

BUILDING ON AFRICA'S PROMISE



UNITED STATES OF AMERICA

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U.S. Engagement with Africa

We believe Africa is a continent full of promise and talent and opportunity, and the United States will do our part to help the people of Africa realize the brighter future they deserve.

—President George W. Bush, June 13, 2005



President Bush speaks after meeting with African leaders in the White House June 13, 2005. With President Bush are Niger's President Mamadou Tandja and Namibia's President Hifikepunye Pohamba.

The Bush Administration's Africa policy is committed to encouraging political and economic development and enhancing peace and prosperity in Africa by:

- Maximizing U.S. efforts by working with key stable countries and African organizations in support of peace and prosperity; and
- Focusing on expanding trade and investment, regional security cooperation, and health and education as policy priorities.

The United States has extensive and growing economic ties with Africa. The U.S. direct investment position¹ in sub-Saharan Africa was \$11.5 billion by the end of 2003. The United States purchased 24 percent of all sub-Saharan African exports in 2003, more than any other country. In 2004, African exports to the United States increased to almost \$36 billion, while U.S. exports to sub-Saharan Africa totaled \$8.6 billion. President Bush extended the African Growth and Opportunity Act (AGOA), which provides duty-free access to the U.S. market on 6,500 products for eligible countries, through 2015 in order to increase U.S.-African trade. More than 98 percent of imports from the 37 AGOA-eligible countries entered the United States duty-free in 2004.

As the world's largest bilateral provider of official development assistance, the United States gave nearly \$3.2 billion in official bilateral development assistance to Africa in 2004, almost triple the amount provided in 2000. The United States contributes to the achievement of the development goals of the Millennium Declaration through recent Presidential Initiatives and well-established aid programs administered by U.S. government agencies. The United States is also the largest contributor to multilateral institutions such as the World Bank and the African Development Bank.

The United States has led efforts to reform lending practices at the international financial institutions such as the World Bank by shifting from loans to grants for the poorest countries so they are not saddled with debt. The G-8 recently announced a proposal to forgive 100 percent of the debt owed by many African nations to international financial institutions, including the World Bank.

^{&#}x27;The U.S. direct investment position is the net historical value of U.S. direct investors' equity in, and net outstanding loans to, foreign business enterprises in which a single U.S. investor owns at least 10 percent of the voting securities.

Stimulating Economic Growth and Opportunity



South African entrepreneur Mthembeni Mkhize's automotive component company sells products such as vinyl truck covers and interior gear shields to Ford Motor Company, Daimler Chrysler, Toyota, Mazda, and Mitsubishi. The United States' South African International Business Linkages (SAIBL) program has helped him achieve his business goals. "SAIBL assists me with financial management," he says, "helps me look after my business, and celebrates with us as we grow; they have truly been a very good partner of my business."

Sub-Saharan Africa posted its strongest level of overall GDP growth in eight years in 2004, topping 5 percent. Mozambique, Tanzania, and Senegal are among countries with robust growth rates. However, in 2003, average GDP per capita in Africa was still only \$500, less than one-tenth the global average of \$5,510.

The United States encourages national efforts to promote private-sector-led growth, develop trade, and build skills, markets, and private sector institutions. By the end of 2003, the U.S. direct investment position had increased 18.7 percent from 2002 levels to \$11.5 billion. The U.S. government has forged alliances with European and American companies to create jobs and raise incomes in Africa and to increase African exports.

The African Growth and Opportunity Act (AGOA) has stimulated new trading opportunities for African businesses and entrepreneurs, creating new jobs, and bringing hundreds of millions of dollars in much-needed investment to the region.

- In 2004, President Bush extended AGOA through 2015.
- The United States is the largest contributor of trade capacity building assistance, committing more than \$400 million for this purpose in Africa between 2002 and 2004.
- Total exports from AGOA-eligible countries were up 88 percent in 2004, totaling \$26.6 billion. Non-oil exports under AGOA including apparel, transportation equipment, footwear, and agricultural products—increased 22 percent in 2004 to \$3.5 billion, and have more than doubled since the first full year of AGOA.

