great Lakes region to help prepare for a massive repatriation, when appropriate, which could have a large impact on Burundi, DRC, and Tanzania.

FY 2007 IMET will help to improve the professionalism of 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. Tanzania will be eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be used to improve mobility, communication and support Tanzania's efforts to improve its border and coastal security and support peacekeeping efforts in the region.

Togo
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
IMET	44	119	120
Peace Corps	2,551	2,637	2,652

The United States has three primary goals in Togo: advocating democracy and good governance, supporting economic development, and combating the spread of the HIV/AIDS pandemic in order to further our strategic goal of enhancing regional stability. President Eyadema, who ruled Togo for 37 years, died in February 2005. His death provoked a constitutional challenge to succession that culminated in the flawed April 2005 presidential election won by Eyadema's son, Faure Gnassingbe. Violence by government troops during the election killed up to 500 Togolese and frightened 40,000 more into fleeing to Ghana and Benin, where most remain. The situation has calmed, but the political opposition remains leery. Pervasive corruption undermines domestic and international trust in the Togolese government. The international community has put increasing pressure on Togo and Gnassingbe to institute real political and economic reform that will ease tensions and convince refugees it is safe to return. Two important requirements – engaging in real dialogue with the opposition, and instituting electoral reform – have not yet been satisfied.

Establishment of reforms in the election process, and inclusion of opposition elements within the planning and implementation of those reforms remain necessary steps for Togo to move to new legislative elections, possibly in the fall of 2006.

Most bilateral and multilateral aid to Togo has been cut off because of the country's halting transition to democracy, poor human rights record, and failure to service its external debt. Togo is ineligible for lending from the World Bank because of payment arrears exceeding \$50 million. A team from the National Democratic Institute (NDI), funded with FY 2002 Africa Regional Economic Support Funds (ESF), left Togo prematurely before the elections of 2003 after the Government of Togo (GOT) made it impossible for them to work. The GOT has now indicated openness to the return of NDI or a similar U.S. organization. We support this openness with the use of Africa Regional ESF funding to strengthen political parties and political dialogue, which are crucial to resolution of Togo's political crisis. We will continue to provide small grants to civil society organizations under our Self-Help and Democracy and Human Rights Funds. In addition, Togo is expected to receive a grant from the UN Global Fund for Malaria, Tuberculosis and AIDS.

To ensure a successful transition to democracy, it is vitally important that the military's capacity, professionalism, and commitment to democracy be enhanced. FY 2007 International Military Education and Training (IMET) programs will continue to strengthen the Togolese military's regard for democratic values, respect for individuals' civil and human rights, and acceptance of the rule of law. The Togolese military has played an important role in regional peacekeeping efforts. Togo will be eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. Grant EDA will be used for peacekeeping and modernization efforts.

Togo is not eligible for trade benefits under the African Growth and Opportunity Act. However, substantial progress with the European Union's 22 commitments and free, transparent, and credible elections in the National Assembly could qualify Togo for such assistance. Togo is a member of the Economic Community of West African States (ECOWAS) and the African Union (AU).

Should Togo take the necessary steps to create a climate for refugee return, support for those movements would be through multilateral support to the UNHCR from the Migration and Refugee Assistance Account.

Uganda
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	15,160	19,948	18,512
DA	27,967	21,614	23,845
FMF	1,984	-	-
GHAI	122,741	145,000	188,000
IMET	293	238	295
NADR-TIP	-	-	150
P.L. 480 Title II	64,410	16,193	19,000
Peace Corps	1,768	1,848	1,868

The Government of Uganda is one of America's key partners in Africa. Our strategic goals in Uganda are regional stability, health, democracy, good governance, human rights; economic growth and development; and humanitarian assistance. Uganda has supported American foreign policy positions, including the coalition in Iraq and the war on terrorism.

Uganda is a focus country of the President's Emergency Plan for AIDS Relief (Emergency Plan). In FY 2007, increased Global HIV/AIDS Initiative (GHAI) funding will be provided to expand comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative.

Uganda is a leader among the focus countries in achieving the President's goals in the fight against AIDS. The government of President Yoweri Museveni has skillfully managed the HIV/AIDS epidemic, once the greatest threat to Uganda's future. President Museveni has spoken out publicly since 1986 on the dangers of the disease and helped forge a unique public/private partnership that has become a model for the rest of the world. Over the past 10 years, Uganda has reduced the HIV prevalence rate among adults from about 25 percent to less than 7 percent.

Uganda's democratization process is incomplete. Parliament and the judiciary are not fully independent. In 2005 Parliament amended the Constitution to allow President Museveni to seek another presidential term anticipating the next Presidential elections in February 2006. Corruption is prevalent and newspapers and radio stations have been shut down for political reasons. The United States advocates strongly for Uganda to move ahead on democratic and reform issues.

