

## **Bureau for Economic Growth, Agriculture, and Trade**

The Bureau for Economic Growth Agriculture and Trade (EGAT) was established in FY 2002 as one of three pillar, or technical, bureaus within the U.S. Agency for International Development (USAID). In its initial year, EGAT articulated its overall goal – to reduce poverty and promote prosperity in developing and transition countries; shaped a new organization capable of providing or accessing expertise and information in the fields of economic growth, trade and investment, microenterprise development, urban development, development credit, education, agriculture, natural resource management, science policy, energy, information and communications technology and technology transfer; began to restructure its portfolio with the intention of providing high-quality support to USAID missions worldwide; and both led and supported U.S. Government (USG) participation in key international forums – the Doha Ministerial of the World Trade Organization (WTO), the Monterrey Conference on Financing for Development, the World Food Summit: five years later, and the World Summit on Sustainable Development (WSSD).

In FY 2003, EGAT further refined its strategies, approaches, and portfolio to carry out its mandate of technical leadership and field support. The Bureau embarked upon an ambitious effort to expand the scope and quality of interactions with professional and operational networks, e.g., with U.S. universities, the women in development community, those U.S. Government and private sector leaders in trade and investment, and the growing network of scientists and policymakers dealing with agricultural biotechnology. Input to strategies for trade capacity-building, trafficking in persons, agricultural development, and education and training benefited from this external input. EGAT provided critical field support to programs in Afghanistan and Iraq as well as to USAID missions seeking support with strategic planning and program design, best-practices implementation, and assessments. Significant progress was made in launching projects addressing the President's Water for the Poor Initiative, the Digital Freedom Initiative, and other WSSD commitments. Alliances with the private sector for potable water expansion in West Africa and for increasing the sustainability of forest management moved from concept to action on the ground.

EGAT's agenda in FY 2004 includes a commitment to: developing a more focused and efficient approach to field support, while maintaining or improving the quality of our response to field needs; nurturing new partnerships and alliances for the achievement of mutually set goals; sustaining a highly successful program in trade-capacity building; and finalizing and launching strategies for USAID support of agricultural development, education and training, and women in development. The Bureau expects to develop guidelines for the design of programs and activities targeted at the poor both bilaterally and in the context of participation in the Organization for Economic Cooperation and Development's Development Assistance Committee's (OECD/DAC) Poverty Network. EGAT will also direct increased cross-sectoral attention to infrastructure development, drawing on the lessons of experience with energy and telecommunications development and privatization as well as our understanding of the potential for public-private partnerships in this sector. With other bureaus in USAID, EGAT will contribute to the development of greater collaboration with the State Department on key issues in economic growth and the environment.

FY 2005 will see continued progress in these programs as well as a greater integration of effort across all of the sectors covered by the EGAT Bureau. EGAT will work with the Democracy, Conflict, and Humanitarian Assistance (DCHA) Bureau on conflict recovery strategies, anti-corruption, human rights, and the prevention of famine. EGAT will also work with the Global Health Bureau on HIV/AIDS and human nutrition issues. There is already increased collaboration on developing more comprehensive approaches to dealing with the HIV/AIDS crisis, multisectoral approaches to achievement of the Millennium Development Goals, and strengthening of the financial sector to ensure that trade, agriculture, business development, and overall economic growth can develop effectively.

**The Development Challenge:** The past 50 years have witnessed great progress in reducing poverty and improving human well-being. Incomes have more than doubled and life expectancy has increased by as much as twenty years for much of the developing world. Food production has increased and world prices for staple grains continue to fall. New developments in science, especially agricultural

biotechnology, offer the promise of meeting future food needs even as populations in developing countries continue to grow. Globalization has resulted in remarkable increases in world trade and investment as well as a quantum leap in the transmission of information from one part of the world to another. Economies oriented to market forces have been shown to be more efficient and more sustainable than state-led systems. Good governance has emerged as a critical factor in determining national prospects for growth and for the effective use of foreign assistance resources. The report commissioned by USAID in 2002 – *Foreign Aid in the National Interest* – argues that good governance, agricultural development, education, and the expansion of markets are essential to poverty reduction and increased prosperity.

In spite of such progress, over 1.2 billion people still live on less than one dollar a day, a measure of extreme poverty. Close to half the world's population (2.5 – 3 billion people) live on less than two dollars a day, well below the poverty line in most countries. Seventy percent of the world's poor are women and girls. Hunger has decreased in Asia and Latin America, but continues to increase in sub-Saharan Africa. Pressure on natural resources continues to increase, with both fertile land and water in increasingly scarce supply.

More than 125 million children, mostly girls, are out of school; only 25% of children complete five years of education. Most of the world's 900 million illiterate adults (mostly women) live in developing countries. Despite the importance of modern infrastructure to development and economic growth, two billion people worldwide still live without access to modern energy services and one billion lack access to safe drinking water; three billion people have never used a telephone; and only slightly more than 500 million use the Internet.

The expansion of trade has largely bypassed the least developed countries, which have seen their share of world trade drop over the last decade. Primary commodities (coffee, cocoa) have faced falling prices, with consequent impacts on rural incomes and employment in many countries. Overall competition in global markets has increased and developing country firms seeking to participate in these markets face a steep learning curve.

While national governments and leaders are responsible for their own development--as the Monterrey Convention of the Conference on Financing for International Development makes clear--donors such as USAID can play a role in bringing to bear the technical knowledge and expertise needed to solve problems. USAID can build local capacity to harness science and technology to increase productivity as well as to preserve the environment; train future generations as well as those youth unemployed today; and devise and shape the policies that will align individuals' incentives with national development goals.

**The USAID Program:** EGAT's portfolio of technical leadership, research and field support activities is designed to address the multi-faceted challenge of reducing poverty and promoting prosperity. Each of the Bureau's Programs focuses on a specific aspect of this challenge. As already noted, however, the programs collaborate frequently on issues that cross sectors to ensure more effective impact of their activities.

- **The Economic Growth Program (EGAT/EG)** provides economic growth-related technical leadership and field support to strengthen the policy, legal, and institutional foundations that developing or transition countries need to achieve open and competitive economies. EGAT/EG provides leadership to the U.S. Government's commitment to provide trade capacity building assistance to developing and transition countries. In FY 2003, the program developed and began to implement USAID's Trade Capacity Building Strategy by focusing its efforts and resources on innovative and cutting edge programs in developing and transition countries that: 1) enhance their capacity to participate in, and benefit from, global trade and investment; 2) improve macroeconomic stability and economic governance in order to foster favorable business environments; and 3) enhance private sector and financial sector capacity to respond to opportunities in the global market place. In FY 2004, EGAT/EG will complete a Financial Sector Strategy that will be used to guide USAID missions in efforts to strengthen financial sector development programs. It will also begin a new competitiveness initiative that will provide USAID missions with expertise, best practices and tools to design and

initiate activities to enhance the competitiveness of the private sector in developing/transition countries.

- **The Agriculture Program (EGAT/AG)** leads the Agency's efforts to help developing countries increase their agricultural productivity and stimulate economic growth in rural areas. It exercises its leadership role through support of agricultural research on developing country problems and through the provision of technical advice and training to USAID field missions that are implementing agricultural development programs. Both the research and the technical services supported by EGAT/AG are organized around three themes: 1) agribusiness development; 2) agriculture and rural policy and governance; and 3) agricultural technology generation and outreach.
- **The Natural Resources Management Program (EGAT/NRM)** provides technical leadership and field support for the design and implementation of activities that assure the sustainable use of natural resources in four key areas: biodiversity, forestry, land resources management, and water. EGAT/NRM provides technical oversight to research on sustainable natural resource management and use carried out by U.S. universities and a number of international research centers. It coordinates and supports three Presidential Initiatives: the Initiative Against Illegal Logging; the President's Signature Initiative on Water for the Poor; and the White Water to Blue Water Initiative. In addition, the program works closely with several Global Development Alliances. These Alliances include the Sustainable Forest Products Global Alliance, which promotes sustainable forest management; the West Africa Water Initiative, which focuses on the provision of small potable water supplies and sanitation facilities in West Africa; and the Coffee Corps, which provides U.S. private sector expertise to coffee producer groups in support of sustainable small farmer coffee systems.
- **The Environment and Science Policy Program (EGAT/ESP)** manages activities in three specific areas that involve scientific and technological innovation – biotechnology and agricultural research, climate change, and multilateral policy. Specifically, EGAT/ESP oversees USAID's agriculture, natural resource management and environmental research portfolios and seeks to improve food security, protect the environment and reduce poverty through the use of biotechnology. The Program oversees and reports on USAID's climate change activities and works to promote climate-friendly economic development. Further, the Program coordinates USAID efforts to implement an international agenda on agricultural development, natural resources management and environmental issues.
- **The Education Program (EGAT/ED)** provides technical leadership, field support and donor coordination in the education sector, focusing on: (a) improved basic education; (b) strengthened higher education institutions to address local and national needs; and (c) improved performance through training of public and private sector organizations. EGAT/ED places particular emphasis on access to education and quality issues, support for Presidential Initiatives in Africa and Latin America, expansion of the role of higher education partnerships, and improvement of the development impact of training programs. The program manages a Global Development Alliance in teacher training, community partnerships, and youth and workforce development. EGAT/ED also serves as the U.S. Government lead in multilateral efforts to provide Education for All with the United Nations Educational, Scientific, and Cultural Organization (UNESCO), World Bank, United Nations Children's Fund (UNICEF), and other donors.
- **The Energy and Information Technology Program (EGAT/EIT)** provides technical leadership and field support to developing countries aimed at providing: 1) expanded access to, and sustainable use of, modern, efficient, and affordable energy services; 2) expanded access to and application of information and telecommunications services; 3) expanded access to enabling technologies for sustainable production and trade; and 4) expanded effective use of transportation and distribution infrastructure. EIT plays a major role in the implementation of the U.S. Government Clean Energy Initiative announced at the World Summit on Sustainable Development and in the Global Village Energy Partnership aimed at increasing the poor's access to modern and affordable energy services. EIT also provides leadership to the U.S. Government Digital Freedom Initiative, which promotes e-commerce in the developing world through policy reform and small business training. In addition, it

promotes the effective use of transportation and distribution infrastructure in addressing transportation barriers and trade facilitation. Finally, the program supports the Global Trade and Technology Network (GTN) which provides developing country private enterprises with enabling technologies for sustainable production and trade.

