

Zambia

The Development Challenge: Zambia's transition to multiparty democracy has been accompanied by fundamental economic reforms in an effort to establish a liberal political economy. The political and economic reform process has been slow and has been impeded by the country's legacy of authoritarian leadership, historical over-dependency on copper, limited foreign and domestic investment, and corruption. Furthermore, HIV/AIDS has severely impacted the social and economic sectors. Zambia ranks 163 out of 175 countries on the 2003 United Nations Human Development Index. Life expectancy is under 40 years; under-five mortality is 168 per 1,000 live births; and there is a high prevalence of HIV/AIDS (16% of the adult population). Seventy-three percent of the population lives below the official poverty line. Zambia's development progress has been constrained by lack of economic diversification, periodic drought and floods, and budgetary weaknesses.

The World Bank estimates that in 2002 Zambia's per capita domestic product was \$351. External debt was estimated at \$5.419 billion in late 2002, with debt service absorbing 15% of export earnings. Over 60% of the country's debt is owed to multilateral institutions. In late 2000, Zambia successfully reached the next stage for Enhanced Heavily Indebted Poor Countries (HIPC) debt relief. However, the Government of the Republic of Zambia (GRZ) deferred proceeding to the final stage from December 2003 to June 2004. Should the GRZ reach the final stage of the HIPC process, the benefits will include substantial debt relief and a reduction in Zambia's average annual debt.

The GRZ has approved a Poverty Reduction Strategy Plan (PRSP), a comprehensive economic and social plan drawn up with the participation of donors and other stakeholders. However, implementation has been slow due to budgetary constraints. One of the PRSP's key priorities is to promote growth of a vibrant private sector that will contribute to economic and export growth. The PRSP also gives prominence to the issue of good governance, with the principle of zero tolerance of corruption by political leaders. According to the PRSP, the GRZ is very committed to improving public expenditure management, strengthening the Anti-Corruption Commission, and implementing the National Capacity Building Program for Good Governance. The GRZ is focused on increasing the access of the population to justice, decentralizing its functions, and improving communications between government institutions and Zambian citizens. Zambia's Medium Term Expenditure Framework, linked to the PRSP, will guide the annual budget process over a three-year time horizon.

Zambia has many active non-governmental organizations (NGOs) and civic society groups, and there are several independent newspapers and radio stations in addition to the two state-owned newspapers and the Zambia National Broadcasting Corporation. The current government's top three priorities are the fight against corruption, promotion of agriculture in a more diversified economy, and combating HIV/AIDS. The Zambian President also introduced free universal primary education in 2002.

The United States' primary national interest in Zambia is economic prosperity to support Zambia's development as a stable, peaceful, and prosperous free market democracy, thus enhancing the stability of southern Africa. With ongoing conflict within its largest neighbor (the Democratic Republic of Congo) and political and economic instability in Zimbabwe, a stable, democratic, and prosperous Zambia is important for the United States and the region. As a country with significant natural resources, a market-based economy, and a multi-party democratic political system, Zambia can play a significant role in promoting peace and stability in a region of growing importance to the United States. A peaceful, democratic Zambia will assist in the global war against terror by denying terrorists refuge and financial or other support.

The USAID Program: The new USAID Country Strategic Plan for Zambia for 2004-2010 outlines an innovative approach to help Zambia address its challenges and accelerate growth. The vision of this new strategy, "Prosperity, Hope and Better Health for Zambians," was developed with participation from the Zambian government and a wide range of private sector and civil society stakeholders. The data sheets that follow cover the five objectives for which USAID is requesting FY2004 and FY2005 funds. These five objectives concentrate on increasing private sector competitiveness in agriculture and natural resources;

improving the quality of basic education for more school-aged children; improving the health of Zambians; and holding the GRZ more accountable. The fifth objective provides additional support to the GRZ's multisectoral HIV/AIDS program with a view to reducing the impact of HIV/AIDS. The country strategy hopes to ensure gender-sensitive, people-level improvements and information and communications technology are incorporated throughout the portfolio. USAID's five objectives directly contribute to several sectors and cross-cutting areas of the PRSP.

USAID hosted a workshop for the government, private sector, and NGOs to raise awareness and understanding of the concept and practice of public-private partnerships. As implementation of the new strategy progresses, USAID will seek to leverage international and local private resources to enhance total development aid and increase its efficiency.