Uganda remains a trendsetter on macroeconomic reform, and is taking steps to increase exports to the United States under the African Growth and Opportunity Act (AGOA). Uganda was selected as the first country in the world to gain debt relief under the Heavily Indebted Poor Countries (HIPC) Initiative in 1998 and Enhanced HIPC in 2000. But the economic growth rate has stagnated after a period of rapid growth in the 1990s. Poverty and income disparity are growing, in part because of the effects of conflict in the north.

For nearly two decades, the terrorist Lord's Resistance Army (LRA) has attacked civilians in northern, and now eastern Uganda, killing tens of thousands, abducting more than 20,000 children and creating 1.4 million internally displaced persons (IDPs) in 2004. Tensions between the Ugandan Government and the Acholi people of the north remain strained, which is a challenge to resolving the northern Ugandan rebel problem. Ugandan forces have withdrawn from Eastern Congo and the United States, through the tripartite mechanism, is trying to enhance security in the Great Lakes region and promote improved relations between Uganda and its neighbors.

Funding for USAID's core competitiveness activity will end during first quarter FY 2007. Through its agricultural and natural resources efforts USAID will continue to expand agricultural export competitiveness in sectors such as coffee, vanilla, and fisheries. USAID will also continue to focus on environmentally sustainable private sector-oriented activities, such as eco-tourism and tree management for timber and medicinal uses. The United States will continue to support development of economic alternatives to current unsustainable practices. FY 2007 activities include an improved bio-prospecting policy/legislative framework, identifying and addressing other policy, regulatory, and institutional constraints, continuing to strengthen district land use planning capability and improving negotiating skills of targeted communities around protected areas. USAID will also begin development of a biodiversity conservation project for the Ugandan Albertine Rift, which will incorporate eco-regional planning, improved protected area and watershed management, and trans-border conflict resolution activities.

In FY 2007, the United States will continue to focus on strengthening democracy, improving governance, supporting lasting peace in northern Uganda, and building local government capacity. Establishing a long-lasting peace, following resolution of the conflict in northern Uganda, will require strong democratic systems, national and community-based reconciliation, psychosocial support for resettlement of IDPs, and reintegration of ex-combatants, along with economic growth and human development services. The United States will continue education initiatives, such as teacher training and special programs that focus on early childhood education through the Ministry of Education and through the Madrasa network of Muslim schools.

Child Survival and Health (CSH) and Development Assistance (DA) in FY 2007 will continue to support Uganda's goal to reduce mass poverty through investments in health, HIV/AIDS, and education. This includes the provision of essential commodities, training, human resources, and technical assistance. The program will continue to (1) facilitate the effective use of quality health, HIV/AIDS and primary education services among low income Ugandans; (2) increase Uganda's capacity to sustain the delivery of quality health, HIV/AIDS and education services; and (3) strengthen the policy environment and social support for the delivery and use of these social services. In FY 2007, the United States will support the Ministry of Health to implement critical child survival interventions.

FY 2007 International Military Education and Training (IMET) programs will continue to emphasize restoring professionalism in Uganda's downsized military. This funding will provide training in human rights, officer professionalism, peacekeeping and civil-military relations. Uganda is eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be used to improve Uganda's military communications and mobility and to support their efforts to counter internal instability from organizations such as the LRA.

Zambia
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	13,655	16,083	14,402
DA	15,212	26,622	16,336
GHAI	99,831	116,000	155,000
IMET	181	223	245
NADR-TIP	-	-	125
P.L. 480 Title II	6,446	1,981	5,000
Peace Corps	3,160	3,536	3,534

We seek to build a prosperous and democratic Zambia that will share America's core values and be an effective partner on the international stage. Zambia's history of promoting peace at home and abroad, a multiparty political system, a transitioning economy that is more market-based, and its abundant natural resources validate this vision and USG programs here. The fragile peace in the neighboring Democratic Republic of Congo and instability in Zimbabwe heighten the importance of a stable, democratic, and prosperous Zambia for the United States and the region.

Helping Zambia win the war against HIV/AIDS is our most important undertaking in promoting U.S. interests in Zambia's development as a stable, peaceful and prosperous free market democracy. None of our programs in Zambia will succeed unless Zambia turns the tide on the HIV/AIDS crisis. Approximately one hundred thousand Zambians out of a population of 10.5 million die annually from AIDS. Zambia's selection as a focus country under the President's Emergency Plan for AIDS Relief (Emergency Plan) offers an opportunity to combat this pandemic. In FY 2007, increased Global HIV/AIDS Initiative (GHAI) funding will be needed to expand comprehensive and integrated prevention, care and treatment programs, which are further described in Section I under the heading Global HIV/AIDS Initiative. Child Survival and Health (CSH) funds will be used to improve child survival; health and nutrition; prevent and control infectious diseases; support family planning; and improve maternal health and nutrition. Success in battling HIV/AIDS will create an environment in which other USG programs aimed at promoting democracy and expanding incomes can have a greater impact on the lives of Zambians.