- **The Poverty Reduction Program (EGAT/PR)** works with USAID field missions to translate economic growth into poverty reduction by advancing market-led policies and other activities that specifically benefit the poor. The focus of these efforts is on initiatives that can help poor households protect, develop, leverage, or acquire enduring assets, exert control over their lives and participate in their communities in meaningful ways. EGAT/PR supports interventions that build up and protect the assets of the poor, increase the return on these assets, and help the poor cope with external adverse shocks. Equally important, it supports USAID efforts to increase the responsiveness of public institutions to poor people and to strengthen the poor's participation in local decisions that affect their lives. Key activities include microenterprise development, property systems reform, municipal service improvements and urban slum upgrading programs.
- **The Women in Development Program (EGAT/WID)** is the focal point within USAID for technical expertise and leadership on gender issues. Specifically, it assists USAID missions and offices in understanding the differential impacts of programs on men and women and the unique contributions made by both men and women; addresses constraints that limit demand for girls' education; works with host country governments and non-governmental organizations to advance the status of women's legal rights and to increase opportunities for women; and takes a leadership role on emerging issues with critical gender dimensions. EGAT/WID seeks to increase the capacities of USAID and its partners to address these issues and coordinates with the donor community on critical gender issues such as trafficking in persons.
- **The Policy Analysis, Information, Communication and Outreach Program (EGAT/PAICO)** focuses on improving EGAT's ability to finance program development costs, conduct program assessments, implement special programs/initiatives, conduct program evaluations, and develop better information management tools.
- **The Development Credit Program (DC)** manages the Development Credit Authority (DCA), a broad, general funding authority enacted by Congress that allows USAID to issue partial loan guarantees of up to 50 percent for development purposes. DCA augments grant assistance by mobilizing private capital in developing countries for sustainable development projects, thereby supporting the capacity of host countries to finance their own development. In FY 2004, USAID plans to commit \$15 Million in transfer authority to an innovative program to support the financing of water and sanitation facilities in developing countries under the Presidential Water Initiatives.
- **The Middle East Cooperation Program** funds the U.S.-Israeli Cooperative Development Research Program which provides grants to support cooperative research efforts by U.S., Israeli and developing country scientists. The program also supports the Middle East Regional Cooperation program which promotes cooperative research efforts by Arab and Israeli researchers on topics relevant to the Middle East.

**Other Program Elements:** USAID field missions buy in to EGAT mechanisms and services.

**Program and Management Challenges:** Over the past year, EGAT has taken the lead in developing a number of USAID sectoral strategies in the areas of trade capacity building, agriculture, education and women in development. The Trade Capacity Building Strategy was launched in February 2003 and has provided a framework for USAID efforts to meet commitments made at the Doha World Trade Organization (WTO) Trade Ministerial meetings in November 2001. The remaining strategies will be approved in early 2004. In line with these new strategies and the new Joint State Department-USAID Strategic Plan, EGAT is developing a new Bureau Strategic Plan that will reflect new strategic directions and its new organizational structure. EGAT's new Strategic Objectives, which have received interim

Agency approval, are presented in this document. EGAT expects the Plan to be completed and submitted for Agency review in 2004.

One of EGAT's key program management initiatives over the past year has been the development of field support mechanisms that are more responsive to the needs of its customers—USAID's field missions. In this regard, the Bureau developed a number of new and innovative field support mechanisms to meet Mission demand for specific services. Examples of these mechanisms include the Support for Economic Growth and Institutional Reform (SEGIR) family of contracts that provide missions with rapid and effective response to requests for assistance in the design and implementation of a wide array of economic growth activities. In FY 2004, EGAT will begin an innovative new field support program—the Volunteers in Economic Growth Assistance Program (VEGA)—that will mobilize American volunteers, primarily private sector executives, farmers and business associations, to provide services to developing countries in private market development, agribusiness development and improvements to municipal services. EGAT has also developed more effective ways of informing missions of its field support services and developed an improved system for prioritizing and responding to field requests for assistance. The responsiveness of these field support mechanisms was recently confirmed by USAID missions responding to a USAID management survey.

Key programmatic and management challenges for FY 2004 include:

- Teamwork and Communications: Many EGAT initiatives, such as enterprise development and rural finance programs, can make important contributions to progress in several sectors. Issues such as HIV/AIDS adversely impact all development efforts. Lessons learned and best practices developed by one office on a particular development issue need to be shared with other EGAT and USAID offices. Many times, the combined efforts of several offices and teams are required to achieve a development goal. EGAT has begun to explore and develop ways to improve cross-office teamwork as well as cross-Agency teamwork and communications and will make this a management priority over the coming year.
- Assisting Countries to Transition from Humanitarian to Development Assistance: Countries such as Ethiopia and Sudan have received substantial amounts of humanitarian assistance over many years due to conditions such as drought, famine and conflict. As these adverse conditions subside, EGAT, as a pillar bureau, will need to develop innovative and effective mechanisms to help missions design and implement activities that will wean these countries off of humanitarian assistance and put them on the path to sustainable development.
- Assistance to Mid-Range Performers: The Millennium Challenge Account (MCA) will support development activities in a limited number of countries with very good performance relative to others. This will leave a large number of countries that are either very close to MCA eligibility or mid-range performers whose performance and commitment to reform provide opportunities for progress. The challenge over the next few years will be to support USAID missions in the development of initiatives to meet these countries' needs and to boost their performance to meet MCA eligibility
- Trade Capacity Building: The White House is undertaking, through its Office of the U.S. Trade Representative, an ambitious agenda to initiate several new Free Trade Agreements (FTAs), in addition to fulfilling its existing obligations with the World Trade Organization (WTO). This presents a challenge to USAID to design and implement trade capacity building (TCB) programs that support the Administration's negotiation of these agreements, coordinate efforts across the fifteen U.S. agencies involved in TCB, and build technical capacity for TCB among USAID staff. EGAT has already begun to meet this challenge by designing assistance mechanisms to support USAID missions in countries targeted for FTAs, co-chairing regular U.S. Government interagency meetings, and initiating a major trade assistance training program for USAID staff.

**Other Donors:** EGAT works closely with other donors to ensure the efficiency and maximize the impact of development resources and to achieve the Millennium Development Goals of eradicating extreme

poverty and hunger, achieving universal education and ensuring environmental sustainability and gender equality.

In all of the sectors under its purview, EGAT works with the multilateral development banks. In particular, it works closely with the World Bank on trade capacity building, agricultural development, infrastructure financing, poverty reduction, education and environmental initiatives. EGAT provides funding to the Consultative Group for International Agricultural Research, whose Secretariat is housed at the World Bank, for new joint research and dissemination partnerships. EGAT's Poverty Reduction Office supports the World Bank's Consultative Group to Assist the Poorest (CGAP) and plays a leadership role with the World Bank, the Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, and African Development Bank on issues of basic shelter, urban youth/unemployment, air and water quality deterioration and transportation system improvements.

EGAT maintains dialogue with key organizations under the United Nations umbrella including: the U.N. Food and Agriculture Organization (FAO) and the World Food Program in the agricultural sector; the U.N. Development Program (UNDP) on environmental and urban upgrading issues; the United Nations Fund for Women (UNIFEM); the United Nations Commission on the Status of Women on gender issues; and the U.N. Educational, Social and Cultural Organization (UNESCO) on education issues. With the U.S. rejoining UNESCO this year, EGAT provided funding for three of its top policy-makers. EGAT also works closely with several international organizations such as the World Trade Organization to address trade issues emerging from the meetings held at Doha and Cancun and the Organization for Economic Cooperation and Development's Development Assistance Committee (OECD/DAC) on poverty, gender and trade capacity building activities.

EGAT has close working relations with several bilateral donors. As an example, the Office of Development Credit collaborates with the British Department for International Development (DFID) on its new credit activities and with the European Union and the Japan Bank for International Cooperation on financing for the Presidential Clean Water Initiative. EGAT/ED participates in the Group of Eight senior-level Education Task Force which focuses on important issues such as access for the underserved, education quality, and gender.

Finally, EGAT works with numerous U.S. partners, including U.S. Government entities such as the Department of State, the U.S. Environmental Protection Agency and the Department of Energy, Non-Governmental Organizations, Private Voluntary Organizations, and private sector businesses and organizations.

**FY 2005 Program:** EGAT plans \$150.7 million for its FY 2005 program. Key initiatives that will be supported in FY 2005 include:

- Ongoing support for trade capacity building in support of World Trade Organization (WTO) and bilateral USG policy objectives;
- Strengthening the financial sector to support agriculture and business development;
- Increased support for cross-sectoral approaches to development problems, such as the HIV/AIDS pandemic;
- Continued efforts to integrate the poor into mainstream economic development through building up and protecting assets.
- Continued emphasis on sustainable natural resource management to protect the environment and promote increases in rural incomes.

## Economic Growth, Agriculture and Trade PROGRAM SUMMARY

<b>STRATEGIC OBJECTIVE SUMMARY</b>				
	<b>FY 2002 Actual</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Prior Request</b>	<b>FY 2005 Request</b>
933-008 Technology Transfer				
DA	16,870	19,022	0	0
933-009 Agriculture				
DA	65,098	67,053	0	0
933-010 Poverty Reduction				
DA	25,224	22,409	0	0
933-011 Mid-East Agriculture Research				
DA	3,500	2,480	0	0
934-0011 Biodiversity Protection				
DA	6,541	7,750	0	0
934-0012 Forestry				
DA	4,227	4,614	0	0
934-0013 Land Resources Management				
DA	1,662	4,671	0	0
934-0014 Water				
DA	4,558	2,229	0	0
934-002 Making Cities Work				
DA	3,304	2,454	0	0
934-003 Access to critical infrastructure improved				
DA	0	9,964	0	0
934-0031 Energy Production - Increased Efficiency				
DA	3,632	0	0	0
934-0032 Energy Production - Renewable Energy				
DA	4,276	0	0	0
934-0033 Energy Production; Clean Energy and Use				
DA	4,526	0	0	0
934-004 Global Climate Change				
DA	3,784	3,000	0	0
935-001 Basic Education				
DA	7,260	9,790	0	0
935-002 Higher Education				
DA	10,500	9,230	0	0
935-003 Training				
DA	1,100	1,780	0	0
935-004 Telecommunications Leadership				
DA	3,500	3,250	0	0
940-001 Program Development and Support				
DA	1,000	990	0	0
940-003 Program Development and Learning				
DA	736	1,073	0	0
941-001 Addressing Economic Gender Constraints				
DA	2,440	2,240	0	0
941-002 Girls and Women's Education				
DA	2,340	2,340	0	0
941-003 Women's Legal Rights				
DA	3,020	3,220	0	0
941-004 Gender Considerations in the Agency				
DA	3,200	3,200	0	0

