

Data Sheet

USAID Mission:	Zambia
Program Title:	Increased Competitiveness
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	611-005
Proposed FY 2004 Obligation:	\$1,750,000 CSH; \$6,707,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2005 Obligation:	\$625,000 CSH; \$6,770,000 DA
Year of Initial Obligation:	FY 2004
Year of Final Obligation:	FY 2010

Summary: USAID's new "competitiveness" objective builds on the record of successful accomplishments under the previous country strategy. The program includes technical assistance and training to establish and strengthen market linkages, promote improved technologies, deliver business development services, mainstream HIV/AIDS and gender equity, and establish an enabling environment for economic growth. The specific focus of the program is on building capacities at the smallholder producer level to attain food and income security.

Inputs, Outputs, Activities:

FY 2004 Program:

Improve market access for smallholder farmers (\$2,038,000 DA; \$675,000 CSH). DA funds will be used to provide technical assistance and training to promote participation of smallholder farmers in contract farming schemes to increase food supply, cash crops and food security. The program will promote techniques such as conservation farming, water harvesting, small-scale irrigation, soil fertility interventions, crop diversification, organic farming, and biotechnology to increase productivity. The program also will support savings and credit mechanisms within farmer groups and help farmers become more food and income secure by promoting less labor intensive production such as dairy farming and crops requiring less weeding. CSH resources will be used in support of PEPFAR to inform farmers about HIV/AIDS and to help people living with HIV/AIDS access workplace programs. Principal grantees: Cooperative League of the USA and others (to be determined).

Promote small, micro and medium enterprises (SMMEs) (\$1,682,000 DA; \$675,000 CSH). DA funds will be used to provide technical assistance and training to support SMME growth. The program will identify market opportunities for raw materials and unprocessed and value-added products; create alliances to help penetrate local, regional, and international markets; and support institutions responsible for trade and investment promotion. Business development activities will include market information services, access to information technology, and financial services and business skills training to producers. USAID will explore the use of Development Credit Authority loan guarantees to leverage funds for a variety of SMME development activities in the formal financial sector. USAID will also work with entrepreneurs particularly women to develop less labor intensive enterprise activities. CSH funds will be used as part of the President's Emergency Plan for AIDS Relief in activities with entrepreneurs to reduce new HIV/AIDS infections through peer education, prevention messages, condom distribution and training on nutrition and HIV/AIDS issues. USAID also will work with women to develop less labor intensive enterprise activities and provide training on nutrition and other child health issues. Principal grantees: Zambia Chamber of Small and Medium Enterprises and others (to be determined).

Expand income opportunities from natural resource management activities (\$947,000 DA; \$150,000 CSH). USAID will provide technical assistance and training so that communities can become responsible for sustainable management of natural resources such as wildlife, non-traditional minerals, and forest assets to generate income on a sustainable basis; to ensure that women have access to resource management activities, including soil and water conservation technologies; to enable wildlife, mineral

development, and forestry policymakers to implement natural resources management policies and regulations through public and private sector alliances and dialogue; to support wildlife-based tourism; and to expand market opportunities for forest, natural and organic products. CSH resources will be used to develop and expand access to HIV/AIDS information and services for village leaders, health practitioners, and government agents within the health, agriculture, forestry and wildlife ministries at the departmental and district levels as part of PEPFAR. Principal grantees: CARE International and other organizations (to be determined).

Create enabling environment for economic growth (\$2,040,000 DA; \$250,000 CSH). USAID will work with the agriculture, natural resource, and economic ministries and related organizations to create the capacity to deal with existing bottlenecks to food security and private sector competitiveness (such as customs duty regulations, regional trade issues, production and trade in biotechnology, organic products, and information); provide support to policies for infrastructure development, such as rural electrification, which is necessary for rural based economic growth activities; and support private-public dialogue on economic growth and food security issues. Working with business associations and the Ministries of Legal Affairs and Health, USAID will use CSH funding in support of PEPFAR to initiate HIV/AIDS workplace programs that provide HIV/AIDS education and training to private sector agriculture employers and employees. These programs will help persons living with HIV and AIDS through programs to help reduce the stigma of living with AIDS, increased access to anti-retroviral drugs, and advocacy for continued health and life insurance coverage. Principal grantees: Michigan State University and others (to be determined).

FY 2005 Program:

Priority will be placed on full implementation of interventions begun during previous years, and expansion of program coverage. As in FY 04, significant expansion of HIV/AIDS prevention/awareness, workplace programs and risk mitigation are planned within the President's Emergency Plan for AIDS Relief (PEPFAR) resources. Labor-saving technologies will be developed with DA funds.

Improve market access for smallholder farmers (\$2,665,000 DA; \$100,000 CSH). USAID will expand technical assistance and training to promote participation of smallholder farmers in contract farming schemes to increase food supply, cash crops, and food security, and to give communities access to information and services on HIV/AIDS in continuing support of PEPFAR. Principal contractors or grantees: To be determined.

Promote small, micro and medium enterprises (SMMEs) (\$1,495,000 DA; \$240,000 CSH). USAID plans to expand enterprise growth through increased identification of market opportunities for raw materials and unprocessed and value-added products, the creation of alliances to help penetrate local, regional and international markets, and to incorporate HIV/AIDS awareness in various fora and training curricula for entrepreneurs. Principal contractors or grantees: To be determined.

Expand income opportunities from natural resource management activities (\$1,090,000 DA; \$50,000 CSH). USAID plans to expand its support to enable communities to be responsible for sustainable management of natural resources, and to provide communities with access to information and services about HIV/AIDS. Principal grantees: CARE International and others (to be determined).

Create enabling environment for economic growth (\$1,520,000 DA; \$235,000 CSH). USAID plans to maintain its focus on economic policy dialogue and to support advocacy for HIV/AIDS related policy reforms as part of the USG program which addresses HIV/AIDS. Principal grantees: Michigan State University and others (to be determined).

Initiative to End Hunger (IEHA) funds are included in the programs discussed above.

Performance and Results: This new program will build on the successful activities of the previous country strategy. The principal results of this program are expected to be an increase in the value of agriculture and natural resources exports and tourism receipts from \$300 million to \$500 million by 2010; an increase in the value of food and non-food agricultural production by USAID-supported groups from \$6

million to \$20 million by 2010; and mitigate the impact of HIV/AIDS-related illnesses and deaths among the labor force.

US Financing in Thousands of Dollars

Zambia

	CSH	DA
611-005 Increased Competitiveness		
Through September 30, 2002		
Obligations	0	0
Expenditures	0	0
Unliquidated	0	0
Fiscal Year 2003		
Obligations	0	0
Expenditures	0	0
Through September 30, 2003		
Obligations	0	0
Expenditures	0	0
Unliquidated	0	0
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2004 NOA		
Obligations	1,750	6,707
Total Planned Fiscal Year 2004		
Obligations	1,750	6,707
Proposed Fiscal Year 2005 NOA		
Obligations	625	6,770
Future Obligations	8,125	23,628
Est. Total Cost	10,500	37,105