

## Regional Center for Southern Africa

**The Development Challenge:** The Regional Center for Southern Africa (RCSA) is a regional program that currently covers 12 of the 14 countries that are members of the Southern Africa Development Community (SADC), namely Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. The region is anchored by the modern and dominant economy of South Africa, and many of the countries in southern Africa continue to be predominantly agricultural, and very poor. Although agriculture accounts for 70-80% of employment in SADC, it contributes less than 10% of regional GDP. Average regional GDP growth in 2002 was 2.6%; a positive rate but less than the estimated 6.2% that the region needs to meet its poverty alleviation goals. Challenged by poverty, hard hit by the HIV/AIDS pandemic and once again facing the threat of famine, this region has seen its average life expectancy drop from 57 to 33 years. The political crisis in Zimbabwe illustrates the fragility of democratic institutions in the region.

Against this bleak picture is the more positive one of a region with relatively well-developed infrastructure, diverse natural resources, generally better health and education than the rest of sub-Saharan Africa (aside from HIV/AIDS) and nascent democratic governments. With the cessation of hostilities and subsequent peace in Angola, and potentially in the Democratic Republic of the Congo (DRC), exciting new opportunities for development are presenting themselves in the region.

The United States has three main interests in southern Africa. First, the United States would like to increase trade and strengthen economic ties with the SADC region. At the same time, the United States is extremely concerned about the region's unfolding food security and HIV/AIDS crises, both from a humanitarian perspective and because they are decimating a limited pool of skilled workers and managers, thereby eroding the basis for regional economic development and trade. Finally, the United States has an interest in strengthening democracy to improve the climate for trade and reduce the risk of conflict in the region.

**The USAID Program:** USAID is requesting FY 2003 funding for four objectives that focus on establishing and strengthening democratic norms and practices, expanding trade, improving the management of shared wildlife and natural resources and increasing agricultural production and trade.

FY 2003 funds will finance ongoing regional democracy programs with non-governmental organizations (NGOs) in elections, media and anti-corruption which will, among other things, target the application of election norms and the protection of independent media in the upcoming elections in Namibia, Malawi, South Africa, Mozambique and Botswana. The bulk of FY 2003 funds will go to activities that promote expanded economic growth through trade, regional integration and enhanced competitiveness.

Limited funds will be applied to two cross-border natural resource areas that engage community, NGO, and government actors to protect wildlife and water resources. Another priority area of concern, food security, will be addressed directly through ongoing emergency food security assessments in six countries and indirectly through the commercial dissemination of drought resistant varieties of several basic crops.

The final year of funding for the current strategy is FY 2003. USAID is developing a new strategy for the Southern Africa Region that will run from FY 2004 - FY 2010. The new strategy will be reviewed in June 2003 for implementation beginning in October 2003, following Congressional Notification of the new strategic objectives. FY 2004 funds will be used for the sectors and areas to be approved under this new strategy.

**Other Program Elements:** Through the Education for Democracy and Development Initiative (EDDI), USAID is funding the training of 600 undergraduate and 20 graduate students a year at the University of Botswana in the application of geographic information systems and remote sensing. USAID's South Africa mission manages a regional HIV/AIDS program that focuses on preventing transmission at border crossings and checkpoints.

**Other Donors:** The European Union (EU) countries and USAID are the largest donors to SADC countries in trade, investment, natural resource management and agricultural sectors. The EU and the United Nations Development Program (UNDP) support media freedom, and the International Monetary Fund (IMF) works on anti-corruption initiatives. USAID and the IMF are collaborating on regional macroeconomic policy initiatives. The World Bank and USAID are cooperating on trans-boundary park management activities in the Great Limpopo River Basin. The World Bank contributed to the growth of the short-term electricity market that USAID was instrumental in starting. Disaster management activities receive support from the World Bank, the IMF, the UNDP and Germany. Many donors are active in natural resource policies and management, including the World Bank, the EU, the UNDP, Germany, Sweden, Denmark, France and the Global Environmental Facility. The World Bank, the EU, Germany, and the African Development Bank promote the development of transit corridors in Southern Africa.