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<b>STRATEGIC OBJECTIVE SUMMARY</b>				
	<b>FY 2002 Actual</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Prior Request</b>	<b>FY 2005 Request</b>
905-101 Economic Growth				
DA	0	0	12,690	12,690
905-111 Energy and Information Technology				
DA	0	0	12,690	12,690
905-112 Israeli/Middle East Programs				
DA	0	0	1,500	1,500
905-201 Poverty Reduction				
DA	0	0	6,872	6,870
905-301 Education and Training				
DA	0	0	17,222	17,220
905-401 Women in Development				
DA	0	0	10,941	11,000
905-601 Program Analysis, Implementation, Communications				
DA	0	0	2,680	2,420
905-701 Environment and Science Policy				
DA	0	0	36,613	36,615
905-801 Natural Resources Management				
DA	0	0	19,077	19,080
905-901 Agriculture				
DA	0	0	30,525	30,515



## Data Sheet

<b>USAID Mission:</b>	Economic Growth, Agriculture and Trade
<b>Program Title:</b>	Economic Growth
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	905-101
<b>Proposed FY 2004 Obligation:</b>	\$12,690,000 DA
<b>Prior Year Unobligated:</b>	\$2,919,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$12,690,000 DA
<b>Year of Initial Obligation:</b>	2004
<b>Year of Final Obligation:</b>	2009

**Summary:** USAID's program to promote open and competitive economies includes: 1) enhancing the capacity of countries to participate in, and benefit from, global trade and investment; 2) improving macroeconomic stability and economic governance to foster favorable business environments; and 3) strengthening private sector capacity to respond to opportunities in the global market place. This replaces SO 933-008 Open, Competitive Economies Promoted.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Global Trade and Investment (\$5,900,000 DA). This program serves as a catalyst, stimulating innovative field mission efforts to support increased trade capacity and investment in partner countries as a part of USAID's trade strategy. In FY 2004, special attention will go to building trade capacities in support of multilateral and U.S. bilateral trade agreements particularly in the areas of sanitary and phyto-sanitary standards (SPS), services trade and liberalization, World Trade Organization (WTO) accession, and commercial law reform. The SPS initiative will help missions address how developing countries can increase their agricultural exports by meeting sanitary standards in export markets. A services trade facility will encourage missions to initiate new programs. Assistance to facilitate Cape Verde's accession to the WTO will continue, and will likely be extended to Ethiopia. In the five Central American Free Trade Agreement (CAFTA) countries, efforts will focus on making commercial laws consistent with the Agreement requirements. Technical assistance will help missions design new customs reform activities and help eliminate customs-related constraints on trade. The program will also address trade agreement compliance problems identified by the U.S. Trade Representative and the State Department. Support will continue to the Integrated Framework Trust Fund for Trade-Related Technical Assistance, a joint effort by multilateral and bilateral donors to help least-developed countries incorporate trade considerations into their development strategies. Principal contractors/grantees: Nathan Associates, Development Alternatives, Inc. (DAI), Booz Allen, Deloitte Touche Tohmatsu, and Carana.

Economic Policy and Governance (\$2,520,000 DA). A new fiscal reform activity will strengthen USAID's ability to link trade liberalization and fiscal stability, facilitate access by USAID missions to specialized expertise for use in analysis and design of tax and expenditure activities, and improve technical competence on fiscal issues among USAID staff. The program will also help missions identify the main constraints to economic growth in their countries and thus develop more effective programs, as well as assist African research institutions to increase their capacity to develop sound trade policy. New activities to improve USAID's understanding of, and ability to address, the economic growth implications of HIV/AIDS and corruption are also planned. Technical assistance will be provided for the design and implementation of macroeconomic reforms. Implementers include DAI and Cornell University.

Enterprise Development and Financial Markets (\$4,270,000 DA). Findings from assessments of enterprise development activities will be used to help USAID missions more effectively raise productivity and incomes through sector and firm-level interventions. A grant to the World Economic Forum will expand the number of USAID partner countries included in the Forum's annual global competitiveness

index. The program will launch a new “volunteers for economic growth” facility to assist volunteer organizations to implement economic growth programs in developing countries. A new initiative will identify best practices in corporate social responsibility, including employer response to HIV/AIDS issues. More strategic mission approaches to financial sector reform will be encouraged--linking USAID programs more closely to reform initiatives of multilateral institutions. A new grant to the World Bank's Financial Sector Reform and Strengthening Initiative will allow USAID missions and partner countries to access the greater financial and technical resources available through the initiative. An assessment will be made of existing Investor Roadmap studies to consolidate lessons learned and improve investment promotion programs. Assistance will also be provided to help developing countries improve their infrastructure through private sector involvement and to support mission efforts in the area of corporate governance. Contractors and grantees are: World Economic Forum, Center for International Private Enterprise, U.S. Securities and Exchange Commission, U.S. Federal Deposit Insurance Corporation, IBM Business Consulting, the Financial Sector Volunteer Corps, Institute of International Education, Kenan Institute, and the Public Private Infrastructure Advisory Facility (PPIAF)

**FY 2005 Program:**

Global Trade and Investment (\$7,030,000 DA). Funding will continue for activities that are central to the Agency's trade capacity building programs, e.g. activities relating to customs, SPS, WTO accession/compliance, service sector liberalization, and commercial law. Technical support will be provided to missions to develop and enhance programs that increase productivity and diversify production. These efforts will be particularly critical in the wake of bilateral and multilateral trade negotiations and in anticipation of the termination of the WTO Agreement on trade in apparel. USAID will also continue to implement the U.S. Government's (USG) Trade Capacity Building Survey. Implementers include Nathan Associates, DAI, Booz Allen, and Carana.

Economic Policy and Governance (\$2,275,000 DA). Economic governance, business and HIV/AIDS, and anti-corruption activities will improve and expand interventions addressing constraints to economic growth and the economic implications of HIV/AIDS and corruption. Fiscal reform activities to promote economic stability and develop sound tax and expenditure programs will grow to include additional countries. Implementers include DAI and Cornell University.

Enterprise Development and Financial Markets (\$3,385,000 DA). Activities will support the development and dissemination of best practice models to enhance investment climates and the growing productivity of developing country producers, allowing them to operate more successfully in global markets. Enhanced financial sector activities will help USAID missions to sharpen the focus of programs in this area, reducing the risk of financial sector crises and helping increase levels of intermediation needed to support growing trade and investment. Funds will also provide for training of USAID Economic Growth Officers. Implementers include IBM Business Consulting and PPIAF.

**Performance and Results:** In 2003, the Economic Growth Program developed sector strategies for trade capacity building and financial sector development. These provided a framework for assistance to missions in such areas as fiscal reform, customs, service sector liberalization, mortgage market development, and sanitary and phyto-sanitary standards. The Economic Growth Program also assisted in the initiation of 72 new USAID trade capacity building programs that mainstream trade into country policies and USAID programs worldwide. This included development and application of a new analytic tool for helping developing countries understand and adjust to pending radical changes in the global market for textiles and apparel. The program dramatically strengthened USAID support for U.S. bilateral trade negotiations--leading regular state-of-the-art reviews among USAID staff who supported negotiations with CAFTA, Morocco, and Southern African Customs Union. The annual USG Trade Capacity Building Survey was also completed in time for the WTO Ministerial Meeting in Cancun. Finally, the Program led close to 10 training programs and workshops to increase the depth and breadth of knowledge and skills of 170 USAID staff, thus improving the Agency's capacity to promote open and competitive economies worldwide.

## US Financing in Thousands of Dollars

### Economic Growth, Agriculture and Trade

905-101 Economic Growth	DA
<b>Through September 30, 2002</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2003</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	2,919
<b>Planned Fiscal Year 2004 NOA</b>	
Obligations	12,690
<b>Total Planned Fiscal Year 2004</b>	
Obligations	15,609
<b>Proposed Fiscal Year 2005 NOA</b>	
Obligations	12,690
Future Obligations	64,000
Est. Total Cost	92,299

## Data Sheet

<b>USAID Mission:</b>	Economic Growth, Agriculture and Trade
<b>Program Title:</b>	Energy and Information Technology
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	905-111
<b>Proposed FY 2004 Obligation:</b>	\$12,690,000 DA
<b>Prior Year Unobligated:</b>	\$2,592,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$12,690,000 DA
<b>Year of Initial Obligation:</b>	2004
<b>Year of Final Obligation:</b>	2009

**Summary:** USAID's Energy and Information Technology Program seeks to increase access to critical infrastructure to improve quality of life, increase economic growth, and promote sustainable communities. The program provides technical leadership and field support to USAID missions and regional bureaus for design and implementation of activities that: 1) increase production and use of environmentally sustainable energy; 2) expand access to and application of information and telecommunications services; and 3) expand access to enabling technologies for sustainable production and trade. The program will provide support for increased access to transportation infrastructure and logistics during FY2004. This replaces SO 933-008 Technology Transfer; SO 934-003 Increased, Environmentally Sustainable Energy Production and Use; and SO 935-004 Expanded Access to and Applications of Information and Telecommunications Services.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Energy (\$7,520,000 DA). USAID will continue to lead the Global Village Energy Partnership component of the Presidential Clean Energy Initiative (CEI) to increase access to energy in rural and urban areas. USAID plays a prominent role in the Healthy Homes and Communities and Efficient Energy for Sustainable Development components of the CEI. The program will continue to provide support to USAID missions to address issues surrounding the adoption of clean fuels and vehicles in developing countries. Principal contractors/grantees: Advanced Engineering Associates International, Nexant, PA Government Services, CORE International, U.S. Energy Association, National Association of Regulatory Utility Commissioners, Winrock International, E+Co, Sandia National Laboratory, Alliance to Save Energy.

Information Technology (\$3,384,000 DA). USAID will continue its lead role in the U.S. Government Digital Freedom Initiative (DFI) that promotes e-commerce in the developing world through policy reform and small business training. Launched in Senegal, Peru, and Indonesia, the DFI is expected to include 12 countries over the next five years. USAID continues to support the U.S. Telecommunications Training Institute (USTTI), which uses the training resources of its corporate board members to provide training for developing nation professionals. The program will continue to work with the Digital Opportunity Through Technology and Communication Partnerships (DOT-COM Alliance), a coalition of over 75 partners, to assist in providing digital opportunities to the developing world. Principal contractors and grantees: U.S. Commerce and State Departments, USTTI, Internews, Academy for Educational Development, and Education Development Center.

Technology Transfer (\$1,625,000 DA). USAID will continue to provide technology solutions that enable companies in underdeveloped markets to increase efficiency and competitiveness. Industrial competitiveness activities will continue to create public-private partnerships to build on environmental management systems certification and improve industrial efficiencies by reducing energy consumption, water usage, and materials demands. An improved Global Trade and Technology Network (GTN) will enable small and medium-sized enterprises to access global supply chains of major industrial buyers.

Principal contractors and grantees: International Executive Service Corps, PADCO Inc., World Environment Center, PA Government Services, and SNC Telecommunication.