President Bush's Trade for African Development and Enterprise (TRADE) Initiative helps stimulate growth in the United States and Africa by promoting U.S.-African business links, expanding the role that trade can play in African poverty reduction strategies, improving the delivery of public services supporting trade, and strengthening United States-Africa trade policies.

The United States provides technical assistance and training, policy advice, and economic analysis through three regional TRADE hubs located in Botswana, Ghana, and Kenya. In 2003 in West Africa alone, the TRADE Initiative facilitated over \$29 million dollars of new imports from and \$29 million of exports to the United States.

Strengthening Democracy

A guiding principle of President Bush is to advance freedom and democracy across the world. In sub-Saharan Africa the number of democracies in Africa has nearly tripled since 1990, and there were several notable elections in 2004. In a speech on June 13, 2005, President Bush highlighted the recent free and fair elections in Botswana, Ghana, Mozambique, Namibia and Niger.

U.S. programs promote democratic government and good governance, particularly through efforts to combat corruption and strengthen civil society.

- South Africa recently held its third democratic elections since the end of apartheid and celebrated 10 years of democracy. The United States has assisted the country's transition by funding programs to strengthen justice—especially for women and youth—to fight crime and corruption, and to build local government.
- The U.S. government has supported recent political processes in countries such as Kenya, Nigeria, and Sierra Leone, with a focus on reducing elections-related conflict.

The United States believes that countries that govern justly make better development partners. Corruption, in particular, undermines development because it weakens institutions and distorts the economy. The democracy and governance efforts of the U.S. Agency for International Development, the Millennium Challenge Corporation, and other U.S. government agencies reflect this reality.

The United States supports the efforts of the African Union's New Partnership for Africa's Development (NEPAD) to promote democratic governance. Through NEPAD's African Peer Review Mechanism (APRM), assessments of Ghana's and Rwanda's political governance and economic policies were recently completed and reviewed at an APRM forum. The two countries were among the first to volunteer for this peer review process in which African governments submit themselves to public examinations by other Africans of their political and economic governance and management.

The United States is working with African leaders to end corruption through the Anti-Corruption Initiative (ACI), funded for \$7.5 million in FY 2005 to promote citizen awareness and increase transparency. Through the ACI, Madagascar, one of nine bilateral and three regional partners under the Initiative, has developed a national anti-corruption strategy and established an anti-corruption agency.



A Namibian woman examines civic education materials. U.S. government programs help inform citizens of African countries of their rights and encourage them to take an active role in their government.

A New Compact for Development: The Millennium Challenge Account



MCC will fund activities in Cape Verde designed to increase the capture, storage and distribution of rain water thus allowing poor farmers to irrigate their fields and increase agricultural productivity.

Through the President's Millennium Challenge Account (MCA), the United States is committed to providing extra development help to countries that support economic growth and just leadership and invest in their people. In FY 2004, nearly \$1 billion in funding went to the MCA; in FY 2005, \$1.5 billion is devoted to MCA; and President Bush has pledged to increase its annual funding to \$5 billion in the future. The Millennium Challenge Corporation (MCC—the organization that manages the MCA) is now working with the governments of the 17 MCA eligible countries to design development projects that will boost economic growth.

- Eight sub-Saharan African countries—Benin, Cape Verde, Ghana, Lesotho, Madagascar, Mali, Mozambique, and Senegal—are eligible for MCA funding.
- In April 2005, the Republic of Madagascar signed a four-year, nearly \$110 million dollar "compact," making it the first agreement between the newly created MCC and an MCA-eligible country.
- The MCA grant to Madagascar will support a program designed to raise incomes by bringing the rural population from subsistence orientation into a market-driven economy.
- The program includes elements that will work together to help rural Malagasy secure formal property rights to land, access credit and protect savings, and receive training in agricultural production, management, and marketing techniques.

Aid works best in countries that are proving their commitment to govern justly, respect the rule of law, invest in their citizens, and open up their economies. When nations do these things and expand freedom and opportunities to all their citizens, entire societies can be lifted out of poverty and despair.

—President George W. Bush, June 10, 2005

- The MCC has approved a \$110 million compact with Cape Verde.
- Seven additional countries are on the threshold of eligibility for MCA assistance in sub-Saharan Africa: Burkina Faso, Kenya, Malawi, São Tome and Principe, Tanzania, Uganda, and Zambia.