Other Program Elements: The activities outlined in the following data sheets are complemented by several Presidential Initiatives and other programs. The Africa Bureau manages the Presidential Initiatives of Trade for African Development and Enterprise program and the Initiative to End Hunger in Africa. USAID's trade competitiveness "hub" for Southern Africa and the regional program for East Africa both address issues related to regional trade facilitation. USAID's Regional Urban Development Office in South Africa is exploring the possibility of obtaining Development Credit Authority loan guarantees for Zambia in partnership with Houses for Africa and Stanbic Bank. USAID's Economic Growth, Agriculture and Trade Bureau provides technical assistance for regulation and rural electrification through energy sector partnerships. The Food for Peace office of USAID's Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA) provides emergency food aid through the Consortium for the Southern African Food Emergency program. The U.S. Department of Agriculture provides technical assistance for pest risk assessments for the entry of horticultural products into the U.S. market.

Zambia is a focus country under the President's Emergency Plan for AIDS Relief (PEPFAR). All proposed HIV/AIDS activities are being integrated into PEPFAR and are subject to the approval of the U.S. Global AIDS Coordinator. Additional funding from the Global HIV/AIDS Initiative account is anticipated for both FY 2004 and FY 2005. Zambia also has been a recipient of funds from the President's Initiative to Prevent Mother-to-Child Transmission of HIV/AIDS (PMTCT), which will be incorporated into PEPFAR in FY 2004. DCHA's Office of Private and Voluntary Cooperation has funded grants to several U.S. private voluntary organizations in Zambia. Education activities are complemented by the U.S. Presidential Africa Education Initiative. USAID/Zambia has also received funds from the Anti-Corruption Initiative.

Other Donors: Overall development assistance to Zambia totals about \$310 million a year. The United Kingdom and the United States are Zambia's first and second largest bilateral donors, respectively. Other major bilateral donors and their principal areas of focus include Germany (small and medium business development), Norway (rural agribusiness development and the environment), and Japan (health and infrastructure). Multilateral donors include the United Nations agencies, the European Union, the World Bank, the International Monetary Fund, and the African Development Bank. Donor coordination is excellent. USAID collaborates closely with other donors in implementing health, education, agriculture, and democracy and governance programs. There are several jointly-supported economic growth initiatives in Zambia: the Agricultural Consultative Forum, the Zambia Business Forum, Private Sector Donors' Group, and the Agriculture Donors' Group. All donors support the national Health Strategic Plan and sit on the donors' Health Sector Committee.

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.

Data Sheet

USAID Mission:	Zambia
Program Title:	Basic Education
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	611-006
Proposed FY 2004 Obligation:	\$1,750,000 CSH; \$5,770,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2005 Obligation:	\$625,000 CSH; \$3,460,000 DA
Year of Initial Obligation:	FY 2004
Year of Final Obligation:	FY 2010

Summary: USAID's new basic education objective focuses on improving the quality of and access to the national education system by strengthening the capacity of the Ministry of Education (MOE) to implement its decentralization plans, formulate needed policies, and initiate program reforms. USAID proposes to expand delivery of basic education to out-of-school children and to promote cost-effective school health interventions. Emphasis also will be placed on implementing activities designed to mitigate the impact of HIV/AIDS within the school setting and adjacent communities.

Inputs, Outputs, Activities:

FY 2004 Program:

Improve quality of basic education delivery systems (\$2,481,000 DA; \$450,000 CSH). USAID will expand current non-traditional delivery systems such as interactive radio, implement expansion of the school health and nutrition programs, support community mobilization, and identify improved measures of pupil performance. Scholarships will be provided to improve completion rates of orphans and other vulnerable children, especially girls. Emphasis will also be placed on teacher training, especially in-service training. USAID will support decentralization efforts through capacity building of school administrators. In support of PEPFAR, USAID will use CSH funds to extend current HIV/AIDS related interventions to Grades 9 and expand interactive radio instruction and school health and nutrition activities. Principal contractors or grantees: to be determined.

Improve information for efficient resource management (\$1,557,000 DA; \$200,000 CSH). In order to increase the capacity of the national educational system, USAID will provide technical support to the MOE to expand the use of the existing data collection systems, assist with analysis and promote sound decision-making at the provincial, district and school levels. There already has been substantial progress since USAID began supporting this activity in 2001; the challenge is to ensure that the MOE is fully capable of managing, maintaining, and using its information system. CSH funding will support PEPFAR by disseminating information regarding the impact of HIV/AIDS at provincial, district and school levels and by building educational research capacity to analyze HIV/AIDS impact information. Principal contractors or grantees: To be determined.