Transportation Infrastructure (\$161,000 DA). Activities will examine expansion of USAID's Energy and Information Technology Program to the area of infrastructure support. Assistance will be provided to improve developing countries' transportation logistics as they relate to trade and poverty alleviation. Principal contractors and grantees: CARANA Corporation, Public-Private Infrastructure Advisory Facility (PPIAF), ICLogistics, Inc.

**FY 2005 Program:**

Energy (\$7,520,000 DA). USAID plans to expand activities under the Presidential Clean Energy Initiative (CEI) and to continue to promote the adoption of clean fuels and vehicles worldwide. Efforts are expected to enhance the knowledge and skills of local counterparts in developing countries and to facilitate the adaptation and adoption of best energy, environment and management practices. USAID also intends to increase access to energy in urban and rural areas for services such as health, water supply, food production and processing, and micro enterprise development. Same implementers as above.

Information Technology (\$3,385,000 DA). USAID plans to continue to implement telecommunications training and digital opportunity programs that advance e-learning, cyber-security, rural access to telecom services, and pro-poor telecommunications policy in the developing world. USAID also intends to support expansion of the Digital Freedom Initiative (DFI) that promotes e-commerce in the developing world through policy reform and small business training to four additional countries. Same implementers as above.

Technology Transfer (\$1,585,000 DA). In Europe and Asia, USAID plans to expand activities that help companies increase efficiency and competitiveness as well as industrial competitiveness efforts that reduce energy consumption, water usage, and materials demands. The program is expected to continue to advance GTN's capacity to strengthen small and medium-sized enterprises' access to global supply chains by supporting GTN's transition to financial sustainability. Same implementers as above.

Transportation Infrastructure (\$200,000 DA). This activity should continue to expand assistance to developing countries to improve transportation logistics as they relate to trade competitiveness. Same implementers as above.

**Performance and Results:** Energy. In FY 2003, USAID assistance helped to bring on-line 192 megawatts of grid-connected energy. Activities expanded access to energy services for approximately 960,000 poor people worldwide. Efforts also helped over 1,400 institutions adopt improved operating policies, practices, and techniques that spurred the development and adoption of 51 public policies to increase access to energy services in developing countries. This program also contributed to the design of an \$80 million energy project for Afghanistan and several Iraq infrastructure programs.

Information Technology. USAID launched a public-private partnership with the Information Technology Association of America that is building information technology business associations in several nations. Efforts also resulted in the training of 256 participants from 72 countries, including 58 women, in telecommunications and Internet policy, resulting in improved information and telecommunications skills for these developing nation professionals. USAID support to the DOT-COM Alliance helped 21 countries expand telecommunications services to the underserved.

Technology Transfer. Through partnerships with two Fortune-100 companies, USAID completed several studies in Mexico designed to improve supplier industrial efficiencies. Activities also resulted in a 77% increase in successful transactions between small and medium-sized enterprises and global supply chains of major industrial buyers. A cleaner production financing strategy for Central America was completed through partnerships with commercial banks in Nicaragua, El Salvador, and Panama. USAID also facilitated more than \$11.5 million in technology transfer transactions between U.S. environmental technology and energy firms and municipalities and firms in the Europe and Eurasia region.

## US Financing in Thousands of Dollars

### Economic Growth, Agriculture and Trade

905-111 Energy and Information Technology	<b>DA</b>
<b>Through September 30, 2002</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2003</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	2,592
<b>Planned Fiscal Year 2004 NOA</b>	
Obligations	12,690
<b>Total Planned Fiscal Year 2004</b>	
Obligations	15,282
<b>Proposed Fiscal Year 2005 NOA</b>	
Obligations	12,690
Future Obligations	60,000
Est. Total Cost	87,972

## Data Sheet

<b>USAID Mission:</b>	Economic Growth, Agriculture and Trade
<b>Program Title:</b>	Israeli/Middle East Programs
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	905-112
<b>Proposed FY 2004 Obligation:</b>	\$1,500,000 DA
<b>Prior Year Unobligated:</b>	\$23,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$1,500,000 DA
<b>Year of Initial Obligation:</b>	2004
<b>Year of Final Obligation:</b>	2009

**Summary:** USAID's program under this special objective has two components which are funded from Development Assistance (DA) and Economic Support Funds (ESF) resources. DA funds support the U.S.-Israel Cooperative Development Research (CDR) Program, a competitive grants program funding collaborative research projects between Israeli scientists and counterparts in developing countries. ESF funds support the Middle East Regional Cooperation (MERC) Program, a competitive grants program to promote the collaboration of Arab and Israeli scientists on research topics to enhance development in the Middle East region. This special objective replaces Strategic Objective 933-011 Increased Technical Cooperation among Middle Eastern Countries, Developing Countries, and the United States.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

The U.S.-Israel Cooperative Development Research (CDR) Program (\$1,500,000 DA) is designed to address challenges faced by developing countries through funding of collaborative research projects involving scientists from those countries working with their counterparts in Israel and the United States. CDR is a peer-reviewed competitive grants program, and it is the only program open to all technical topics and geographic regions (except the Europe and Eurasia region, which is no longer eligible). Projects are selected based upon technical merit, innovation, relevance to development, and the ability to strengthen the research capacity of developing-country institutions, which receive a substantial portion of each grant for training and equipment. Nearly 70 CDR projects are presently active, and 44 developing countries are eligible. Maximum grant size is \$200,000. The U.S. National Academy of Sciences is contracted to organize peer-review panels and to provide general technical support. Under an interagency agreement, the U.S. Embassy in Tel Aviv negotiates and awards grants to recipients selected by USAID, as well as provides financial oversight for the individual grants. Grantees include universities and other research institutions throughout Israel, and these institutions in turn make sub-awards to partner institutions in developing countries and the United States.

The Middle East Regional Cooperation (MERC) Program (\$5,000,000 ESF to be notified separately) is designed to promote development collaboration between Arab and Israeli scientists, students, and affected communities. MERC awards competitive grants for collaborative research involving scientists from Israel and one or more other Middle Eastern countries. Scientists and institutions in Jordan, Egypt, West Bank and Gaza, Morocco, Tunisia, and Lebanon presently participate. United States scientists may also participate in a supporting technical role. However, all projects are required to demonstrate significant levels of direct Arab-Israeli cooperation. The program utilizes external peer-review panels assembled by the National Academy of Sciences to provide expert technical advice to a USAID and Department of State selection committee. Selection is based on the degree of Arab-Israeli cooperation, relevance to development, technical merit/innovation, and merit of approach (management, costs, capacity strengthening, and sustainability). Over 30 MERC projects are presently active. The maximum grant size is \$3 million, but much smaller projects are encouraged. Despite the conflict in the region, most MERC projects are functioning well, and applicant interest remains strong. U.S. Embassy Tel Aviv awards most of the individual grants, except for grants to other U.S. Government agencies or for those

over \$1 million. Most of the grantees are U.S. or Israeli universities, government research institutions, or non-governmental institutions, which in turn make sub-awards to partner institutions in Arab countries, the United States, and Israel.

**FY 2005 Program:**

USAID plans to continue the U.S.-Israel Cooperative Development Research (CDR) Program (\$1,500,000 DA) as an open, competitive grants program utilizing external peer review advice and emphasizing developmental relevance and sustainable capacity strengthening of scientists and research institutions in developing countries.

USAID also plans to continue the MERC Program (\$5,000,000 ESF to be notified separately) as an open, competitive program emphasizing developmental relevance and sustainable capacity strengthening. Maximizing direct Arab-Israeli cooperation will remain a major criterion for selecting projects.

**Performance and Results:** Even in the face of unrest and further deterioration of relations in the Middle East in FY 2003, the programs supported under this objective are clearly achieving their overall goal of catalyzing significant technical cooperation that otherwise would not have occurred. Nearly 100 joint Arab-Israeli pre-proposals were submitted in 2003 to the Middle East Regional Cooperation (MERC) Program, more than twice the number received in 2002. There are now more than 30 ongoing Arab-Israeli research projects funded by MERC, the highest total in the program's history, and triple the figure from just five years ago. Although nearly all Arab-Israeli projects have encountered significant barriers to direct cooperation, the participants are finding ways to maintain these joint projects via meetings and workshops in nearby neutral sites, use of e-mail and common websites for data, and joint training in the U.S. Palestinian students are studying and training in Israel in a number of projects.

CDR and MERC-funded research also produced a number of technical results and development contributions in FY 2003, primarily in the sectors of agriculture, health, and environment. For example, a joint Israeli-Moroccan project overcame a major obstacle in the almond industry by being the first to obtain efficient rooting of in vitro propagated almond tissue. A project in Guatemala on molecular marker-assisted breeding has successfully bred tomatoes resistant to Tomato Yellow Leaf Curl Virus, and the project scientists are presently selecting for locally desired characteristics and negotiating with potential partners for commercialization of the resultant germplasm. After artificial-wetland wastewater treatment technology developed by a Palestinian-Israeli-Egyptian partnership was successfully demonstrated in a West Bank village, the Palestinian partners on the project report that there is serious interest from numerous neighboring communities in adopting the technology, and potential interest from other donors in building facilities. A joint Israeli-Uzbek project developed and tested a vaccine against the strain of *Theileria annulata* found in Central Asia, and this vaccine is now being promoted for commercialization and wide scale distribution, with a potential regional market totaling over ten million cattle. A project in Kyrgyzstan established a system to broadcast daily irrigation requirements to farmers in the Cho Valley to help conserve water and limit salinization caused by over-irrigation, and the Kyrgyz scientists continue to use the equipment provided by the grant to broaden the scope of their research program even after the U.S. funding ended. Several Arab-Israeli human health projects are in various stages of establishing joint monitoring networks in the Middle East to track a wide variety of health threats such as cancer, hepatitis, and substance abuse. A joint Israeli-Jordanian-Palestinian study on water quality along the Jordan River completely changed the understanding of the source of salts in the river, and a second phase is now underway to quantify the contribution of the groundwater to the total salt load.