## Regional Center for Southern Africa PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2001 Actual	FY 2002 Actual	FY 2003 Prior Request	FY 2004 Request
Development Assistance	1,251	20,117	24,731	12,771
Economic Support Fund	998	950	0	0
<b>Total Program Funds</b>	<b>2,249</b>	<b>21,067</b>	<b>24,731</b>	<b>12,771</b>

STRATEGIC OBJECTIVE SUMMARY				
690-001 Improved Democratic Practices in Southern Africa				
DA	1,251	1,617	1,464	1,758
ESF	0	200	0	0
690-002 Southern Africa Trade Development				
DA	0	14,500	18,517	4,500
690-011 Broadened U.S.-SADC Cooperation				
ESF	998	0	0	0
690-012 Shared Natural Resources Management				
DA	0	0	1,000	2,673
ESF	0	750	0	0
690-013 Expanded Trade in Farm Technologies and Products				
DA	0	4,000	3,750	3,840

## Data Sheet

<b>USAID Mission:</b>	Regional Center for Southern Africa
<b>Program Title:</b>	Improved Democratic Practices in Southern Africa
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	690-001
<b>Status:</b>	Continuing
<b>Proposed FY 2003 Obligation:</b>	\$1,464,000 DA
<b>Prior Year Unobligated:</b>	\$250,000 DA; \$200,000 ESF
<b>Proposed FY 2004 Obligation:</b>	\$1,758,000 DA
<b>Year of Initial Obligation:</b>	FY 1997
<b>Estimated Completion Date:</b>	FY 2004

**Summary:** USAID's program to consolidate democratic and improved governance in Southern Africa includes technical assistance and training to: improve elections and political processes, increase media freedom, and reduce corruption.

### Inputs, Outputs, Activities:

#### FY 2003 Program:

Improve elections and political processes (\$735,000 DA). USAID will continue to support the adoption and application of electoral norms and standards at national levels, with the aim of ensuring that such standards become part of the national laws and regulations that govern the conduct of elections. To this end, USAID will support the Southern Africa Development Community (SADC) Parliamentary Forum in its efforts to promote the adoption and application of these norms and standards, particularly in the six SADC countries that have general elections in 2004. USAID will focus on identifying potential sources of election-related conflict and will support SADC Parliamentary Forum programs aimed at mitigating such conflict. USAID will support the generation of information on the state of democracy in the region through the AfroBarometer (a regular survey of citizens' attitudes towards democracy) for use by policy makers and advocates for improved governance. Principal grantees: SADC Parliamentary Forum (prime), and the Institute for Democracy in South Africa (prime).

Increase media freedom (\$273,000 DA). USAID support will enable regional and national groups to carry out effective media-freedom advocacy campaigns aimed at liberalizing media regulation. In addition, regional media networks will promote more effective cooperation of media workers and institutions across borders to support those working in hostile environments by focusing regional attention on national abuses of media freedom. Principal grantees: To be determined.

Reduce corruption (\$456,000 DA). USAID will follow up on the regional agreement on anti-corruption by supporting civil society organizations to oversee the implementation process and to campaign for improved transparency in public procurement processes. Approaches will include training in investigative journalism, development of strategic linkages between civil society, parliamentarians, and media, and improved access to information. Principal grantees: To be determined.

#### FY 2004 Program:

The current USAID Southern Africa regional strategy ends in FY 2003. USAID is now working on a new strategy for FY 2004 - FY 2010. While shown as requests in support of this SO, FY 2004 funds will be obligated under the new strategy. Future programming under the proposed new strategy will build upon the successful work that USAID has done in anti-corruption, electoral norms and standards, and media freedom, and may expand into human rights and rule of law. Principal contractors and grantees: To be determined.