Combating HIV/AIDS and Improving Health

Africa is the major beneficiary of President Bush's Emergency Plan for AIDS Relief—a five-year, \$15 billion effort to combat HIV/AIDS in more than 100 countries around the world. With a particular focus on 15 countries that are home to half the world's HIV infections, the Emergency Plan is the largest commitment ever by a single nation toward an international health initiative.

- Twelve of the 15 focus countries in the Emergency Plan are African countries, including Botswana, Côte d'Ivoire, Ethiopia, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, and Zambia.
- The initiative focuses on HIV/AIDS prevention, treatment, and care. The program supports anti-retroviral therapy for people living with HIV/AIDS, expanded access to counseling and testing, prevention of mother-to-child transmission, palliative care, community based services for orphans and vulnerable children, and a comprehensive "ABC"—Abstinence, Be Faithful, and correct and consistent Condom use—approach to HIV/AIDS prevention.
- The Emergency Plan is on-target to support treatment for 2 million people living with HIV/AIDS, prevention of 7 million new HIV infections, and care for 10 million people infected and affected by HIV/AIDS (including orphans and vulnerable children) by 2008.
- In FY 2004, Emergency Plan funding throughout Africa totaled nearly \$800 million. In 2005, the U.S. commitment to Africa through the Emergency Plan grew to \$1.1 billion, as the United States continues to work with host countries to build sustainable capacity.
- Since early 2004, when the program began, the initiative has supported treatment for over 235,000 people, 98 percent of whom are in Africa.
- The Emergency Plan works to ensure that women and girls have full access to prevention, treatment, and care, including the strengthening of reporting systems to ensure that such services are available and being used.

The United States has provided more than \$1.5 billion, or approximately one-third of all contributions, to the Global Fund to Fight AIDS, Tuberculosis, and Malaria. About 61 percent of the Global Fund grant funding goes to sub-Saharan Africa.



The United States funds clinics for HIV voluntary counseling and testing, such as this one in South Africa, throughout sub-Saharan Africa.

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The United States of America is firmly committed to working with governments to help fight the pandemic of AIDS. This crisis is one that can be arrested.

—President George W. Bush, June 13, 2005

The United States supports orphans and vulnerable children affected by HIV/AIDS in 19 countries in sub-Saharan Africa with education assistance, food and nutrition assistance, job training, and improved access to health care. A U.S.-funded program in Malawi strengthens community organizations to support orphans and other vulnerable children. Over 15,000 children have received care through these village AIDS committees.

To increase the availability, effectiveness, and access to quality health care, the United States runs broad-based health programs in dozens of countries in sub-Saharan Africa. To address major causes of child mortality—malaria, malnutrition, respiratory diseases, diarrhea, and vaccine-preventable illnesses—the U.S. government supports programs that increase immunization coverage, provide quality care, and improve community and household health.

- Africa is the priority for U.S. government child health and malaria programs, with the majority of bilateral funding for malaria devoted to Africa. Similarly for tuberculosis (TB), 10 African countries are top priority countries for bilateral programs, complementing Emergency Plan programs in nine of these countries by expanding TB treatment and diagnosis.
- The United States supported a national measles immunization campaign in Senegal, which vaccinated 98 percent of children between ages 9 months and 14 years. Similar results were achieved in a U.S. government-supported campaign in Zambia, with 95 percent vaccination coverage.
- In Malawi, sales of insecticide-treated bed nets to reduce the risk of malaria reached almost one million people in 2003—nearly a five-fold increase over 2002.
- In consultation with the Ministry of Health, U.S. support has played a key role in development of Mozambique's national program to prevent transmission of HIV from mothers to children. The U.S. government's Prevention of Mother-to-Child Transmission program offers group meetings, information sessions and counseling on a variety of relevant topics, including infant nutrition, the constraints of living with HIV, and the importance of testing.



U.S. programs teach mothers ways to keep their children healthy and well-fed.

Improving Africa's Future through Education



Students like these in Djibouti are able to attend safe schools thanks to U.S. government programs.