Zambia has qualified for threshold status under the Millennium Challenge Account. The Zambian government submitted a business plan to promote private sector development and address petty corruption and administrative barriers that thwart economic growth, and Millennium Challenge Corporation (MCC) approval is expected in early 2006. Zambia is the home of the secretariat of the Common Market of Eastern and Southern Africa, which is working to expand regional economic integration – an objective the United States shares – to promote greater prosperity and stability both within Zambia and throughout the region. Although overall levels of U.S. investment within Zambia remain relatively low, several major U.S. companies continue to benefit from investments in a range of sectors in Zambia, especially agriculture and mining-related enterprises. To support the goal of economic growth, Development Assistance (DA) funds will be used to improve the economic policy and business environment; improve private sector competitiveness; increase agricultural sector productivity; improve sustainable management of natural resources and biodiversity conservation; and increase trade and investment

Zambia today is peaceful, but Zambia has few defenses against international terrorism. If allowed to take root in Zambia, terrorist networks could undermine all efforts to create a stable, democratic and prosperous country. We will work to build the capacity of Zambian authorities to detect and deter terrorist activity.

Two other aspects of Zambia's FY 2007 DA program are designed to strengthen democracy by supporting civil society's demand for more accountable government and by improving prosecutorial and judicial capacity. We support continued reform and capacity building of Parliament to advance transparency, fiscal responsibility, citizens' participation in governance, and more effective checks and balances. In 2006, we continue to support efforts to prosecute cases of corruption.

The Department of Treasury resident advisors make a unique contribution to Zambian governance initiatives. Direct USG technical assistance to the Zambian government complements assistance provided with DA and Economic Support Fund (ESF) resources. Treasury assistance has included training of Zambian investigators and prosecutors, revising tender laws and regulations, and building corruption-resistant institutions. It also supports counter terrorism by helping Zambia combat money laundering. There has been impressive progress with anti-corruption prosecutions: 450 corporations and 170 individuals suspected of plundering or aiding and abetting the plundering of national resources were investigated; 70 cases were effectively investigated for criminal prosecution; 276 assets (primarily real estate holdings) are currently under active investigation and nine cases are currently being prosecuted in court; a major civil case is being contested in London. Millions of dollars worth of Zambian real estate plus additional international assets have been recovered. The agreement with Treasury has yielded significant results in the prosecution of public officials but has experienced less progress in prevention.

Africa Regional Economic Support Funds (ESF) complement Development Assistance in support of rule of law programs. ESF will be used in FY 2007 to assist in the conduct of free and fair national elections. If available, ESF funds in FY 2007 will also be used to support legislative reforms that promote greater government accountability.

The International Military Education and Training (IMET) program supports regional stability and enhances democratic values in the Zambian military. FY 2007 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 counter-terrorism, corruption investigation, and medicine. Medical training will complement Emergency Plan projects to address the crisis of HIV/AIDS in the Zambian military. Zambia participates in the African Contingency Operations Training and Assistance program and anticipates starting battalion training in 2006. Zambia is eligible in FY 2007 to receive Excess Defense Articles (EDA) on a grant basis under Section 516 of the Foreign Assistance Act. EDA will be used to help modernize Zambia's military and support their participation in peacekeeping operations in Africa.

Zimbabwe

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
CSH	11,100	10,973	10,822
DA	2,460	1,376	1,400
ESF	1,984	2,970	3,000

Zimbabwe is in the midst of worsening political, economic, and humanitarian crises resulting from the government's misrule and economic mismanagement. Zimbabwe's economic 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, economic prosperity, and humanitarian relief, including the battle against HIV/AIDS. Our policy seeks the re-emergence of Zimbabwe as a country with a democratically legitimate government that respects the rule of law and the well-being of its citizens, fosters regional peace and stability, and 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, support democratic and civil society forces, and prepare the way for the restoration of democracy and economic growth. Despite strained relations, Zimbabwe cooperates with the United States on law enforcement and counter-terrorism matters, and on HIV/AIDS and (to a lesser extent) on food assistance.

Zimbabwe was a post-independence success story and a force for regional stability and growth, but the actions of the Government of Zimbabwe (GOZ) since 2000 have caused immense damage to the nation's economy, democratic institutions, social cohesion, and welfare. Zimbabwe is experiencing negative economic growth (-40 percent since 2000; -7.0 percent in 2005), high inflation (more than 500 percent in 2005), and chronic unemployment (more than 70 percent). Political instability, violence and increasing poverty are undermining social stability and the rule of law. The harvest in 2005 was very weak and more than four million Zimbabweans now require food assistance. Over one-fifth of the sexually active population is HIV-positive. Intermittent shortages in basic food supplies, medicines, and fuel persist. The nation's precipitous decline 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 2003, infant mortality is 76 per 1,000 live births, and under-five child mortality is 123 per 1,000 live births.

FY 2007 Development Assistance (DA) and Economic Support Funds (ESF) will support programs to enhance citizens' participation in economic and political decision-making. The programs will include training, technical assistance, and grants to U.S. and local organizations to: 1) strengthen civil society; 2) strengthen the legislative process; 3) support democratic local government; and, 4) establish and ensure media freedom.