Strengthen policy implementation (\$1,731,000 DA; \$100,000 CSH). This is a new intervention designed to increase the MOE's capacity to implement its policies. Through expert technical guidance, USAID will focus on policy, regulations, and guidelines to rationalize alternative education delivery systems and promote decentralization of decision-making to district, school, and community levels. Sector program assistance designed to accelerate policy reforms in the MOE will be provided based on pre-established and agreed-upon milestones. With CSH resources, USAID will rationalize educational policy with the long-term HIV/AIDS environment to promote multi-sectoral collaboration as part of the PEPFAR program. Principal contractors or grantees: To be determined.

Mitigate impact of HIV/AIDS in the education system (\$1,000,000 CSH). USAID will support awareness prevention campaigns and life skills training as part of the USG program. USAID will partner with the

MOE, local nongovernmental organizations and communities to ensure implementation of policies and activities to protect children from HIV/AIDS. Every effort will be made to ensure that the school environment is safe for learning. Principal contractors or grantees: To be determined.

FY 2005 Program:

Priority will be placed on full implementation of interventions, identification of the required adjustments based on the previous year's experience and consolidation of program coverage. HIV/AIDS activities are planned to be implemented in collaboration with other USG partners under the President's Emergency Plan for AIDS Relief (PEPAR) resources.

Improve quality of basic education delivery systems (\$1,487,800 DA; \$225,000 CSH). Interactive radio activities will continue to focus on vulnerable out-of-school children and, at the same time, focus on interactive instructional opportunities for both formal and informal teachers. Health and nutrition interventions will address critical needs at the individual school level. More vulnerable children, especially girls, will be provided the opportunity to participate in a scholarship program and peer-counseling activities designed to mitigate the spread of HIV/AIDS. Specific activities will be designed to support the development of the capacity of school administrators and associated support services to deal with HIV/AIDS impact on the education sector. Principal contractors or grantees: to be determined.

Improve information for efficient resource management (\$934,000 DA; \$100,000 CSH). USAID plans to continue to support decentralization and institutional capacity needs at the central, district, and school levels. The program will stress the utilization of information for making management decisions and the incorporation of HIV/AIDS activities in support of PEPFAR. Principal contractors or grantees: to be determined.

Strengthen policy implementation (\$1,038,000 DA; \$150,000). USAID will maintain its focus on policy implementation, particularly with regard to addressing special issues, including school health nutrition, gender, and the prevention of HIV/AIDS. Sector program assistance will support reforms based on pre-established and agreed-upon milestones. USAID will collaborate with other partners to improve the quality of education at the national level. Principal contractors or grantees: to be determined.

Mitigate impact of HIV/AIDS on education (\$150,000 CSH). The program will continue to build the MOE's capacity to mitigate the impact of AIDS on children, especially girls and orphans as part of its HIV/AIDS efforts under PEPFAR. HIV/AIDS campaigns, in-service training for teachers, community mobilization, and student-centered activities will be the primary interventions. Principal contractors or grantees: to be determined.

Performance and Results: The major outcomes expected at the end of this seven-year program are:

- A national school monitoring and information network that enables all nine provinces to independently track performance and interact with formal schools;
- Student enrollment (grades 1-9) is expected to increase from 1,865,677 in 2002 to 2,202,048 by 2010;
- Literacy achievement scores are expected to rise from 33% in 2002 to 50% by 2010, and numeracy achievement scores from 35.7% in 2002 to 54% by 2010;
- The rural gender gap between boys and girls' retention in school (i.e., continuation from grade 6 to grade 7) is expected to be reduced from 14% in 2002 to 7% by 2010; and
- Policies will be designed and implemented to support special issues, including HIV/AIDS education, teacher training, and the inclusion of health and nutrition topics in the national school curriculum.