## US Financing in Thousands of Dollars

### Economic Growth, Agriculture and Trade

905-112 Israeli/Middle East Programs	DA
<b>Through September 30, 2002</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2003</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	23
<b>Planned Fiscal Year 2004 NOA</b>	
Obligations	1,500
<b>Total Planned Fiscal Year 2004</b>	
Obligations	1,523
<b>Proposed Fiscal Year 2005 NOA</b>	
Obligations	1,500
Future Obligations	4,500
Est. Total Cost	7,523

## Data Sheet

<b>USAID Mission:</b>	Economic Growth, Agriculture and Trade
<b>Program Title:</b>	Poverty Reduction
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	905-201
<b>Proposed FY 2004 Obligation:</b>	\$6,872,000 DA
<b>Prior Year Unobligated:</b>	\$100,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$6,870,000 DA
<b>Year of Initial Obligation:</b>	2004
<b>Year of Final Obligation:</b>	2009

**Summary:** USAID's Poverty Reduction Program focuses on improving the capacity of the poor to protect and enhance their household assets by increasing economic opportunity, enhancing economic security; and promoting more accountable and responsive institutions. The program supports interventions that build up and protect the assets of the poor, increase the returns on these assets, and help the poor to cope with external adverse shocks. Activities also increase the responsiveness of public institutions to the needs of the poor and strengthen the poor's participation in local decision-making processes that affect their lives. This strategic objective (SO) replaces SO 934-002 Improved Management of Urbanization in Targeted Areas and SO 933-010 Access to Economic Opportunities for the Poor Expanded.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Microenterprise Development. (\$2,830,000 DA). Activities will expand the availability of business and financial services to poor entrepreneurs and their families. Financial and technical assistance will be provided to assist USAID Missions expand or enhance their programs and experiment with new efforts that extend financial services to poor clients and/or test new products that serve the poor. New research and pilot activities will focus on rural finance, housing finance, improving linkages between microenterprises and larger firms, improving microfinance institutions' access to capital, identifying contributions of the microenterprise sector to growth, and promoting reforms to create a better enabling environment for the informal sector. This program will also meet Congressional requirements to develop new poverty measurement tools. Principal contractors/grantees include Development Alternatives, Inc. (DAI), Chemonics, IBM Consulting, the University of Maryland, Louis Berger International, ACIDI-VOCA, Management Sciences International, ACCION, FINCA International, Opportunity International, the Consultative Group to Assist the Poor, and the Small Enterprise Education and Promotion Network.

Poverty Analysis. (\$1,692,000 DA). This program will help reduce the poor's vulnerability through poverty analysis and the identification of measures to protect the assets of the poor. It also aims to help poor households stabilize and increase their assets and incomes. Funding will continue for research that identifies policies that expand the participation of the poor in economic growth. Efforts will focus on research already completed that can be easily integrated into mission programs to improve the livelihoods of the poor. A pro-poor communication strategy will be integrated into a system that more effectively shares knowledge about poverty with USAID missions, other donors, non-governmental organizations (NGOs), private sector partners, and client country governments. Principal contractors/grantees: DAI, the Boston Institute of Development Economics, Inc.; Institute for Liberty and Democracy; and First Nation International Development Institute.

Urban Programs. (\$2,350,000 DA) Activities will help promote economic growth, job creation, pro-poor policies that increase assets for the poor, and more equitable distribution of municipal services. Efforts will include building public-private partnerships that mobilize resources needed to finance public service expansion and improved operations and maintenance. Promoting partnerships between local government business leaders and community-based organizations will also help ensure greater participation of the

poor in local decision-making. Missions will be provided with tools and access to technical resources that will make cities function better. Particularly important will be the formation of increased city-to-city partnerships between urban management practitioners in the United States and in developing countries, and South-South exchanges. Principal contractors/grantees: International City Managers Association, the Urban Institute, Research Triangle Institute, Planning and Development Collaborative International, Abt and Associates, Community Consulting International, and the Woodrow Wilson International Center for Scholars.

**FY 2005 Program:**

Microenterprise Development (\$2,830,000 DA). Funds will be used to continue microenterprise grant programs and to shift program emphasis from knowledge generation to knowledge dissemination. The program's knowledge management, analysis and dissemination system will continue to improve USAID staff capacities to design and implement better and more efficient microenterprise development investments. It will also help other donors improve their effectiveness and raise the performance ceiling of the microfinance and enterprise development industry as a whole. Same implementers as above.

Poverty Analysis (\$1,690,000 DA). The program will promote property system reforms that enable the poor to participate in and benefit from economic growth. Activities will collect knowledge about the synergies that result from coordinating poverty reduction efforts in agriculture, microenterprise development, health, education, natural resources and urban management and will identify how to incorporate these synergies into USAID programs. Direct technical support, partnership building and urban strategy development activities will continue. Principal contractors and grantees to be determined.

Urban Programs (\$2,350,000 DA). Activities will continue to promote synergies between pro-poor policies, economic growth, and more equitable distribution of services--particularly at the municipal level. Urban programs will also continue to promote cross-sectoral analyses, planning and programming in areas such as HIV/AIDS, microenterprise development, environmental health, youth development and employment, and conflict prevention. Urban programs will also help Missions to address issues such as housing finance, property titling and cadastral systems in cities. Same implementers as above.

**Performance and Results:** USAID, operating through more than 500 implementing partners, served a record 5.6 million poor clients via loans for microenterprises and other purposes valued at \$1.3 billion. Some 94.3% of all loans outstanding were paid on-time. More than 65% of the clients were women, and more than 55% of the loans were held by very poor clients. USAID-supported institutions served 3.2 million savings account clients whose combined deposits totaled \$873 million, more than double that of 2001. Over 3.1 million poor micro-entrepreneurs received business development services from USAID-assisted institutions, resulting in improved market access, productivity and earnings. The increases in income and assets made possible by improved access to financial and business services are an essential ingredient in expanding economic opportunity and security for millions of poor households worldwide.

Poverty research activities produced several studies, papers, and an operations manual that will be used by USAID Missions to improve the design and implementation of pro-poor policy programs. These endeavors prompted the World Bank to launch a major new pro-poor policy research program modeled on USAID's effort. Poverty analysis activities also advanced national pension reform efforts in Russia, India, and Bosnia and spurred the coordination of a world-wide network of indigenous groups that will inform World Bank and other donor efforts to design and implement indigenous development grants.

Urban program activities helped establish alliances between the private sector and donors that resulted in 90 cities engaging in slum upgrading and more than 24 countries preparing local poverty reduction strategies. The Resource Cities/CityLinks Partnership promoted city-to-city exchanges between the U.S. and developing countries that resulted in improvements in solid waste management, financial management, local economic development, water services, and urban planning in 23 cities in Bulgaria, India, Kyrgyzstan, Jordan, Mali, and Thailand.

## US Financing in Thousands of Dollars

### Economic Growth, Agriculture and Trade

905-201 Poverty Reduction	<b>DA</b>
<b>Through September 30, 2002</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2003</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	100
<b>Planned Fiscal Year 2004 NOA</b>	
Obligations	6,872
<b>Total Planned Fiscal Year 2004</b>	
Obligations	6,972
<b>Proposed Fiscal Year 2005 NOA</b>	
Obligations	6,870
Future Obligations	72,400
Est. Total Cost	86,242

## Data Sheet

<b>USAID Mission:</b>	Economic Growth, Agriculture and Trade
<b>Program Title:</b>	Education and Training
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	905-301
<b>Proposed FY 2004 Obligation:</b>	\$17,222,000 DA
<b>Prior Year Unobligated:</b>	\$141,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$17,220,000 DA
<b>Year of Initial Obligation:</b>	2004
<b>Year of Final Obligation:</b>	2009

**Summary:** EGAT's Office of Education oversees basic and higher education, workforce, youth, and participant training assistance to USAID missions. Activities support increased access to education and workforce development skills, improved quality of education and training, and more robust education and development institutions. This strategic objective (SO) replaces SO 935-001 Improved and Expanded Basic Education; SO 935-002 Higher Education Strengthens the Capacity of Institutions, Communities, and Individuals; and SO 935-003 Training Improves Work Performance of Host-Country Trainees and Effectiveness of Host-Country Organizations.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Basic Education (\$9,212,000 DA). EGAT will provide technical leadership and support to USAID missions and bureaus in education policy reform, quality, information and communication technology, decentralization, community involvement, curriculum reform, and textbook revision. The bureau will also continue to serve as the U.S. Government lead in international education, especially for the Education for All effort coordinated by UNESCO and the Fast Track Initiative of the World Bank. Activities in FY 2004 will: 1) support and strengthen basic education programs in 48 countries in early childhood development, primary and secondary education, youth education and adult literacy development, teacher and management training, education in rural, crisis and Muslim settings, girls' education, and education to combat child labor; 2) support and strengthen Presidential Initiatives (Africa Education Initiative, Centers of Excellence in Teacher Training in Latin America, Middle East Partnership Initiative, and Partnerships for Learning Initiative); 3) initiate an educational knowledge for development system; and 4) collaborate with the Departments of State and Defense in defining the role of education in crisis countries. Partners: Creative Associates, American Institutes for Research, Academy for Educational Development (AED), Education Development Center, LT Associates, DevTech Systems; UNESCO, World Bank, and the Departments of State, Education, Labor, and Treasury.

Higher Education and Workforce (\$7,950,000 DA). EGAT will improve the capacity of post-secondary institutions to promote development by expanding partnerships and alliances between U.S. and developing country universities in support of mission strategic objectives. EGAT will also continue to develop workforce systems for out of school youth that increase the capacity of local institutions to assess and develop skills relevant to market demands. Support for new partnerships, in cooperation with the Bureau of Global Health, will combat HIV/AIDS by developing education and health care training centers in Africa that will provide new models for health training and for maintaining the capacity of health care and health education institutions. In support of the Middle East Partnership Initiative, USAID will assist partnerships and alliances that focus on education, media and journalism, business and economics, information and communication technologies, and higher education in the Europe and Eurasia region. Workforce development programs focusing on youth will be expanded and a Youth Community of Practice will be established which will connect diverse practitioners in youth programs throughout the U.S. Government. Partners: Association Liaison Office for Universities in Development and the Education Development Center.

Participant Training (\$60,000 DA). EGAT will improve the impact of training programs by disseminating design, implementation, and evaluation best practices aimed at strengthening knowledge, skills, and their application to improve the performance of work units. EGAT will also refine USAID policies and procedures for training, assist Missions in designing and implementing their training portfolios, and manage the rigorous Homeland Security visa process for U.S. training participants. EGAT will initiate cost-effective arrangements to provide graduate training in support of technical and staff development for the Presidential Initiative to End Hunger in Africa, refine the TraiNet participant training database system, and individually verify and approve 6,000 to 7,000 training participants for U.S. visas. Partners: AED, World Learning, Development Associates, Aguirre International, DevIS.

**FY 2005 Program:**

Basic Education (\$9,100,000 DA). EGAT will continue to support 48 basic education programs and four Presidential Initiatives. The Office will also continue to coordinate U.S. Government efforts on education in crisis and transition countries. Activities will additionally support the new Education Data Center's collection and dissemination efforts.

Higher Education and Workforce (\$6,740,000 DA). USAID will continue support for new partnerships to combat HIV/AIDS, including education and health care training centers in Africa. Assistance will also strengthen the management and administrative functions of primary, secondary, and tertiary education institutions, including teacher training colleges. Workforce and youth programs will be expanded to three to six new countries.