FY 2007 Child Survival and Health (CSH) programs aim to mitigate Zimbabwe's HIV/AIDS crisis and provide training, technical assistance, capacity building, services and commodities to: (1) reduce the transmission and impact of HIV/AIDS, (2) reduce unintended pregnancies, and (3) build the health system capacity. The programs aim to strengthen the capacity of all Zimbabweans to demonstrate leadership and take effective action to address HIV by taking ownership of the epidemic and the response at all levels of society. In FY 2005, USG-supported Prevention of Mother to Child Transmission (PMTCT) sites counseled 73,337 pregnant women for HIV, representing 51 percent of all women attending antenatal clinics nationwide. In addition, 42,605 pregnant women were tested for HIV. More than 5,200 HIV-infected women received a course of anti-retroviral (ARV) prophylaxis to prevent Mother to Child

Transmission (MTCT), exceeding the target of 2,650 by 96 percent. The USG provided support to 33,005 Other Vulnerable Children (OVC) in the areas of education assistance, psychosocial support, income generation and food security activities. Twenty USG-supported Voluntary Counseling and Testing (VCT) sites tested and counseled 172,655 clients for HIV in FY 2005, exceeding the FY 2005 target by 87 percent. The USG program provided Anti-retroviral Therapy (ART) to 483 HIV-infected clients against a target of 500 clients. A total of 975,000 female condoms were sold, exceeding the FY 2005 target of 720,000 condoms. USG support to the public health sector resulted in 96 percent of public facilities having condoms in stock, a percentage point more than the FY 2005 target of 95 percent. By the end of the strategy in FY 2007, USG programs will have reduced high risk sexual behavior, developed leadership and reduced stigma, built community capacity to assist OVC, and strengthened health system capacity to deliver quality PMTCT and ART services.

Zimbabwe is not currently eligible for the African Growth and Opportunity Act, the Millennium Challenge Account (MCA), or for security assistance, largely due to the prevailing political and human rights situation.

Africa Coastal/Border Security Program

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
FMF	3,968	3,960	4,000

Africa Coastal/Border Security program is designed to augment counter-terrorism (CT) and regional stability efforts in Africa with Foreign Military Financing (FMF) resources. The program seeks to enhance Africa's ability to defend and monitor its vast coastal, maritime, and border regions from terrorist and criminal activities, as well as to better protect fisheries, oil and environmental resources. Terrorism is a global issue and countering terrorism is most effective when it is done with regional cooperation. A consolidated program such as this, as opposed to multiple individual programs, will allow for multilateral engagement establishing lines of communication between the regional actors and ensuring more coordinated, efficient and effective CT and regional security efforts.

The Africa Coastal/Border Security program will complement the Trans-Sahara CT Initiative (TSCTI) and the 2003-2004 East Africa Counterterrorism Initiative (EACTI). The \$4 million in FMF is intended for broader coastal/border security needs in key areas in Africa. The funds also will provide for sustainment of capacity obtained as part of EACTI and TSCTI. Aspects of this program were realized in FY 2005 with an initial reprogramming of \$2,000,000 for key Indian Ocean countries of Comoros, Seychelles, Madagascar and Mozambique to assess their coastal security needs, receive strategic training, and procure and repair equipment, such as small commercial craft or Excess Defense Articles (EDA) patrol vessels.

Countries that will benefit from this initiative may include, but are not limited to: Angola, Chad, Comoros, Djibouti, Eritrea, Ethiopia, Gabon, Ghana, Guinea, Kenya, Madagascar, Mali, Mauritania, Mauritius, Mozambique, Niger, Nigeria, Rwanda, Sao Tome & Principe, Seychelles, Senegal, Tanzania and Uganda. All these countries need better coastal/border security to support the long-term objectives of the global war on terrorism. Additionally, many of these countries have valuable resources, and require credible security forces to protect their territorial integrity and prevent them from becoming lucrative havens for terrorists and criminals.

FY 2007 funds will provide for, but not be limited to, technical surveys, training and equipment, such as patrol vessels and vehicles, communications gear, navigational aids, barrier material, night vision devices, and monitors/sensors, to develop, enhance and sustain African countries' ability to protect and defend their own coastal waters and borders from terrorist operations and other illicit activities. Funds may be used to refurbish patrol and utility craft available as EDA from the U.S. Coast Guard as well as procure other technology-appropriate boats. Training, maintenance and spares will also be a part of this program to enhance the ability of recipient countries to properly operate and maintain the equipment. The program also may include efforts to increase cross border cooperation among African countries, including in the area of intelligence. Aerial surveillance, naval radar, and intelligence training also may be provided in some cases.

