

## Data Sheet

<b>USAID Mission:</b>	Angola
<b>Program Title:</b>	Improved Food Security
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	654-005
<b>Proposed FY 2004 Obligation:</b>	\$3,200,000 DA
<b>Prior Year Unobligated:</b>	\$1,000,000 DA; \$300,000 ESF
<b>Proposed FY 2005 Obligation:</b>	\$3,036,000 DA
<b>Year of Initial Obligation:</b>	FY 2001
<b>Year of Final Obligation:</b>	FY 2005

**Summary:** USAID's program to improve food security in Angola provides food aid, training, and technical assistance to smallholder farmers and vulnerable populations. The program's emphases are food self sufficiency, improved infrastructure, promotion of improved agricultural technology, local seed production to reduce the country's dependence on imported seed, and the transition from food aid to long-term development projects. Additional interventions include support of rural group enterprises and agricultural marketing strategies. Financial resources to support the program are also being made available through USAID's public-private partnerships.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Resettle war-affected rural populations and stimulate agricultural production (\$1,000,000 DA). USAID's Development Relief Program (DRP) will focus on 860,000 Angolans who have returned and resettled in four provinces. USAID will initiate farmer field demonstrations that promote local seed production, diversification of crop varieties, and improved storage practices. Extension agents from the Ministry of Agriculture will be trained in pest reduction and crop rotation. Rural incomes will be expanded, especially for women-headed households, by introducing animal husbandry activities such as egg production. Using P.L. 480 Title II resources, USAID will implement food for work activities that increase community infrastructure development through the repair of roads, bridges, irrigation canals, and water sources. Principal grantees: CARE, World Vision, Save the Children, Africare, and Catholic Relief Services.

Develop and promote agricultural marketing strategies (\$2,200,000 DA). USAID's Rural Group Enterprise and Agricultural Marketing Project (RGEAMP) will promote improved agricultural productivity and increased food security and rural income by assisting farmer associations with business development and management training, extension services, the facilitation of access to credit, the identification of market opportunities, and the negotiation of contracts for group selling. Principal grantee: Cooperative League of the USA.

Promote agricultural recovery. With prior year DA resources, USAID will increase the capacity of local entities to produce seeds, provide extension services, and establish credit and savings mechanisms for farm households and associations under its Pro-Planalto Agriculture Development Program (PPADP). ChevronTexaco plans to provide \$600,000 to the activity through a public-private partnership with USAID. USAID will conduct early warning and vulnerability assessments and food security analyses to inform recovery and development-related decision making. USAID will review the current status of property rights systems to recommend their strengthening or reform. Principal contractors and grantees: Chemonics International, World Vision, Associates in Rural Development, and the Rural Development Institute.

Support private sector bank. Using prior year ESF, USAID will support a private sector bank that will provide credit and other financial services to integrated agricultural businesses that currently are unable

to grow due to lack of access to finance. ChevronTexaco plans to provide \$1 million to the program through its public-private partnership with USAID. Principal grantee: Frontier Financial.

**FY 2005 Program:**

Strengthen agricultural marketing and farmer associations (\$1,500,000 DA). USAID will continue RGEAMP to increase credit access for farmer associations and to strengthen linkages between producers and private businesses to improve the marketing of agricultural commodities. USAID plans to develop business development and financial service centers to facilitate the evolution of farmer associations into small and medium enterprises such as agricultural input stores. Principal grantee: the Cooperative League of the USA.

Enhance agricultural recovery (\$1,536,000 DA). DA funds will be used to expand PPADP to establish a private sector fertilizer distribution program and further the production of local seed varieties and farm extension services. ESF resources will assist rural households in obtaining access to required credit. Principal grantee: World Vision.

**Performance and Results:** Under the DRP, 138,000 families received seeds and tools; 43,000 families were involved in seed multiplication activities; and 110,000 families received food in order to prevent them from eating their seeds in FY 2003. Additionally, 41,000 vulnerable families received food rations for the entire year. Most of these families are women-headed households. The program with the Ministry of Agriculture helped organize 56 farmer associations and 156 "lead farmers" to establish links with markets and seed multiplication plots. These activities contributed significantly to an improved food security situation in rural areas. Nutritional levels have improved, populations have returned to their original lands, and agricultural activity is increasing. Food for Work activities helped improve 166 kilometers of farm to market roads, 16 bridges, and 118 water resources.

In FY 2003, RGEAMP created an agriculture credit scheme with a commercial bank. As a result, 458 farmers had access to credit from the bank as well as from private input suppliers, while another 176 farmers had access to credit for land preparation. The total credit amount was \$222,395. To ensure effective use of the credit, 4,674 farming families benefited from technical assistance involving agricultural extension services, and had access to seeds of improved varieties of vegetable crops. These families were trained in the development of business plans, finance, management of farmers associations and negotiation of contracts for group selling. The combination of credit access and technical assistance packages resulted in a harvest of 1,606 metric tons of vegetable crops, an 80% increase in production compared to production levels prior to USAID assistance. Of the harvested produce, 90% was sold, generating \$684,000 in cash, with a loan repayment rate of 95%. The strengthened partnership between USAID and the Government of Angola resulted in the establishment of service centers and the provision of in-kind credit in the form of fertilizer. In 2003, a total of 668 micro-entrepreneurs (of which 61% are women) benefited from receiving loans valued at \$159,990. It is estimated that these results have helped approximately 24,068 people obtain better access to financial resources.

## US Financing in Thousands of Dollars

Angola

	DA	ESF
654-005 Improved Food Security		
<b>Through September 30, 2002</b>		
Obligations	4,104	0
Expenditures	1,113	0
Unliquidated	2,991	0
<b>Fiscal Year 2003</b>		
Obligations	2,718	700
Expenditures	1,708	0
<b>Through September 30, 2003</b>		
Obligations	6,822	700
Expenditures	2,821	0
Unliquidated	4,001	700
<b>Prior Year Unobligated Funds</b>		
Obligations	1,000	300
<b>Planned Fiscal Year 2004 NOA</b>		
Obligations	3,200	0
<b>Total Planned Fiscal Year 2004</b>		
Obligations	4,200	300
<b>Proposed Fiscal Year 2005 NOA</b>		
Obligations	3,036	0
Future Obligations	0	0
Est. Total Cost	14,058	1,000