**Performance and Results:** The SADC Parliamentary Forum (PF) successfully applied its electoral norms and standards to elections in Zambia, Zimbabwe and Lesotho. In the case of Zimbabwe, the Forum's

conclusions about the illegitimacy of the elections were corroborated by domestic and international observers. The next step will be to promote the incorporation of the norms and standards into national electoral legislation, targeting in particular the six SADC countries holding elections in 2004. The Media Institute for Southern Africa (MISA) has continued its fight for media freedom, both in the courts of Zimbabwe and the Parliament of Zambia. As more governments move towards heavier controls on media, so also MISA has shifted its program to strengthening the advocacy capacity of its 11 national chapters through training in advocacy skills, legislative action, and legal defense of beleaguered journalists. Although corruption is reportedly on the rise, regional agreement to take concrete actions to increase accountability is emerging, as demonstrated in the signing of a regional agreement on anti-corruption (i.e. "Protocol") in 2001 by the SADC heads of state. Three countries ratified it in 2002 and more are expected to ratify in 2003.

Before the end of the program, it is anticipated that several Parliaments in the southern Africa region will have adopted the election norms and standards developed by SADC Parliamentary Forum for use in their own elections, and six more elections will have been assessed using these standards. The Parliamentary Forum will use its voice for other regional concerns, such as HIV/AIDS policy and anti-corruption issues. The protocol for anti-corruption will be in force, having been ratified by nine countries (the number required for protocols to take effect). Threats against freedom of the press will be effectively opposed by national and regional press groups, and several bills increasing the protection of free press, cutting government controls on media activities, and loosening controls on the entry of new media operations will have been passed.

## US Financing in Thousands of Dollars

### Regional Center for Southern Africa

690-001 Improved Democratic Practices in Southern Africa	DA	DFA	ESF
<b>Through September 30, 2001</b>			
Obligations	19,804	3,747	1,300
Expenditures	11,707	3,675	954
Unliquidated	8,097	72	346
<b>Fiscal Year 2002</b>			
Obligations	1,367	0	398
Expenditures	3,839	66	258
<b>Through September 30, 2002</b>			
Obligations	21,171	3,747	1,698
Expenditures	15,546	3,741	1,212
Unliquidated	5,625	6	486
<b>Prior Year Unobligated Funds</b>			
Obligations	250	0	200
<b>Planned Fiscal Year 2003 NOA</b>			
Obligations	1,464	0	0
<b>Total Planned Fiscal Year 2003</b>			
Obligations	1,714	0	200
<b>Proposed Fiscal Year 2004 NOA</b>			
Obligations	1,758	0	0
Future Obligations	0	0	0
Est. Total Cost	24,643	3,747	1,898

## Data Sheet

<b>USAID Mission:</b>	Regional Center for Southern Africa
<b>Program Title:</b>	Southern Africa Trade Development
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	690-002
<b>Status:</b>	Continuing
<b>Proposed FY 2003 Obligation:</b>	\$18,517,000 DA
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2004 Obligation:</b>	\$4,500,000 DA
<b>Year of Initial Obligation:</b>	FY 1995
<b>Estimated Completion Date:</b>	FY 2004

**Summary:** USAID's program to develop regional market integration in Southern Africa includes technical assistance and training to help the region work together to reduce internal barriers to trade, facilitate more efficient provision of infrastructure, and stimulate local business development through loans and financial services.