Africa Regional

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
ESF	11,520	8,613	8,000

The Africa Regional Fund (ARF) addresses the United States' interests related to democracy and human rights, economic prosperity, law enforcement, and global issues. 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 that can help to avoid or mitigate humanitarian crises resulting from armed political power struggles that cost the United States billions of dollars each year. Creating opportunities for American investment and increased U.S. economic prosperity flourish 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 degradation, conflict over natural resources, 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 and for taking advantage of limited windows of opportunity as they open. ESF resources are requested in country-specific accounts for several key countries, but Africa Regional Fund resources also are vital if we are to be able to respond to more immediate, less predictable needs, and to advance U.S. foreign policy objectives in countries where USAID has no presence.

Nearly half of the FY 2007 Africa Regional ESF will be used to support democratic development as outlined above. Specifics include strengthening the rule of law and respect for human rights through programs that aid legislative and judicial reform, increase transparency, combat corruption, support improved electoral processes, provide training to strengthen governing skills for newly elected officials at the national and local levels, and strengthen civil society and an independent media. In Niger, for example, a Muslim nation that is one of the poorest countries in the world, but that is led by a friendly democratic government, ARF resources will be used to support judicial training, case management, decentralization, anti-corruption, and urban work management projects. In Guinea, ARF resources will be used to help initiate the democratization process prior to the Guinean presidential succession. Other examples include continued support for Rwanda's International Tribunal to prosecute genocide and other war crimes, support for anti-corruption campaigns in Zambia and Malawi, efforts to strengthen the capacity of Ghana's Electoral Commission and support the country's 2007 District Assembly elections, strengthening democracy in Sao Tome & Principe, a new oil producer in the Gulf of Guinea, and advancing democracy in Cameroon.

Economic growth and effective, democratic governance are fundamental to peace and stability and achieving sustainable economic development in African states, and also contribute to U.S. economic growth. Africa Regional ESF supports African efforts to achieve economic growth and development through programs that assist with implementation of the African Growth and Opportunity Act (AGO), promote trade and investment, and encourage the development of capital markets. Approximately 15 percent of ARF resources will be used to support projects that strengthen Africa's private sector, increase productivity, and expand trade and investment flows between the United States and Africa.

Regional ESF also enables us to make strategic investments in countries that possess the will, but not the means, to fight terrorism. Roughly 10 percent will be used to support counter-terrorism initiatives. We will

seek to help countries draft counter-terrorism legislation, improve administration of borders, combat money laundering, and assist with the creation of stable governments in places such as Somalia where anarchy gives terrorists potential new bases.

Programming plans include strengthening efforts to fight money laundering and the continuation of counter-terrorism efforts in key countries in the Horn of Africa, and the expansion of counter-terrorism efforts in southern Africa. An additional 10 percent will be used to assist countries in the region to accelerate the resolution of long-standing regional conflicts through support for the integration of internally displaced persons (IDPs) and refugees to their villages of origin. Continued support for cross-border security and confidence-building collaboration with the Democratic Republic of Congo (DRC), Uganda, Rwanda, and Burundi also is envisioned.

Approximately 15 percent of the Regional ESF will be used to support African environmental and natural resource management efforts. Africa's natural resources such as the Congo Basin Forest and the Miombo-Mopane eco-system of southern Africa are of significant global value and are inextricably linked to African stability, security, and economic growth. ESF projects will help fill gaps in efforts to conserve habitats, resources, and biodiversity, as well as promote cross-border cooperation. Special efforts will continue to be 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 also will contribute to development of diversified economies that can benefit U.S. interests through trade and investment relationships. Thanks in large measure to Africa's rich environment, travel and tourism attracted an estimated \$12.3 billion in capital investment in 2005 and accounts for roughly eight percent of sub-Saharan Africa's GDP. Retaining and expanding these benefits require sound stewardship of natural resources.

African Development Foundation

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
ADF	18,848	22,770	22,726

The African Development Foundation (ADF) plays a unique role within the U.S. Government's foreign assistance programs. ADF is the only USG agency that awards development assistance directly to African small enterprises and non-governmental organizations (NGOs).

ADF's efforts complement other forms of United States assistance to Africa by providing small enterprises in Africa's poorest communities with the resources they need to generate new jobs and deliver significant increases in income to employees and to low-income families. The Foundation's programs support U.S. national interests in Africa by promoting economic growth, advancing opportunities for new international trade and investment, and strengthening the relationship between the United States and the people of Africa.

ADF's FY 2007 request focuses on:

- Promoting small enterprise development in Africa's poorest communities, and
- Helping small businesses and farming groups increase their exports to regional and global markets.
- Leveraging matching contributions from African governments and private corporations, which will double the impact of appropriated funds.

The Foundation has extensive experience in helping African small businesses improve their productivity and profitability. ADF's FY 2007 funding will allow the Foundation to provide African small businesses with essential capital, technology, and technical assistance to improve their productivity and to enhance their access to regional and international market opportunities.