Data Sheet

USAID Mission:	Zambia
Program Title:	Improved Health Status
Pillar:	Global Health
Strategic Objective:	611-007
Proposed FY 2004 Obligation:	\$21,200,000 CSH
Prior Year Unobligated:	\$500,000 ESF
Proposed FY 2005 Obligation:	\$25,600,000 CSH
Year of Initial Obligation:	2004
Year of Final Obligation:	2010

Summary: USAID's new health program builds upon the record of successful accomplishments of the last strategy. The program includes technical assistance that aims to create better health for Zambian citizens through support of community, family and individual actions while strengthening services and scaling up key public health interventions. Significant expansion of HIV/AIDS prevention and treatment activities is planned through the President's Emergency Plan for AIDS Relief (PEPFAR).

Inputs, Outputs, Activities:

FY 2004 Program:

Empower Zambians to take action for health (\$6,300,000 CSH). USAID, in collaboration with other USG partners, will support communities, families, and individuals to take action to prevent disease and to promote and maintain their health through reduced risk behavior. USAID will support PEPFAR through behavior-change communication strategies targeting rural areas and high-risk groups. Communities will be strengthened to take action for health through support to neighborhood health committees and development of advocacy, empowerment and problem-solving skills for communities. USAID will support social marketing to increase access to key health products such as insecticide-treated mosquito bednets, family planning commodities, and home water purification solutions. Principal contractors or grantees: to be determined.

Expand delivery of key health interventions (\$6,900,000 CSH, \$500,000 prior year ESF). In HIV/AIDS, under PEPFAR, USAID will expand availability of quality services for HIV voluntary counseling and testing (VCT) and prevention of mother-to-child-transmission (PMTCT) in community and clinic settings, support scale-up of clinical services to provide antiretroviral drugs (ARVs) and treat opportunistic infections, and provide assistance to develop and implement policies, guidelines and training for HIV-related clinical care services. \$500,000 in prior year ESF resources will be applied to the scale-up of PMTCT services.

In the area of child health, USAID will use CSH funds for national Vitamin A supplementation and food fortification programs, and support the national childhood immunization program and efforts to expand the integrated management of childhood illnesses. Additional activities to address chronic malnutrition among young children will be developed. USAID will work with the National Malaria Control Program on policy, guidelines and programs for malaria prevention and treatment. In family planning, USAID will increase demand for and access to services (particularly in rural areas), ensure contraceptive choice and availability of supplies, and integrate family planning services into HIV/AIDS programs. In reproductive health, USAID will focus on access to safe motherhood services (including emergency obstetric care and prenatal care), reducing the complications of malaria in pregnancy, and strengthening services to identify and treat sexually-transmitted diseases. Principal contractors, grantees or agencies: to be determined.

Strengthen health services (\$8,000,000 CSH). USAID will improve critical support systems in the health sector, including logistics for drugs and supplies, the Health Management Information System, and annual and long-term planning. Funds will be used to strengthen human resource planning and management and to improve health worker performance through supporting pre- and in-service training of key cadres,

master's level training in public health, and innovative approaches to on-the-job supervision. Health policies, financing, and research will be addressed. USAID will continue support to district level health services through sector program assistance, contingent on approval of an extension of the current sector program assistance agreement. Principal contractors or grantees: to be determined.

FY 2005 Program:

Zambia is a focus country under the President's Emergency Plan for AIDS Relief. Additional funding from the Global HIV/AIDS Initiative account is anticipated for both FY 2004 and FY 2005.

Empower Zambians to take action for health (\$7,100,000 CSH). USAID plans to continue its support to communities, families, and individuals to improve their health status. It will continue support to high-risk groups, and for social marketing to increase sales of safe and effective health products. Principal contractors or grantees: To be determined.

Expand delivery of key health interventions (\$11,000,000 CSH). For HIV/AIDS, USAID will support PEPFAR by continuing its support to the availability of VCT and PMTCT services in various settings, continue to provide assistance to expand clinical services for ARVs and treatment of opportunistic infections, and support policy level advocacy efforts for improved HIV related clinical care services.

In child health, USAID will continue to support food fortification programs and Vitamin A supplementation, attend to chronic malnutrition among children, support integrated management of childhood illness, strengthen and expand the National Malaria Control Program and support the national childhood immunization program. In reproductive health, USAID will continue supporting increased access to safe and effective family planning services and commodities, especially in rural areas, and integrate these services into HIV/AIDS programs. Support will continue to increasing access to safe motherhood services, decreasing malaria in pregnancy and strengthening STI services. Principal contractors or grantees: To be determined.