U.S. spending on basic education programs in Africa has totaled over \$630 million over five years. The United States is working with schools, education ministries, and educators' networks to ensure that teachers are well trained for basic education and life skills instruction, supply relevant and up-to-date textbooks, and encourage communities to become more involved in—and responsible for—their children's education. Programs also promote improvements in the quality of and increased access to education for HIV/AIDS orphans and other vulnerable children and marginalized groups.

- The President's Africa Education Initiative (AEI) is a five-year initiative providing \$200 million for the immediate learning needs of African children. Through AEI, nearly 220,000 new and current teachers have been trained and over 1.8 million textbooks have been distributed to primary school students in six countries.
- AEI supports gender equality by targeting scholarships and other
 assistance for girls, increasing their access to schools, and upgrading
 the quality of their basic education. More than 85,000 girls from
 38 countries have received scholarships to enable them to pursue an
 education.
- Over 160,000 children in Mali are able to attend school thanks to a U.S. program to help parents and communities establish safe, effective schools that are close to home.

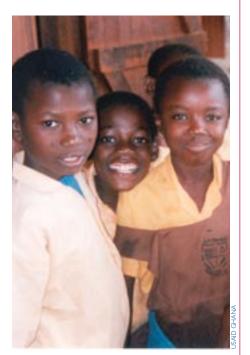
In addition to supporting host government sector reforms and capacity building efforts, U.S. government programs also work to address multi-sectoral challenges, often integrating health and HIV/AIDS awareness and community participation to improve children's lives.

- In Zambia, AEI and the President's Emergency Plan for AIDS Relief are working together to promote a comprehensive approach to education and HIV/AIDS, building on existing U.S. government support to school health and nutrition programs.
- A U.S.-supported Mobile Task Team for HIV/AIDS and Education based at South Africa's University of Natal has helped education ministries in several southern African countries better understand and respond to the impact of HIV/AIDS on school systems.
- In Ethiopia, the U.S. government is supporting an integrated education and health program, which works closely with both schools and surrounding communities.

Reforming the International Finance System

We believe that by removing a crippling debt burden, we'll help millions of Africans improve their lives and grow their economies.

—President George W. Bush, June 13, 2005



Removing a country's debt burden allows its government to focus on better serving its people with expanded education and health services, so children like these in Ghana benefit.

For the last 25 years, the international community has attempted to address the unsustainable debt burdens of poor countries through a series of stop-gap measures. All of these responses were understandable in light of the countries' debt problems; however, they did not comprehensively address the longer-term causes of debt distress. As a result, unsustainable debt burdens continued to significantly constrain poor countries' ability to generate economic growth and reduce poverty levels.

The United States also views grant financing as a critical component of any long-term debt sustainability solution. As a result of strong U.S. leadership, the International Development Association and the African Development Fund will now provide roughly 45 percent of their total assistance to the poorest countries on grant terms.

The United States has taken several steps to solve this unsustainable situation. On June 11, 2005, G-8 finance ministers agreed to the debt relief plan outlined by President Bush and British Prime Minister Tony Blair. The G-8 agreement, which builds upon the Enhanced Heavily Indebted Poor Countries (HIPC) Initiative, calls for 100 percent cancellation of debt obligations owed to the World Bank, African Development Bank, and International Monetary Fund by eligible countries.

 Benin, Burkina Faso, Ethiopia, Ghana, Madagascar, Mali, Mauritania, Mozambique, Niger, Rwanda, Senegal, Tanzania, Uganda, and Zambia will receive immediate cancellation of approximately \$35 billion in debt payment obligations. Additional countries are expected to qualify by the end of 2006.

The combination of 100 percent debt relief and grant financing will serve to conclusively address the destabilizing "lend-and-forgive" approach to working with poor countries.

Improving Food Security and Reducing Humanitarian Emergencies



Farmers plant rice on land in the Gao region of Mali irrigated through a U.S.-funded project. The United States has invested \$11.8 million in irrigation programs, providing 50,000 arable hectares to over 180,000 Malians.

In 2004, at Sea Island, Georgia, G-8 members committed to tackle the challenge of famine and agricultural productivity, especially in Africa. As part of this effort, in Ethiopia, the United States worked with the international community to develop and support a plan to prevent famine, including an agricultural productivity safety net that addresses the needs of 5 million people who are chronically food insecure.