Participant Training (\$1,380,000 DA). Support will continue for the Homeland Security visa process to ensure an unimpeded flow of participants to the United States for training. The Visa Compliance System will be upgraded. In-service administrative and management training will be provided, using new information technology approaches.

**Performance and Results:** Basic Education. EGAT technical assistance contributed to improved education policies and institutions in 11 countries; resulting in more cost-effective quality teaching and learning in Uganda, increased sensitization and mobilization of communities around education and related health issues in Zambia, and non-formal education for demobilized soldiers and internally displaced persons in Burundi. School attendance rates in Djibouti were increased as a result of improvements in school facilities, and support to the non-formal Educadodos system in Honduras accelerated math and Spanish achievement. An internet portal established in Latin America is enabling teachers to share materials and advice. Eleven countries also improved their education data collection and management systems including El Salvador, which completed a major data needs assessment and is redesigning their education data collection and management system; and Malawi, which adopted EGAT tools to collect data on gender equality in the classroom. EGAT also provided assistance to a worldwide information system to set indicators for monitoring education in crisis settings and to Nepal to educate children and families on the dangers of trafficking in persons.

Higher Education and Workforce. With USAID assistance, 26 new partnerships were established to strengthen developing country universities, bringing the total number of partnerships with U.S. universities to 155. Results logged include the opening of government development policy dialogues to 30 local universities with results such as the formulation of a new Commercial Code in Ethiopia and a model Fisheries and Aquaculture Plan in Mexico. EGAT/ED also supported the launch of seventeen new workforce development programs, such as a workplace training and job placement initiative for the disabled in South Africa, that promise to teach out-of-school youth and other vulnerable populations the skills and knowledge demanded by local employers.

Participant Training. Approximately 89% of sampled work units demonstrated improved performance after receiving training sponsored by EGAT. The EGAT-managed Homeland Security Visa Compliance System (VCS) and the Student and Exchange Visitor Information System (SEVIS) recorded 324 users in 89 countries, who entered data on and tracked the whereabouts of training participants in the United States.

## US Financing in Thousands of Dollars

### Economic Growth, Agriculture and Trade

905-301 Education and Training	DA
<b>Through September 30, 2002</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2003</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	141
<b>Planned Fiscal Year 2004 NOA</b>	
Obligations	17,222
<b>Total Planned Fiscal Year 2004</b>	
Obligations	17,363
<b>Proposed Fiscal Year 2005 NOA</b>	
Obligations	17,220
Future Obligations	72,000
Est. Total Cost	106,583

## Data Sheet

<b>USAID Mission:</b>	Economic Growth, Agriculture and Trade
<b>Program Title:</b>	Women in Development
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	905-401
<b>Proposed FY 2004 Obligation:</b>	\$10,941,000 DA
<b>Prior Year Unobligated:</b>	\$520,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$11,461,000 DA
<b>Year of Initial Obligation:</b>	2004
<b>Year of Final Obligation:</b>	2009

**Summary:** EGAT's program to integrate gender considerations into USAID's development, humanitarian and transition programs involves efforts to address gender-based constraints to economic growth such as lack of access to basic education and the lack of property and inheritance rights, as well as initiatives to address emerging issues with critical gender dimensions, such as trafficking in women and children, and women's status and HIV/AIDS. EGAT works closely with USAID field missions, the NGO community and the international donor community to assure that gender equity and the needs and contributions of women are considered in the design and implementation of development activities. This strategic objective (SO) replaces SO 941-001 Gender-based Constraints to Economic Growth Policies and Programs Increasingly Addressed; SO 941-002 Broad-based, Informed Constituencies Mobilized to Improve Girls' Education in Emphasis Countries; SO 941-003 Women's Legal Rights Increasingly Protected; and SO 941-004 Greater Reflection of Gender Considerations in the Agency's Work.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

**Gender-Based Sector Constraints (\$2,990,000 DA):** EGAT/WID will support the development of new or better ways to enhance women's potential to accelerate economic development and make economic growth more sustainable. Activities will target gender-related obstacles that can hamper women's participation in national economic growth. A new initiative will promote full participation of women in economic development and a better understanding of gender-based constraints to women's participation in economic activities. EGAT/WID will also continue to address constraints that limit girls' attainment of a basic education, such as school-related violence, which negatively impacts girls' school enrollment, completion and achievement. Pilot activities will be undertaken in Ghana, Malawi, and Ethiopia. Principal contractors and grantees include: Chemonics International; Development Alternatives, Inc. (DAI); Devtech Systems; Management Systems International (MSI); Georgetown University Law Center.

**Gender Integration in Cross-Sector Priorities (\$3,985,000 DA):** EGAT will continue to initiate or deepen work on emerging gender issues that cut across sectoral boundaries, such as: anti-trafficking; women and conflict prevention, mitigation and resolution; and the linkage between women's status and HIV/AIDS. Support will be provided to activities that advance women's legal rights and increase women's participation in the economy and society by targeting key barriers such as lack of property and inheritance rights. Two to four new women's legal rights country assessments and action plans will identify issues and opportunities for collaborative efforts with USAID Missions. Work in Ghana, Uganda, Nigeria and Tanzania will continue to support improved legislation protecting women's rights. Principal contractors and grantees include: Chemonics International; DAI; Georgetown University.

**Organizational and Technical Capacity (\$3,480,000 DA):** Support will be provided to USAID programs and development partners to systematically address the contributions and the needs of women and girls in developing countries. Activities will include gender assessments of proposed strategies and activities, program and strategy development and evaluation, training, information dissemination, research, and a fellows program. One area of emphasis will be enhancing missions' capacity to incorporate gender



equality considerations in their basic education activities. Continued support to the NGO community will reinforce commitment to gender equity and the inclusion of people with disabilities, especially women and girls, in development activities. Principal contractors and grantees include: Devtech Systems, DTS, InterAction, Mobility International, Institute for International Education, MSI.

Coordination with the Development Community (\$486,000 DA): Support will be provided for USAID participation in U.S. Government (USG) interagency groups and international and multilateral meetings and advisory groups, and for collaboration with NGOs on a wide range of gender and development issues. For example, EGAT will continue to be a key member of the USG's InterAgency Group on Trafficking in Persons. EGAT/WID will also represent USAID as a member of the USG delegation to the U.N. Commission on the Status of Women, and represent the USG and serve as a member of the advisory bureau on GenderNet, an Organization for Economic Cooperation and Development Development Assistance Committee (OECD/DAC) sponsored international forum to define common donor approaches to gender equality. Principal contractors and grantees will be determined by a competitive process.

**FY 2005 Program:**

Gender-Based Sector Constraints (\$3,000,000 DA). Activities will continue to target gender-related obstacles that can slow down national economic growth and hamper women's participation in it. Activities addressing school-related gender-based violence in three African countries will continue and may be expanded to the Asia, Near East, Latin America, and Caribbean regions.

Gender Integration in Cross-Sector Priorities (\$4,000,000 DA). Efforts will continue and expand to advance women's legal rights and anti-trafficking. Work will continue to identify and address emerging issues with critical gender dimensions such as anti-trafficking; women and conflict prevention, mitigation and resolution; the linkage between women's status and HIV/AIDS; women and globalization; and violence against women.

Organizational and Technical Capacity (\$3,500,000 DA). EGAT/WID will continue and expand support for: gender assessments; program and strategy development; training for USAID staff and other partners; dissemination of information, research results and lessons learned; and the fellows program. Assistance will be provided to USAID missions to improve the integration of gender in basic education activities. Support will be provided to the NGO community to help put its commitment to gender equity into action.

Coordination with the Development Community (\$500,000 DA). Support will continue for USAID participation in USG interagency groups and in UN, OECD, World Bank, and other international and multilateral meetings and advisory groups, as well as collaboration with NGOs, to bring the gender and development perspective to bear on a wide range of issues and sectors.

**Performance and Results:** With support from EGAT/WID and the West Africa Regional Program, focus groups were held in Guinea, Niger, Sierra Leone and Nigeria to identify key barriers in finance, regulations, and other areas faced by businesswomen. A guide to doing business for each country will follow. In February 2003, USAID became the first U.S. Government agency to produce an anti-trafficking strategy, which will increase the coherence and impact of USAID's efforts against trafficking in persons. The WID Office supported several anti-trafficking activities in the field. For example, in Albania, WID support helped NGOs form partnerships with NGOs in Greece and Italy, two countries to which Albanian children are trafficked, to improve care and repatriation of trafficking victims. NGO capacity to advance women's legal rights was strengthened in Ghana, Nigeria, Tanzania, and Uganda. A manual on including people with disabilities in development programs was produced and distributed to NGOs. "Unsafe Schools: A Literature Review of School-Related Gender-Based Violence in Developing Countries," was produced, presented at international conferences, and disseminated widely.

## US Financing in Thousands of Dollars

### Economic Growth, Agriculture and Trade

905-401 Women in Development	<b>DA</b>
<b>Through September 30, 2002</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2003</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	520
<b>Planned Fiscal Year 2004 NOA</b>	
Obligations	10,941
<b>Total Planned Fiscal Year 2004</b>	
Obligations	11,461
<b>Proposed Fiscal Year 2005 NOA</b>	
Obligations	11,000
Future Obligations	33,000
Est. Total Cost	55,461

## Data Sheet

<b>USAID Mission:</b>	Economic Growth, Agriculture and Trade
<b>Program Title:</b>	Program Analysis, Implementation, Communications
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	905-601
<b>Proposed FY 2004 Obligation:</b>	\$2,680,000 DA
<b>Prior Year Unobligated:</b>	\$451,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$2,420,000 DA
<b>Year of Initial Obligation:</b>	FY 2004
<b>Year of Final Obligation:</b>	FY 2009

**Summary:** EGAT's program support activities strengthen the Bureau's ability to implement effective and sustainable programs. Assistance includes design, support and evaluation of programs; development of knowledge-sharing technologies and tools; and expansion of information technology-based systems that foster improved real-time communications via the internet.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Communication, knowledge management, and program analysis activities (\$2,680,000 DA) will establish and maintain a management information system to facilitate identification and dissemination of lessons learned and to promote application of research results in a timely and effective manner. Special grants will be provided for unsolicited proposals that seek to respond to otherwise unaddressed cross-sectoral development challenges. EGAT will also fund studies, analyses and evaluative work on development assistance delivery mechanisms to inform the design and implementation of Bureau activities. A system for planning, monitoring, and recording field support assistance will be tested and refined. EGAT staff will facilitate cross-border and regional programming efforts and will provide analytical support to USAID presence and non-presence country programs. Principal contractors and grantees will be determined by a competitive process.