### Inputs, Outputs, Activities:

#### FY 2003 Program:

Reduce internal barriers to trade (\$7,650,000 DA). The Trade Hub that was launched in FY 2002 under the President's Trade Initiative has given USAID a new means of providing technical support in trade to the Southern Africa region. Through the Trade Hub's pool of technical specialists, USAID will provide technical assistance to eligible Southern African Development Community (SADC) countries to help them respond to the opportunities resulting from the Africa Growth and Opportunity Act (AGOA) and other trade agreements. This could include promoting U.S.-African business partnerships, business linkages, information clearinghouses and technical clarification on specific requirements such as visa certification for textiles under AGOA. USAID will provide trade capacity building assistance to support the proposed Free Trade Agreement between the United States and the five countries of the Southern Africa Customs Union (South Africa, Botswana, Lesotho, Namibia and Swaziland). USAID will continue to work with SADC to undertake critical analysis to support SADC's program to implement the SADC Free Trade Agreement and comply with World Trade Organizations (WTO) requirements. Finally, USAID will finance measures to increase the operational efficiency of Customs systems, such as the development of an electronic certificates-of-origin system. Principal contractors and grantees: Chemonics International (prime), IBM Consulting (prime) and Nathan Associates (prime).

More efficient provision of infrastructure (\$867,000 DA). USAID funding will underwrite the further development of the land transport road and railroad network between the port at Dar es Salaam in Tanzania and endpoints in Malawi and Zambia. This activity, which builds upon experience gained to date in the Trans Kalahari corridor (linking Port Walvis in Namibia to Johannesburg in South Africa through Botswana) will include best practices such as joint public-private sector management, improved procedures for transferring goods between rail and road, and harmonized technical and operational standards across borders (e.g. standards on axle load limits and standardized Customs documents). The Telecommunications Regulators Association of Southern Africa, a regional organization established with USAID assistance, will support rapid and comprehensive legislative reform to further liberalize the sector in selected SADC countries. USAID work in the energy sector will focus on upgrading the successful short-term electricity market and on furthering the development of independent regulators in the member states. Principal contractors and grantees: Nexant (prime), U.S. Energy Association (prime), and Internews Network (prime).

Stimulate local business development through provision of credit and financial services (\$10,000,000 DA). USAID will support the activities of the Southern Africa Enterprise Development Fund (SAEDF), an agency that offers equity participation, loans and financial services to businesses operated by or serving

Southern Africans. USAID grants enable SAEDF to stimulate local business development. Principal grantee: SAEDF.

**FY 2004 Program:**

The USAID Southern Africa regional strategy ends in FY 2003, the final year of obligation. USAID is currently working on a new strategy for FY 2004 - FY 2010. While shown as requests in support of this objective, FY 2004 funds will be obligated under the new strategy. Future programming under the proposed new strategy will focus on increasing regional competitiveness in the global market as well as increasing trade in a more vibrant, liberalized and connected regional market. Principal contractors and grantees: To be determined.

**Performance and Results:** In 2001, the SADC region launched a regional short-term market for buying and selling surplus electricity. This market now provides an alternative to the long-term and relatively inflexible supply contracts between countries. With only 18 months of operation, it has allowed its members to reduce the amount of extra electricity produced or purchased as a safety margin for local consumption in case of breakdowns, from 18% to 10% of normal usage. As membership grows and the volume traded increases, average wholesale prices have been declining. In customs and transport, the implementation of a pilot customs procedures program on the Trans-Kalahari transit corridor is allowing SADC to test the effectiveness of its customs reforms. Another test case, this one for comprehensive legislative reform to liberalize telecommunications in Namibia, was carried out successfully with joint support from this USAID program and the bilateral USAID program in Namibia. These pilot efforts, which are just part of the ongoing USAID work in transport and telecommunications, will receive support for replication elsewhere in the region.

SADC Ministers of Finance formally agreed to carry out joint programs to improve macroeconomic performance and harmonization of tax systems, thus providing a basis for the proposed regional agreement on finance and investment. The first year of trade under the SADC Free Trade Agreement greatly exceeded expectations, with \$32 million traded under the new rules. Similarly, regional exports to the U.S. under AGOA reached \$1.28 billion in just eight months.

At the end of the program, Southern Africa will possess at least two well functioning transit corridors; its Customs operations will be more efficient and transaction costs will have fallen; independent and market-driven operations in telecommunications and energy will be well-grounded in legal, policy and regulatory frameworks created to end state monopoly of these sectors; and internal trade will have increased and external trade with the U.S. under AGOA will be thriving.