The United States distributes food to African countries during times of emergencies and implements programs to boost agricultural productivity and stimulate rural growth to increase the resiliency needed to get through those emergencies. U.S. programs stress the use of improved seeds and fertilizers, better quality control, wider access to rural finance, stronger producer associations, increased access to information, better functioning markets, and more effective national agricultural policies.

- The United States distributed a total of 518,030 metric tons of food to beneficiaries throughout Ethiopia during 2004, which enabled those affected by drought to remain in their villages without further depleting their assets.
- The USAID-supported Famine Early Warning System Information Network strengthens the abilities of African countries and regional organizations to manage the risk of food insecurity by providing timely, analytical early warning and vulnerability information.
- U.S. and African organizations are using biotechnology tools to develop plants better adapted to the conditions African farmers face, such as dryness, salinity, and harmful insects, as well as to grow crops with greater nutritional qualities.
- The United States helped the Southern Africa Root Crops Research Network to introduce vitamin A-enhanced sweet potatoes in northern Mozambique and Malawi. Improved varieties of yellow flesh sweet potato seeds served as cheap sources of vitamin A, proteins, minerals, and carbohydrates for 6,000 vulnerable households in Malawi alone.
- Demonstrations of improved rice and maize technologies in Uganda have allowed more than 140,000 small-scale farmers to increase production and their incomes.
- The U.S.-supported Regional Agricultural Trade Intelligence Network in East Africa provides real-time prices and trade information through radio, web, and cell phone systems, and reaches more than 10 million listeners.

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We urge the international community to join us in committing greater resources to the humanitarian needs in Africa.

—President George W. Bush, June 7, 2005

On June 7, 2005, President Bush announced that approximately \$674 million will be used to respond to humanitarian emergencies in Africa.

- Of this, \$414 million will be provided immediately to avert famine in the Horn of Africa, including the estimated 14 million people at risk in Ethiopia and Eritrea, and others in Somalia and Djibouti.
- As of June 7, 2005, the United States has provided nearly \$1.4 billion during FY 2005 for humanitarian needs in Africa, some through the United Nations and some directly to non-governmental organizations providing relief in emergency settings. The \$674 million announced on June 7 is in addition to the funds already provided by the United States.
- The \$674 million will include an estimated \$250 million for food aid from the Emerson Humanitarian Trust; \$240 million for food aid from the emergency supplemental; and \$184 million for emergency humanitarian assistance from the emergency supplemental.

President Bush's Initiative to End Hunger in Africa (IEHA) contributes to the international development goal of reducing the number of hungry people in Africa by half by 2015.

- The Initiative promotes agricultural growth and building an Africanled partnership to cut the twin plagues of hunger and poverty by aggressively investing in small-holder systems for agricultural productivity that support long-term growth.
- During FY 2004, IEHA provided \$67 million to help harness science, technology, and market forces to increase small-holder agricultural productivity. So far, more than 1.7 million people have benefited from this initiative.

Support for NEPAD's Comprehensive African Agricultural Development Plan (CAADP) promises to increase the effectiveness of agriculture in Africa. CAADP will focus on small-scale farmers and women. If it succeeds, Africa's agricultural production could improve to an average annual growth rate of 6 percent. CAADP emphasizes expanding sustainable land and water management, improving market access and infrastructure, increasing food supplies, reducing hunger, and improving agricultural research and technology.



Through support from the United States, Solomay Epouca in Angola has received over 300 pounds of food, over 30 pounds of seeds, and basic tools such as watering buckets for her family. "I don't have to think about what I will feed my children," she says. "Instead, I can think about my children going to school and learning things I don't know."

Achieving Peace and Security



Elisabeth Nassalan lost both her legs by stepping on a landmine near her home in the Casamance region of Senegal. Thanks to a U.S. government program, she now runs a small shop and is able to provide for her family. This program is also supporting an extensive landmine awareness campaign in the area, which has reached more than 400,000 people.

The number of conflicts in sub-Saharan Africa has decreased in recent years, signaling achievements in conflict mitigation and resolution. Liberia, Angola, and Sierra Leone have restored peace after years of civil war; Congo and Sudan are making strides toward ending conflict.