Strengthen health services (\$7,500,000 CSH). USAID will continue to improve critical information and logistic systems as well as strengthen the planning and management capacity of the health sector. USAID plans to increase training and worker retention to improve human resource planning and health worker performance. Health policy and drug management logistics issues will continue to be addressed, and pending FY04 approval, USAID will continue to support GRZ's District level health basket. Principal contractors or grantees: To be determined.

All family planning assistance agreements will incorporate clauses that implement the President's directive restoring the Mexico City policy.

Performance and Results: This health program will build on the successful accomplishments of the previous strategy. The principal results expected at the end of this seven year program are:

- Infant mortality will decrease from 95 per 1,000 live births in 2002 to 75 per 1,000 live births by 2010;
- Mortality rates for children under five will decrease from 168 per 1,000 live births in 2002 to 135 per 1,000 live births by 2010; and
- HIV prevalence among youth aged 15 to 24 will decrease from 8% in 2002 to 3% in 2010.

Data Sheet

USAID Mission:	Zambia
Program Title:	Democracy and Governance
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	611-008
Proposed FY 2004 Obligation:	\$500,000 CSH; \$1,200,000 DA
Prior Year Unobligated:	\$400,000 ESF
Proposed FY 2005 Obligation:	\$250,000 CSH; \$920,000 DA
Year of Initial Obligation:	FY 2004
Year of Final Obligation:	FY 2010

Summary: USAID's new democracy and governance program builds upon the record of successful accomplishments under the last strategy. The program provides technical assistance and training to support law and policy reforms to enable more accountable government. It will also support civil society demand for transparency and accountability, and will help strengthen oversight institutions. A unique opportunity has unfolded to fight and perhaps win the battle against corruption in Zambia. The anti-corruption campaign launched by President Mwanawasa has received unprecedented support from civil society. This has created the possibility for an alliance between the Government of the Republic of Zambia (GRZ) and civil society and to set the stage for probable long-term improvement in the quality of democracy and governance in Zambia.

Inputs, Outputs, Activities:

FY 2004 Program:

Support the rule of law (\$200,000 DA; \$250,000 CSH; \$400,000 prior year ESF). DA funding will support activities covering legal and procedural systems and organizational reforms to prevent future corruption and abuse of office by public sector officials. USAID will provide technical and other assistance for experts, workshops, training, local law drafting experts and researchers, and the development of tools and systems. CSH resources will support the development and enforcement of policies on inheritance and property laws related to HIV/AIDS cases in support of PEPFAR. Principal contractors or grantees: to be determined.

With prior year ESF, USAID will support prosecutor-led investigations of corruption cases. Other related reforms would include constitutional reform to rebalance powers, establishment of a financial intelligence unit, financial and banking laws and bank supervision, commercial law, conflict of interest guidelines for cabinet ministers, and whistleblower protection. Support for electoral law reforms will help level the playing field, clarify political party financing, and facilitate fair election management. Principal contractors, grantees and agencies: the U.S. Department of Treasury and other organizations (to be determined).

Improve public demand for accountability (\$700,000 DA; \$250,000 CSH). With DA funding, USAID will help civil society to advocate for reforms and will initiate policy dialogue on accountability and the impact of corruption on areas such as executive fiscal performance, delivery of basic health and education services, and poverty. USAID will help build public opinion polling, think tanks, and policy research capacity for bridging relationships among civil society, parliament, government policymaking and delivery of services, such as government-non-governmental organization steering committees and task forces or working groups. CSH funds will be used, as part of the President's Emergency Plan for AIDS Relief, to support civil society efforts to advocate for the rights of individuals living with HIV/AIDS. Principal contractors or grantees: to be determined.

Strengthen oversight institutions (\$300,000 DA). USAID will support Parliament to become a more effective oversight institution through capacity building, including reform of fiscal oversight committees. USAID also will improve outreach to constituencies and to civil society organization watchdogs for

feedback on government performance and better access to modern information technology. USAID plans to support capacity building for public oversight agencies such as the Auditor General's Office. Principal contractors or grantees: To be determined.

FY 2005 Program:

The priority will be placed on full implementation of interventions begun during the previous year and expansion of program coverage. As in FY 04, significant expansion of HIV/AIDS prevention and treatment activities is planned with the President's Emergency Plan for AIDS Relief (PEPFAR) resources.