#### FY 2005 Program:

The Bureau will continue to fund communication, knowledge management, and program analysis activities (\$2,520,000 DA) to ensure that the Agency has effective and efficient knowledge management systems in place to support USAID missions and bureaus. This program will also continue to disseminate lessons learned and best practices.

**Performance and Results:** The EGAT website was upgraded to be fully interactive and integrated with all Bureau programs. This has resulted in higher quality information disseminated to a wider audience, both in Washington and in the field. A pilot system for planning, monitoring, and recording field support assistance was developed, which resulted in improved coordination between technical specialists and regional bureaus as well as enhanced cross-sectoral synergies and more efficient use of travel resources.

## US Financing in Thousands of Dollars

### Economic Growth, Agriculture and Trade

905-601 Program Analysis, Implementation, Communications	DA
<b>Through September 30, 2002</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2003</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	451
<b>Planned Fiscal Year 2004 NOA</b>	
Obligations	2,680
<b>Total Planned Fiscal Year 2004</b>	
Obligations	3,131
<b>Proposed Fiscal Year 2005 NOA</b>	
Obligations	2,420
Future Obligations	8,316
Est. Total Cost	13,867

## Data Sheet

<b>USAID Mission:</b>	Economic Growth, Agriculture and Trade
<b>Program Title:</b>	Environment and Science Policy
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	905-701
<b>Proposed FY 2004 Obligation:</b>	\$36,613,000 DA
<b>Prior Year Unobligated:</b>	\$451,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$36,615,000 DA
<b>Year of Initial Obligation:</b>	2004
<b>Year of Final Obligation:</b>	2009

**Summary:** The Office of Environment and Science Policy (EGAT/ESP) manages biotechnology, climate change and agricultural and environmental research activities. EGAT/ESP also assures USAID participation in international forums, treaties and conventions that deal with the environment, agriculture, and science; reviews environmental issues related to multilateral development bank (MDB) programs; and develops policy related to environmental conflict. EGAT/ESP is also responsible for coordinating USAID's compliance with its environmental regulation, Regulation 216. This strategic objective (SO) replaces SO 934-004 Agency climate change program effectively implemented, as well as the international research and biotechnology portions of SO 933-009 Science and technology developed to improve agricultural productivity, natural resource management, markets and human nutrition.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Global Climate Change (\$3,478,000 DA). EGAT/ESP will manage USAID's global climate change program and support efforts to: build capacity to address climate change; help reduce emissions of greenhouse gases; assist countries to reduce their vulnerability and increase their adaptive capacity to climate change; and provide support for U.S. climate change objectives. Partners: Winrock International, Stratus Consulting, Jorge Scientific Corporation, E+Co, U.S. Department of Energy Lawrence Berkeley National Laboratory, U.S. Department of Agriculture (USDA), and the International Council for Local Environmental Initiatives.

International Research (\$24,853,000 DA). Funds provided to the international agriculture and natural resource research centers of the Consultative Group on International Agricultural Research (CGIAR) will support: increased agricultural productivity; reduced hunger and food costs; increased smallholder incomes; and a conserved natural resource base. This will result in the dissemination of new, higher-yielding, more pest-resistant and stress-tolerant food crop varieties; improved agricultural and natural resource management policies; and increased incomes from sustainable management of resources. Partners: the international research centers of the CGIAR and the World Bank.

Biotechnology (\$7,079,000 DA). EGAT/ESP will provide oversight and management for USAID's biotechnology programs, including the Collaborative Agricultural Biotechnology Initiative (CABIO), which helps developing countries safely access and manage the tools of modern biotechnology to improve agricultural productivity, environmental sustainability and nutrition. EGAT/ESP will support HarvestPlus to increase the nutritional quality of crops; cereal genomics research; and the African Agricultural Technology Foundation (AATF), a public-private partnership that helps smallholder farmers gain access to agricultural technology. Partners: Cornell University, Michigan State University, the International Service for National Agricultural Research, the CGIAR, and Kansas State University.

Multilateral Policies and Conventions (\$1,780,000 DA). EGAT/ESP will continue to review selected MDB projects, policies, and loans and make recommendations to the U.S. Department of Treasury on project design and MDB policies. EGAT/ESP will also coordinate USAID participation in multilateral conventions

and processes. Partners: the MDBs, intergovernmental organizations, and the Tuesday Group, a group of NGOs and government agencies concerned with the environmental impacts of MDB activities.

Environmental Policy and Conflict (\$3,000,000 ESF to be notified separately). EGAT/ESP will evaluate regional environmental threats and develop strategies to address environmental problems before they become significant contributors to conflict. Partner: Foundation for Environmental Security and Sustainability (FESS).

**FY 2005 Program:**

Global Climate Change (\$3,480,000 DA). EGAT/ESP will continue to manage USAID's global climate change program focusing on mitigating greenhouse gas emissions in the energy, industrial, urban, and land-use sectors. Activities will also increase capacity in developing countries to adapt to climate impacts by disseminating results from climate change vulnerability assessments. Partners are the same as above.

International Research (\$25,000,000 DA). Support to the CGIAR will continue for long-term research that improves the livelihoods of poor producers and consumers while protecting and conserving the natural resource base. Drought-tolerant, disease-resistant and improved varieties of crops will be released and disseminated. Efforts to increase water productivity will be expanded. Conservation of in-situ agrobiodiversity will continue, and ex-situ conservation will begin through the Global Crop Diversity Trust, a public-private alliance to ensure that genetic diversity is conserved and characterized. Partners are the same as above.

Biotechnology (\$6,930,000 DA). EGAT/ESP will continue to fund biotechnology research and policy activities. This will include a shift from biotechnology research to field trials in Africa and Asia, implementation of the first round of public-private sector collaborations under the African Agricultural Technology Foundation, and further development of nutritionally-enhanced mustard, maize, and rice varieties. In collaboration with the National Science Foundation and USDA, EGAT/ESP also plans to launch a jointly-funded competitive grants initiative in the area of cereal genomics. Partners are the same as above.

Multilateral Policies and Conventions (\$1,205,000 DA). EGAT/ESP will continue to review selected MDB projects and policies, as well as participate in multilateral conventions. Partners are the same as above.

Environmental Policy and Conflict (\$3,000,000 ESF to be notified separately). EGAT/ESP will continue to support the work of FESS on regional environmental threats. Partners are the same as above.

**Performance and Results:** USAID's climate change program resulted in the development of a methodology to quantify greenhouse gas emissions for business entities internationally, the launching of a website to share information on U.S.-sponsored technology cooperation to address climate change, and the design of a program to increase energy efficiency in urban transportation in African and Asian cities. Estimates indicate that USAID activities also improved carbon sequestration in more than 120 million hectares of managed land; avoided 3.8 million metric tons of carbon dioxide-equivalent emissions; and supported 4,800 climate-related capacity building activities in developing and transition countries.

USAID-supported CGIAR research resulted in the dissemination of new, higher-yielding rice and sorghum in Africa, improved policies and guidelines for famine prevention and mitigation, higher incomes from Asian fish farming, and reduced use of pesticides in Asian rice production. In Latin America, in-situ agrobiodiversity has been increased with the restoration of native potato varieties to high-altitude farms. Through the CABIO Initiative, a memorandum of agreement on biotechnology cooperation was signed with the Government of India. Activities also helped to develop the AATF partnership, which will leverage private sector engagement in providing agricultural technology and know-how to smallholder farmers in Africa. USAID partnerships with African organizations such as the Forum on Agricultural Research in Africa and the governments of Kenya, Uganda and Nigeria were strengthened to build a common vision of integrating biotechnology into African development.

## US Financing in Thousands of Dollars

### Economic Growth, Agriculture and Trade

905-701 Environment and Science Policy	DA
<b>Through September 30, 2002</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2003</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	451
<b>Planned Fiscal Year 2004 NOA</b>	
Obligations	36,613
<b>Total Planned Fiscal Year 2004</b>	
Obligations	37,064
<b>Proposed Fiscal Year 2005 NOA</b>	
Obligations	36,615
Future Obligations	155,408
Est. Total Cost	229,087

## Data Sheet

<b>USAID Mission:</b>	Economic Growth, Agriculture and Trade
<b>Program Title:</b>	Natural Resources Management
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	905-801
<b>Proposed FY 2004 Obligation:</b>	\$19,077,000 DA
<b>Prior Year Unobligated:</b>	\$118,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$19,080,000 DA
<b>Year of Initial Obligation:</b>	FY 2004
<b>Year of Final Obligation:</b>	FY 2009

**Summary:** USAID's Natural Resources Management Program promotes the conservation of globally significant biodiversity; improved forest management; the effective use, restoration, and preservation of land resources; and the improved management of water and coastal resources. This strategic objective (SO) replaces SO 934-0011 Effective Biodiversity Conservation and Management, SO 934-0012 Improved Management of Natural Forest and Tree System, SO 934-0013 Environmental Education and Communication, and SO 934-0014 Coastal and Freshwater Resources.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Biodiversity (\$6,200,000 DA). Activities will promote in situ, or on-the-ground, conservation of globally significant biodiversity in 18 countries through the Global Conservation Program (GCP). Efforts will contribute to the advancement of U.S. Government (USG) leadership and participation in the international environmental policy arena through active involvement in international negotiations on wildlife and habitat related conventions. Activities will also continue to target social issues related to biodiversity conservation, such as poverty, governance, and human population. Partners include African Wildlife Foundation, Conservation International, Enterprise Works Worldwide, The Nature Conservancy, Wildlife Conservation Society, World Wildlife Fund (WWF), Chemonics, Associates in Rural Development (ARD).

Forestry (\$3,933,000 DA). This Program will provide leadership on forestry information analysis, outreach, and technical support to Missions and Bureaus. Activities will support the President's Initiative Against Illegal Logging by assisting in the reduction in illegal trade in forest products. Support to the Agreement with the U.S. Forest Service (USFS) and the Sustainable Forest Product Global Alliance (SFPGA) public-private partnership will further forest conservation objectives by promoting responsible trade in forest products. Principal partners include the USFS, WWF, Metafore and Forest Trends.

Land Resources (\$5,000,000 DA). Assistance to Missions and other partners will advance more productive yet sustainable land use through programs in environmental education, communications, sustainable agriculture, land tenure, governance, natural resources management and geospatial information technologies for decision making. Included are university-based research programs in sustainable agriculture and in integrated pest and soils management; the Coffee Corps public-private partnership; and a property rights/land tenure program. Principal partners include universities (Georgia, Hawaii, and Virginia Tech), the World Resources Institute, ARD, and International Resources Group.