African Union (AU)

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
ESF	-	-	3,000

Assisting the African Union (AU) with targeted Economic Support Funds (ESF) supports U.S. goals for a safer, freer, better Africa. The AU continues to strengthen its lead role in supporting African peace and stability via implementation of its democracy agenda/protocols and deployment of political and military missions. The AU agenda – through its New Partnership for Africa’s Development (NEPAD) and Africa Peer Review Mechanism – largely meshes with the U.S. agenda. Working through the AU, we can help advance the trend toward greater African leadership in resolving the continent’s problems and creating opportunities for development, thus advancing our broader agenda on a range of issues including governance, economic prosperity, health, and counter-terrorism.

Our FY 2007 ESF program support to the AU will be aimed at strengthening AU capacity and institution building to advance democracy and conflict resolution/mitigation in Africa. Activities will range from provision of specific essential equipment, to enhancing AU staff capacity, to supporting specific activities in political reconciliation, best practices workshops, and advancement of U.S. initiatives. Training of logistics and planning staff, development of infrastructure, and supporting special AU envoys, such as have been sent to Comoros and Zimbabwe, will be part of our effort at regional stabilization assistance (\$1,000,000).

Support for democracy, working through the AU Political Commission (\$1,000,000), will include electoral assistance unit programs to develop the capacity of countries to hold free and fair elections, to develop and share “best practices,” and to field AU election monitoring teams.

ESF funding also would be used to assist specific countries to address shortfalls noted during their voluntary participation in the AU/NEPAD African Peer Review process (\$500,000).

Another \$500,000 will be used to help develop AU institutions that advance stability, such as the AU’s combined African Court of Justice and Human and Peoples’ Rights, and the AU counter-terrorism training and study center in Algiers. The African Court is a growing institution that may in future provide an African institution that can address – and help put an end to – cases of violations of international humanitarian law and war crimes. Developing the capacity of the AU counter-terrorism center in Algiers will help ensure the AU has a strong internal body ready to advocate for and advance the fight against terrorism.

Assistance Programs in Africa

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
MRA	229,351	245,486	235,920
MRA-SUP	94,400	-	-

The African refugee scene is being transformed as political factors are aligning to “solve” four of the largest and most intractable refugee (and IDP) situations – Burundi, Sudan (apart from Darfur), DR Congo, and Liberia. The total refugee population had fallen from 3 million in 2005 to some 2.8 million by early 2006 (despite major outflows from Sudan) and should fall steadily in 2007 and 2008. Several repatriation and reintegration efforts are under way in 2006 that will continue into 2007. The “normal” repatriation and reintegration process takes about three years to complete. These operations can be costly in the short term, but save humanitarian money in the longer term as they are essential for post-conflict stability. While security is the primary driver in decisions to return home, a minimum of basic social and economic infrastructure is also necessary for sustainable reintegration. Repatriation and reintegration assistance for refugees able to return home usually includes transportation, a small package of household and agricultural items to facilitate the returnees' re-establishment, and limited rehabilitation of social infrastructure, such as clinics and water projects, in the home community.

At the same time, continued humanitarian assistance will be needed for vulnerable populations unable to return home, in such places as Chad, Ethiopia, Kenya, Sudan, Algeria, Zambia, and Ghana. Given the size and diversity of the Africa region – 53 countries with a variety of ethnic, political, health, economic, and climatic challenges – previously unanticipated refugee emergencies are likely to occur, creating new refugee outflows similar to those from Togo and the Central African Republic in 2005.

Key challenges include: weakening donor response, particularly in the area of food for refugees, owing to urgent priorities elsewhere; protracted and seemingly intractable refugee situations such as those of Somali refugees in Kenya and Western Saharan refugees in Algeria; concerns about the neutrality and security of refugee camps; and problems of humanitarian access to populations in need in Darfur and eastern Chad, for example; the concomitant disasters of drought/famine, as we are seeing in the Horn at present; and threats to refugee health, including HIV/AIDS and malaria.

Protection, both legal and physical, including protection of women and children from sexual violence and from recruitment into armed conflicts, has become more challenging in Africa. Support is planned for ongoing protection programs in Africa, including increased UNHCR protection staffing. Basic humanitarian assistance in Africa continues to lag behind international standards in such life-sustaining sectors as nutrition, where there is now some chronic malnutrition among refugees, and water/sanitation. Contributions to UNHCR and other implementing partners will continue to seek to address some of these gaps.

In Africa as elsewhere, ICRC, often in partnership with other elements of the International Red Cross and Red Crescent Movement, is called upon to provide relief and protection in the most difficult and dangerous areas of countries caught up in armed conflict, where success depends largely on securing the cooperation of the warring parties. This sensitive task has become even more difficult – in Darfur for example – as parties to conflict have increasingly rejected the principle of neutral humanitarian assistance. The ICRC program in Africa provides protection and assistance to conflict victims and displaced persons, assistance to political prisoners and prisoners of war, and tracing services (for detainees and family members separated by conflict).

NGOs are key partners of IOs in Africa, often in specialized areas such as health care, water and sanitation, and education. In some cases, FY 2007 funds will be provided directly to NGOs that require additional support in order to play the implementing partner role. UNICEF, IOM, and other international organizations may also receive funding for assistance activities complementary to those of our key partners.