Support rule of law and public demand for more effective watchdog institutions (\$920,000 DA; \$250,000 CSH). USAID will continue its activities to train law enforcement and the judiciary to fight corruption, and will help the Ministry of Legal Affairs to lead relevant legal and policy reforms. For the criminal justice system, USAID's anticorruption activities will continue to help develop prosecutors' expertise in handling corruption investigations and prosecutions, and to the GRZ on statutory reforms needed to buttress the criminal justice system. Implementation of parliamentary reforms and public demand activities will continue. CSH funds will be used to support PEPFAR to fund HIV/AIDS work place prevention activities and reform of legal barriers to rights of victims. Principal contractors or grantees: to be determined.

Performance and Results: This new strategic objective will build on the successful accomplishments of the previous strategy. The principal results expected at the end of this seven year program are:

- Reduced public sector abuse of office and corruption;
- Number of corruption cases prosecuted increased;
- Better enforcement of laws;
- Strengthened oversight institutions; and
- Reform of the National Assembly.

Data Sheet

USAID Mission:	Zambia
Program Title:	Multi-sectoral Response to HIV/AIDS
Pillar:	Global Health
Strategic Objective:	611-009
Proposed FY 2004 Obligation:	\$9,000,000 CSH
Prior Year Unobligated:	\$500,000 ESF
Proposed FY 2005 Obligation:	\$7,000,000 CSH
Year of Initial Obligation:	FY 2004
Year of Final Obligation:	FY 2010

Summary: USAID's new HIV/AIDS response program aims to reduce the devastating impact of the HIV/AIDS epidemic in Zambia across all sectors. The program includes technical assistance, grants, training, and food aid to support cross-sectoral interventions such as the expansion of HIV/AIDS workplace programs; support for people living with HIV/AIDS, including technical support to address legal and human rights for persons living with AIDS; mitigating the impact of HIV/AIDS on orphans and other vulnerable children; food aid and livelihood options to vulnerable households; support for the prevention and care of sexually transmitted infections (STIs), and behavioral change activities to vulnerable and high risk groups in selected cross border sites; providing livelihood options to vulnerable groups; and technical support to the National AIDS Council and Secretariat, provincial, and district structures. Funds also will support multisectoral activities to increase knowledge and behavior change, especially among youth. In addition, this program will provide technical support to other sector programs within USAID to mainstream and monitor HIV/AIDS interventions, improve policy and regulatory environments, and to mitigate the impact of HIV/AIDS.

Inputs, Outputs, Activities:

FY 2004 Program:

Reduce HIV/AIDS transmission (\$1,900,000 CSH). USAID, as part of the PEPFAR response, will expand employer-based HIV/AIDS prevention activities. Activities will support the development of workplace policies and programs that provide an environment for preventing the spread of HIV/AIDS and help mitigate the impact of HIV/AIDS through provision of care and support to infected and affected staff and their families. In addition USAID will implement STI prevention and care, behavior change and communication activities in selected cross border sites to reduce HIV/AIDS transmission among high-risk groups such as prostitutes and truck drivers. Principal contractors and grantees: For the Cross-Border Initiative, Family Health International (FHI), with World Vision, Zambia Health Education and Communications Trust (ZHECT), and the Society for Family Health. Other contractors or grantees: to be determined.

Improve care and support for people living/affected with HIV/AIDS (\$4,500,000 CSH). USAID will support PEPFAR through policy dialogue and advocacy to reduce stigma and discrimination, demand legal and human rights of persons living with AIDS, and home-based care for HIV/AIDS patients. In addition, USAID will support efforts to mitigate the impact of HIV/AIDS on orphans, vulnerable children, and youth. Technical assistance will be provided to institutions that support orphans and vulnerable children, such as the United Nations Children's Fund; the Ministry of Sport, Youth and Child Development; the Ministry of Community Development and Social Services; and non-governmental organizations. Funds also will be used to promote livelihood options to communities affected by HIV/AIDS. Principal grantees: Catholic Relief Services and others (to be determined).

Technical support to strengthen nutrition for people living with HIV/AIDS (\$500,000 prior year ESF). With prior year ESF, the Food and Nutrition Technical Assistant Project (FANTA) will provide technical support to integrate state-of-the-art nutrition interventions into home-based care, treatment services, palliative

care, and other HIV/AIDS services. Following an assessment of existing capacities and gaps, FANTA and its Zambia-based partners will develop/adapt tools for implementation of nutritional care and support, including technical guidelines, training curricula and counseling materials. FANTA will support implementation of these tools through training of trainers and through technical assistance to the design of program components and monitoring and evaluation systems.