Water (\$3,944,000 DA). USAID will continue to support integrated water and coastal resources management activities in partnership with missions and other donors worldwide. Support will be provided for mission activities in water supply and sanitation, wastewater management, integrated water resources management, irrigation, fisheries and aquaculture. USAID will also manage the augmentation of water supply and sanitation activities for the West Africa Water Initiative (WAWI) public-private partnership. Funding will additionally be provided to a university-based aquaculture research program. Collaboration



with the International Water Management Institute and the WorldFish Center will also continue. Principal partners include Oregon State University, ARD, Development Alternatives, Inc., and PA Consulting.

**FY 2005 Program:**

**Biodiversity (\$6,200,000 DA).** Activities will continue support for the GCP, expand provision of technical assistance for sustainable biodiversity conservation to more missions, and continue representation of USG biodiversity interests in international fora. Principal contractors and grantees are the same as above.

**Forestry (\$3,935,000 DA).** The program will continue its leadership role in information analysis, outreach, and provision of technical support to missions on sustainable forest management issues, expand its partner networking program, and improve the market environment for the global network of producers and consumers of responsibly-harvested forest products. Contractors and grantees are the same as above.

**Land Resources (\$5,000,000 DA).** Efforts to alleviate poverty and empower local people through sound rural development are expected to include activities in education, communications, governance, knowledge management, and partners' use of geographic information tools. Partnerships with U.S. universities on soils and integrated pest management and on sustainable agriculture will be strengthened. Principal contractors and grantees are the same as above.

**Water (\$3,945,000 DA).** Technical support will be provided to missions on strategy and program development. WAWI will be expanded geographically with the addition of new partners. Assistance will be provided to a U.S.-Japan water and coastal partnership, to a freshwater inflow activity, and to a knowledge management activity to share best practices across missions. Support to the university-based aquaculture research program will continue. Principal contractors and grantees are the same as above.

**Performance and Results: Biodiversity.** A \$21 million, 5-year GCP to enhance biodiversity conservation efforts was launched in 18 countries. USAID also provided technical leadership through international conventions, resulting in the successful incorporation of USG positions in international binding treaties to protect key species, habitats and sustainable natural systems. Two million hectares of biologically important habitat were placed under improved management for a cumulative total of 62,658,347 hectares under improved management and 1,826,866 hectares under effective management since 1996.

**Forestry.** USAID implemented forestry programs in 70 countries that achieved improved management of over 4.9 million hectares of forest and effective management of over 2 million hectares for a cumulative total of 8,246,088 hectares under improved management and 2,735,394 hectares under effective management since 1996. Activities also facilitated ten policy successes, in areas ranging from forestry laws to procurement policies, in eight countries. Assistance also launched producer groups for responsible trade in forest products in six countries.

**Land Resources Management.** Activities increased capacity for effective and sustainable land resources management by strengthening host country environmental communication and advocacy, achieving land tenure reform in the Central Asian Republics, mainstreaming natural resources management into development programs in Africa, and developing a Coffee Corps exchange that contributed to trade policy changes in Tanzania projected to boost farmer income by over \$2.0 million per year.

**Water.** This program contributed to the establishment of 32,723,703 hectares of coastal area under improved management through the development of coastal area land use laws and the adoption of protective ordinances in Indonesia for a cumulative total of 36,424,243 hectares since 1996. Activities facilitated the adoption of a national coastal management strategy in Tanzania. Efforts also supported the President's Signature Water for the Poor Initiative, resulting in improved access to safe water supplies and sanitation for over 19 million people.

## US Financing in Thousands of Dollars

### Economic Growth, Agriculture and Trade

905-801 Natural Resources Management	DA
<b>Through September 30, 2002</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2003</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	118
<b>Planned Fiscal Year 2004 NOA</b>	
Obligations	19,077
<b>Total Planned Fiscal Year 2004</b>	
Obligations	19,195
<b>Proposed Fiscal Year 2005 NOA</b>	
Obligations	19,080
Future Obligations	89,556
Est. Total Cost	127,831

## Data Sheet

<b>USAID Mission:</b>	Economic Growth, Agriculture and Trade
<b>Program Title:</b>	Agriculture
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	905-901
<b>Proposed FY 2004 Obligation:</b>	\$30,525,000 DA
<b>Prior Year Unobligated:</b>	\$3,820,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$30,515,000 DA
<b>Year of Initial Obligation:</b>	2004
<b>Year of Final Obligation:</b>	2009

**Summary:** USAID's agriculture program supports research, technical assistance and training to: 1) develop and extend agricultural technologies that increase productivity, improve health and nutrition, and protect and improve the natural resource base; 2) assist countries to formulate and implement programs that promote competitive and efficient agricultural markets and businesses capable of addressing the needs of the poor; and 3) develop the human and institutional capacity of countries to innovate and develop environmentally-sound interventions across the agricultural system. This strategic objective (SO) replaces SO 933-009 Science and Technology Developed to Improve Agricultural Productivity, Natural Resource Management, Markets, Human Nutrition.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Agribusiness Development (\$3,261,000 DA). EGAT will assist countries to improve agribusiness capacity and to more effectively access and benefit from domestic and regional markets and global trading opportunities. EGAT will continue to fund horticulture, natural products, and livestock sectors and build partnerships between producers in developing countries and retailers in developed countries to assure sustainable exports of high-valued commodities. Support will also be provided for rural entrepreneurs' access to finance as well as for food quality and safety issues. Special emphasis will be placed on dairy interventions that increase women's earning potential and improve childhood nutrition. EGAT will contribute to the Afghanistan and Iraq rehabilitation efforts by improving seed supply and quality as well as farmers' access to agricultural inputs. EGAT will also strengthen market information systems and networks in Africa and strengthen key private sector organizations such as farmers' groups and business organizations. Principal contractors/grantees: International Fertilizer Development Center, Louisiana State University, Michigan State University, Development Alternatives, Inc., ACDI/VOCA and Land O' Lakes.

Agriculture/Rural Policy and Governance (\$1,200,000 DA). EGAT will continue to assist with land tenure reform and property rights programs worldwide by supporting sound private land ownership policies. EGAT support to the Organization for Economic Cooperation and Development Development Assistance Committee (OECD/DAC) Poverty Reduction Network will document the agricultural sector's key contributions to economic growth and poverty reduction with the aim of improving the effectiveness of development interventions. In West Africa, EGAT will support adoption of natural resources management practices that promote food production and protect the environment. In Latin America, organizations' capacity to predict the impact of climate change on agriculture will be strengthened. Support to the Tropical Forestry Conservation Act (TFCA) program will promote debt swap agreements in three new countries, leading to the funding of local conservation projects. Contractors/grantees: Chemonics, Associates for Rural Development, University of Wisconsin, Cornell University, and the Nature Conservancy.

Science and Technology Generation (\$25,814,000 DA). EGAT will continue to introduce yield-enhancing technologies to increase crop production worldwide. Sub-regional agricultural research organizations and national agricultural research systems in Africa, including those involved in biotechnology research, will

be strengthened through innovative institutional mechanisms. In collaboration with the Africa Bureau, EGAT will develop an intervention to produce and distribute improved seed. The Livestock Early Warning System in East Africa will be expanded to improve monitoring and prediction of changes in forage supplies and livestock well being. Research will be undertaken to identify emerging issues in agriculture and agriculture's contribution to health and gender concerns, such as HIV/AIDS and malnutrition. Principal contractors/grantees: 51 Land Grant universities under the Collaborative Research Support Programs (CRSPs), Winrock, Agricultural Development International, USDA.

Training (\$250,000 DA). EGAT will initiate a long-term graduate degree training program, with a special focus on Africa, to address the shortage of trained agricultural professionals. EGAT will continue to support training in input usage, technology transfer, policy, private sector association capacity development, strategic planning, and business practices to expand agribusiness market development. Training will also assist governments and agribusinesses in addressing food quality issues through the extension of short courses on topics such as sanitary and phyto-sanitary regulations.

**FY 2005 Program:**

Agribusiness Development (\$3,260,000 DA). EGAT will explore the development of additional Global Development Alliances with private sector food industry groups to leverage additional resources and expertise needed to address global food security and health problems.

Agriculture/Rural Policy and Governance (\$570,000 DA). EGAT will continue to provide assistance for rural finance, land tenure reform, and property rights programs. Research activities to enhance the poor's access to and use of productive assets will also be funded. EGAT will continue to support the integration of agriculture and natural resources management practices, research on the impact of climate change on agriculture, and the TFCA.

Science and Technology Generation (\$26,435,000 DA). EGAT will design and initiate a new research, training, and field support activity focused on horticultural crops to expand assistance to this important high-value commodity group. Additional research on key commodity groups will continue under the CRSPs. Support for the development of food-based solutions to alleviating malnutrition and mitigating the impacts of HIV/AIDS will also be expanded.

Training (\$250,000 DA). EGAT support to long-term graduate degree training in agriculture will continue and expand to additional countries. EGAT will also support training in input usage, technology transfer, policy, private sector association capacity development, strategic planning, and business practices to expand agribusiness market development. Training is also expected to assist governments and agribusinesses in addressing food quality issues.

**Performance and Results:** In Zambia, EGAT/AG assistance to small and medium-scale dairy producers resulted in the establishment of 10 new milk collection centers and milk quality improvements that led to a \$215,000 increase in the value of milk marketed by collection groups. Fertilizer was distributed to 200,000 Afghan farmers, resulting in 62,000 metric tons of incremental wheat production. Some 600 Afghan input dealers received training in support of development of private sector input markets. A TFCA debt swap agreement reduced Panama's debt payments to the U.S. by \$10 million and financed an equal amount of local conservation projects. EGAT/AG-supported policy reform initiatives in Nigeria reduced government interventions in the agricultural inputs market, resulting in a 10%-15% reduction in input costs to farmers. In Mozambique, EGAT/AG support resulted in 35% of all households in the country receiving agricultural market information. This led to higher farm incomes, according to a recent survey. The program provided 1,600 African scientists with Internet access to technical resources in support of research efforts, significantly enhancing the institutional capacity of national agricultural research programs in the region. EGAT/AG's agribusiness interventions provided training in food safety and facilitated partnerships between local producers and exporters in Ghana for the daily export of fresh fruit to 300 supermarkets in Europe and other African countries.

## US Financing in Thousands of Dollars

### Economic Growth, Agriculture and Trade

905-901 Agriculture	DA
<b>Through September 30, 2002</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2003</b>	
Obligations	0
Expenditures	0
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Prior Year Unobligated Funds</b>	
Obligations	3,820
<b>Planned Fiscal Year 2004 NOA</b>	
Obligations	30,525
<b>Total Planned Fiscal Year 2004</b>	
Obligations	34,345
<b>Proposed Fiscal Year 2005 NOA</b>	
Obligations	30,515
Future Obligations	111,104
Est. Total Cost	175,964