Military Health Affairs

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
FMF	1,984	1,980	1,600

The HIV/AIDS pandemic is ravaging Africa, and its effects are especially pernicious in one of the continent's most prominent institutions, the military. Many African uniformed services carry HIV-positive rates significantly higher than that of the general population; some have infection rates as much as twice that of the local populations. Compounding the deleterious effects of the military HIV infection rate 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, 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 a sound investment.

Under provisions of the Department of Defense (DoD) HIV/AIDS Prevention Program, the DoD provided approximately \$7 million in Health Care funds in FY 2005 and will provide additional support in FY 2006. DoD's role under this program is limited to supporting training and education activities. 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 29 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; and
- Integrate and make use of other U.S. government programs and those managed by allies and the United Nations.

FY 2007 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, rapid test field kits, and associated training capabilities that will both complement and sustain the health care training initiative in African partner countries. All these activities are being integrated into the President's Emergency Plan for AIDS Relief ("the Emergency Plan") and are within the purview of the Global AIDS Coordinator.

Regional Organizations

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
ESF	900	990	1,000

U.S. support of African regional organizations increases trade among African countries and the free flow of goods, services and capital within Africa, to achieve the goals of regional stability and economic prosperity and security. Regional economic integration can promote greater U.S. trade and investment in the region as small, isolated African economies combine to achieve the kind of market scale needed to attract U.S. traders and investors. Fostering economic integration and stability within Africa will be crucial in our fight against global terrorism. Strong operational African institutions will contribute in the long term to sustainable political and economic systems that are ultimately less dependent on donor support. The Regional Organizations ESF program will provide technical assistance to regional organizations such as the Common Market of Eastern and Southern Africa (COMESA); the Economic Community of West African States (ECOWAS); and the Southern African Development Community (SADC).

FY 2007 Regional Organizations Economic Support Funds (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 economic integration, especially for opening markets, harmonizing tariff structures, and improving investment and sectoral policies. Improving capacity to meet World Trade Organization (WTO) standards; customs, border, and financial sector reforms that promote integration; and the development of regional capacity to respond to humanitarian crises 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. A second area that requires strengthening is the organization's responsiveness to humanitarian crises. We will work with the ECOWAS secretariat to provide assistance that responds directly to its efforts to become more effective in both of these areas, while maintaining its demonstrated success in conflict resolution.

In working with COMESA, the primary focus will be on workshops, training, and the development of institutional linkages to promote the harmonization of investment codes and regional policies to promote greater trade among the member countries. There will be continuing support for training to strengthen capacity in the area of phytosanitary regulation, building upon and broadening earlier successes fostered through the regional USAID competitiveness hub. This will be especially important in our efforts to encourage countries eligible for the African Growth and Opportunity Act (AGOA) to take full advantage of their AGOA benefits as well as diversify their exports.

In recent years, U.S. relations with SADC became strained due to USG policy and legal restrictions on engagement with Zimbabwe. However, closer U.S. engagement with SADC, within the legal and policy limitations on relations with the Government of Zimbabwe, could promote U.S. interests in the region, including promotion of regional integration, democratic institution building, and building peacekeeping capability in southern Africa. ESF will be used to support SADC's efforts to lower tariffs and non-tariff barriers to trade among its members, develop a uniform commercial code for the SADC region, strengthen civil society and the rule of law, and support the implementation of some of the many SADC protocols – including Transport, Communications and Meteorology, Shared Watercourse Systems, and Anti-corruption.

Safe Skies
(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
ESF	3,472	2,970	3,000

The Safe Skies for Africa Initiative (SSFA) promotes sustainable improvement of aviation safety, security, and air navigation in Sub-Saharan Africa as a means of advancing economic development; combating terrorism, narcotics trafficking, trafficking in persons, and smuggling; and promoting U.S. exports. SSFA also encourages economic integration and growth, and facilitates the expansion of aviation links, expanding opportunities for business travel, tourism, and cargo movements.

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. One specific goal of SSFA is to increase the number of African nations meeting International Civil Aviation Organization (ICAO) standards for safety and security, a goal achieved under the program by Cape Verde in 2003. On July 4, 2005, Cape Verde initiated direct flights to Boston. SSFA uses a country specific and regional approach, focusing efforts on Angola, Cameroon, Cape Verde, Kenya, Mali, Namibia, Tanzania, and Uganda.

Improved airport security is a vital component in our fight against international terrorism, and SSFA is an essential part of the President's 2003 East Africa Counter-Terrorism Initiative (EACTI). Under (EACTI), SSFA assistance to Tanzania and Kenya was continued and enhanced, and Uganda was brought into the program. Based on Federal Aviation Administration security surveys, the Safe Skies program supplied x-ray scanners, explosive trace detectors, and other security equipment to eight SSFA nations. FY 2007 funding will continue EACTI programs on a more modest basis. The security, safety and air navigation enhancements in FY 2007 will continue to directly support this Presidential Initiative.