The U.S. government provides support in all stages of conflict and crisis, with a particular focus on strengthening African governments and organizations to better mitigate and manage conflict.

- Through the President's Global Peace Operations Initiative, the United States will provide \$100 million in FY 2005, most of which will go to Africa, and is expected to provide \$660 million over five years to increase capacity for peace support in Africa and elsewhere.
- The United States has also provided \$150 million to support the African Union's mission in Darfur and expects to support a further expansion of the mission.
- The U.S. government continues to foster lasting peace and security by training peacekeepers under the African Contingency Operations Training and Assistance Program, conducting military education seminars at the Africa Center for Strategic Studies, and working with African mediators, the African Union, and sub-regional organizations to resolve conflict.

U.S. efforts also include the Africa Conflict and Peace Building Fund, through which programs support peace, reconciliation and transition processes, and improve early warning and response mechanisms.

 In Liberia, sustained U.S. involvement has supported crucial transitional programs and preparations for elections that will lead to a new government.

Because unstable regions are vulnerable to terrorist exploitation, strengthening Africa's capacity to fight terrorism is one of the United States' most important foreign policy priorities in the region. The Trans-Sahara Counter Terrorism Initiative is a U.S. government program designed to help develop the internal security forces necessary to control borders and combat terrorism and other illegal activity in Algeria, Chad, Mali, Mauritania, Morocco, Niger, Nigeria, Senegal, and Tunisia.

The United States is a founding participant of the Kimberley Process Certification Scheme, created in 2002 to keep conflict diamonds out of the legitimate diamond trade, and provides \$2.5 million to African nations to support its implementation. In Sierra Leone, legal diamond mining totaled \$1.5 million in 1999, before the Kimberley Process, and increased to \$120 million in 2004.

Conserving Africa's Natural Resource Base

Africa holds 45 percent of global biodiversity. The United States' African environment programs link better management of natural resources with increased incomes, focusing on policy reform, cooperation across borders, public-private partnerships, and community-based approaches. U.S. programs promote the productive and sustainable development of resources while supporting the reduction of long-term environmental threats, particularly global climate change and biodiversity loss.

- The Congo Basin Forest Partnership (CBFP) supports economic development and poverty alleviation through conservation and sustainable management of the second largest remaining tropical forest in the world, which spans six countries in Central Africa. The 29 governmental, non-governmental, and private sector organizations taking part in the CBFP provide support for a network of parks and protected areas, well-managed forestry concessions, and improved natural resource governance, and promote economic opportunities for communities that depend on the forest and wildlife resources of the region. The United States spends approximately \$15 million per year in support of the CBFP.
- The West Africa Water Initiative is a \$41 million public-private partnership aimed at increasing access to safe, affordable, and sustainable sources of water for rural villages in Ghana, Mali, and Niger. By 2008, the United States will have provided at least 825 new water boreholes, 100 alternative water resources, and 9,000 more latrines, benefiting more than one-half million people.

Further experience demonstrates how U.S. community-based natural resource management programs are successfully preserving valuable environmental assets while extending economic benefits to a broader range of households.

- In Madagascar, 29,000 hectares of forest were transferred to 25 community management associations. Approximately 26,000 farmers in U.S.-supported farmers' associations have agreed to stop destructive slash-and-burn farming around critical habitats.
- In Namibia, community-based natural resource management enterprises initially assisted by the United States have contributed an estimated \$14 million to the national economy in 2004 from nearly 8 million hectares.
- The Guinean government has turned over the management of 87,247 hectares in five protected forests to local communities, who now share the responsibilities for and the benefits of sustainable management with the Guinean Forest Service.



Mountain gorilla tourism in Uganda generates \$16 million annually for the country. U.S. programs there, and in neighboring Rwanda and the Democratic Republic of the Congo, teach residents surrounding parks about conservation and help them improve their villages through revenues earned while managing the park. A gorilla census taken in 2002, the first since 1989, showed a 17 percent increase in the population of these great apes.

We're making historic progress and helping the poorest countries in Africa gain a fresh start, and to build a future of greater opportunity and prosperity. America will continue to lead the world to meet our duty in helping the world's most vulnerable people.

—President George W. Bush, June 7, 2005



June 2005

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