Strengthen capacity of key sectors to mitigate the impact of HIV/AIDS (\$1,800,000 CSH). USAID will provide technical support to the National AIDS Council and Secretariat and other coordinating structures to strengthen their capacity to carry out HIV/AIDS national strategic plans, to ensure that the national HIV/AIDS program develops a multisectoral focus, and to monitor and evaluate the national HIV/AIDS program. In addition, other USAID sector programs will receive technical support to help them implement sector specific HIV/AIDS impact reduction programs. Principal contractors or grantees: to be determined.

Improve the policy and regulatory environment (\$800,000 CSH). Assistance will be directed toward the development of laws and regulations that protect the rights of HIV/AIDS affected individuals and families, especially widows and orphans. USAID will support HIV/AIDS policy advocacy, implementation, and monitoring by citizen groups. Principal contractors or grantees: to be determined.

P.L. 480 Title II assistance. Commodities and funds will be used to provide food security and livelihood options for vulnerable groups, especially those affected by HIV/AIDS, such as families caring for orphans and/or AIDS patients. An ongoing assessment will inform the design of this activity. Principal contractors or grantees: to be determined.

FY 2005 Program:

Zambia is a focus country under the President's Emergency Plan for AIDS Relief (PEPFAR). Additional funding from the Global HIV/AIDS Initiative account is anticipated for both FY 2004 and FY 2005.

Reduce HIV transmission (\$300,000 CSH). USAID will expand employer-based HIV/AIDS prevention activities. Principal grantees: For the Cross-Border Initiative, FHI with World Vision, ZHECT, and the Society for Family Health. Other contractors or grantees: to be determined.

Improve care and support for people living with or affected by HIV/AIDS (\$4,500,000 CSH). USAID will scale up nationwide support to orphans and vulnerable children and to people living with AIDS. Principal contractors or grantees: Catholic Relief Services and others (to be determined).

Strengthen capacity of key sectors to mitigate the impact of HIV/AIDS (\$2,000,000 CSH). USAID, in conjunction with its partners, will expand support for the National AIDS Council and Secretariat and other coordinating structures in multisector HIV/AIDS activities. Principal contractors or grantees: to be determined.

Improve the policy and regulatory environment (\$200,000 CSH). USAID will continue its assistance with the development of laws and regulations that protect the rights of HIV/AIDS-affected individuals and families in support of PEPFAR. Principal contractors or grantees: to be determined.

PL. 480 Title II assistance will continue to provide food security and livelihood options for those affected by HIV/AIDS, such as orphans and/or AIDS patients and their families. Principal contractors or grantees: to be determined.

Performance and Results: The major results expected at the end of this seven year program are:

- Provision of community support services to at least 40% of children affected by HIV/AIDS by 2010;
 - Reduction of HIV/AIDS transmission, especially among the 15-24 age group, from 8% to 3% by 2010;
 - At least 50% of HIV-infected persons provided basic care and psychosocial support services by 2010;
- and
- Reduced absenteeism within workplace programs.

Zambia PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2002 Actual	FY 2003 Actual	FY 2004 Current	FY 2005 Request
Child Survival and Health Programs Fund	30,700	37,904	34,200	34,100
Development Assistance	14,822	15,676	13,677	11,150
Economic Support Fund	800	650	0	0
PL 480 Title II	8,060	0	0	2,877
Total Program Funds	54,382	54,230	47,877	48,127

STRATEGIC OBJECTIVE SUMMARY				
611-001 Rural Income Growth				
DA	8,160	7,652	0	0
611-002 Basic Education				
DA	5,450	6,501	0	0
611-003 Integrated Health				
CSH	30,700	37,904	0	0
611-004 Democracy and Governance				
DA	1,212	1,523	0	0
ESF	800	650	0	0
611-005 Increased Competitiveness				
CSH	0	0	1,750	625
DA	0	0	6,707	6,770
611-006 Basic Education				
CSH	0	0	1,750	625
DA	0	0	5,770	3,460
611-007 Improved Health Status				
CSH	0	0	21,200	25,600
611-008 Democracy and Governance				
CSH	0	0	500	250
DA	0	0	1,200	920
611-009 Multi-sectoral Response to HIV/AIDS				
CSH	0	0	9,000	7,000

Mission Director,
Helen Gunther - Acting