Specifically, FY 2007 Economic Support Funds (ESF) will be used: 1) for safety, security, and air navigation technical assistance and capacity building to participating states and regional partners; 2) for regional conferences and other activities to promote improvement in regional aviation safety, security, and air navigation; and 3) to promote U.S. private sector aviation activities in Sub-Saharan Africa. In an effort to regionally coordinate an air navigation system, in late 2006, the Federal Aviation Administration (FAA) will donate approximately \$10 million of U.S. surplus airport surveillance radar systems intended to provide an additional level of security to U.S. facilities in the Safe Skies countries. Estimated cost to refurbish, train and install the surplus equipment is \$2 million.

Trans-Sahara Counter-terrorism Initiative (TSCTI)

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
ESF	-	-	6,000
NADR-ATA	-	-	7,240
PKO	3,000	-	16,750

FY 2007 marks the first year that new funding for the Trans-Sahara Counter-terrorism Initiative (TSCTI) is being requested as part of the normal budget process. The Bureau of African Affairs views this major Deputy's Committee-approved, multi-year interagency initiative as critically important to the suppression of potential terrorist activities. TSCTI will expand engagement in the Sahel and across the Sahara, using civilian, police, and military programs to further strengthen border control and rapid response capabilities, as well as foster development among six important countries in the sub-region: Mali, Niger, Chad, Senegal, Nigeria, and (if the return to constitutional rule takes place in FY 2007 as promised) Mauritania.

FY 2007 Economic Support Funds (ESF) will be used, in close coordination with USAID, to support projects and programs aimed at strengthening civil authority and legitimate economic activity in the Sahel, to occupy those most empty, isolated spaces, and to deny the terrorists a free rein where they otherwise could (and are) recruiting and operating with too few restraints. The Group for Salafist Preaching and Combat (GSPC) organization, for instance, continues to pose threats to several trans-Sahel countries. Representative projects include youth programs, livelihood programs, support to local governments, media and radio, elections and democracy, rule of law, natural resource management, social service delivery, well drilling, community policing, small business programs, peace-building and conflict management programs, security sector reform programs, transparency and other similar programs.

FY 2007 ESF resources will also be used to encourage increased cross-border contact, coordination and cooperation east/west across the Sahel and north/south between countries in the Maghreb and the Sahel (e.g., drawing together leaders to focus on conflict resolution, expanding rural radio as an avenue for better communications to pass common messages, parallel work in Chad and Niger helping newly elected local officials, and efforts to attack health and education issues common to the region).

FY 2007 Non-proliferation, Anti-Terrorism, Demining and Related Programs funding (NADR) will be used to provide advanced Anti-Terrorism Assistance (ATA) training to TSCTI countries to improve border and aviation security, and overall counter-terrorism readiness, and to enhance civilian (police) counter-terrorism capability.

FY 2007 Peacekeeping Operations (PKO) funds for TSCTI will develop and enhance counter-terrorist capabilities of security forces in the region, including supporting activities that promote interoperability and facilitate coordination between the countries to counter common threats.

Women's Justice Empowerment Initiative

(\$ in thousands)

Account	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
ESF	-	-	7,250
INCLE	1,200	-	9,500

The Women's Justice and Empowerment Initiative (WJEI) was announced by President Bush on June 30, 2005. It is a three-year (2006-2008), \$55 million initiative to combat sexual violence and abuse against women in Africa. Ensuring that women are empowered to combat and overcome sexual violence in society is fundamental to human dignity and a critical factor for achieving sustainable economic development and social harmony.

Benin, Kenya, South Africa and Zambia are the four countries of focus for the initiative. Each country has already taken steps on its own to begin combating violence against women. The WJEI builds on their efforts and is tailored to the specific needs and challenges in each country. While the WJEI focus is on four countries, their successes and lessons learned should produce a ripple effect to other countries in their regions.

The causes of sexual violence are complex and varied but common contributing factors include: lack of awareness; laws and practices that discriminate against women and limit their access to economic and judicial resources; judicial systems ill-equipped to investigate and prosecute cases of sexual violence; and a dearth of services to assist victims of sexual violence.

WJEI projects in 2007 will address these factors using a three-pronged approach: 1) increase awareness of the need for women's justice and empowerment through high-level engagement, conferences, public awareness and education; 2) strengthen the capacity of the legal system to protect women from violence and punish violators by training police, prosecutors and judges in handling cases of sexual violence, and strengthening laws that protect and empower women; and 3) rehabilitate, reintegrate and empower former victims by bolstering the capacity of support, shelter, health care and counseling programs available to them. Resources from the Bureau of African Affairs' Economic Support Funds (AF/ESF) are expected to be used primarily for the first and third elements. International Narcotics and Law Enforcement (INL) Bureau funds will also support the WJEI.

The WJEI complements programs such as the President's Emergency Plan for AIDS Relief and combating trafficking in persons.