## US Financing in Thousands of Dollars

### Regional Center for Southern Africa

	DA	DFA
690-002 Southern Africa Trade Development		
<b>Through September 30, 2001</b>		
Obligations	76,267	6,796
Expenditures	51,868	6,576
Unliquidated	24,399	220
<b>Fiscal Year 2002</b>		
Obligations	14,850	0
Expenditures	12,252	220
<b>Through September 30, 2002</b>		
Obligations	91,117	6,796
Expenditures	64,120	6,796
Unliquidated	26,997	0
<b>Prior Year Unobligated Funds</b>		
Obligations	0	0
<b>Planned Fiscal Year 2003 NOA</b>		
Obligations	18,517	0
<b>Total Planned Fiscal Year 2003</b>		
Obligations	18,517	0
<b>Proposed Fiscal Year 2004 NOA</b>		
Obligations	4,500	0
Future Obligations	0	0
Est. Total Cost	114,134	6,796

**Data Sheet**

**690-005: No Summary and/or Pillar information entered for this SO.**

**Data Sheet**

**690-011: No Summary and/or Pillar information entered for this SO.**

## US Financing in Thousands of Dollars

Regional Center for Southern Africa

690-011 Broadened U.S.-SADC Cooperation	<b>ESF</b>
<b>Through September 30, 2001</b>	
Obligations	3,000
Expenditures	1,031
Unliquidated	1,969
<b>Fiscal Year 2002</b>	
Obligations	0
Expenditures	942
<b>Through September 30, 2002</b>	
Obligations	3,000
Expenditures	1,973
Unliquidated	1,027
<b>Prior Year Unobligated Funds</b>	
Obligations	0
<b>Planned Fiscal Year 2003 NOA</b>	
Obligations	0
<b>Total Planned Fiscal Year 2003</b>	
Obligations	0
<b>Proposed Fiscal Year 2004 NOA</b>	
Obligations	0
Future Obligations	0
Est. Total Cost	3,000

## Data Sheet

<b>USAID Mission:</b>	Regional Center for Southern Africa
<b>Program Title:</b>	Shared Natural Resources Management
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	690-012
<b>Status:</b>	Continuing
<b>Proposed FY 2003 Obligation:</b>	\$1,000,000 DA
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2004 Obligation:</b>	\$2,673,000 DA
<b>Year of Initial Obligation:</b>	FY 2000
<b>Estimated Completion Date:</b>	FY 2004

**Summary:** USAID's program to increase effective management of shared natural resources includes technical assistance and training to help governments and communities formulate policies and agreements that facilitate the development of reasonable resource management in and around reserves, parks and other transboundary areas, and to provide leaders in the public, private and non-profit sectors with the skills and information necessary to manage shared natural resources. A third area, the development of natural resource management best practices such as joint management plans, will be carried out using already obligated prior year funds.

### **Inputs, Outputs, Activities:**

#### **FY 2003 Program:**

Policies, agreements and information to govern the management of shared natural resources (\$1,000,000 DA). The Okavango River flows through Angola, Namibia and Botswana, and terminates in the Okavango Delta, the world's largest inland delta. The Okavango River Basin Commission, a tri-national group, is working on a river basin management plan that needs to factor in and accommodate the competing water needs of each country. USAID will finance the development of a river flow model that will help the commission predict changes in flow over time and thereby inform water management decisions. As part of this initiative and other water resources management initiatives in the region, support will be provided for the harmonization of national water laws in the Okavango river basin countries with the provisions of the SADC regional agreement on shared watercourse systems. Principal grantees: To be determined.

#### **FY 2004 Program:**

The USAID Southern African regional strategy ends in FY 2003, the final year of obligation. USAID is currently working on a new strategy for FY 2004 - FY 2010. While shown as requests in support of this objective, FY 2004 funds will be obligated under the new strategy. Future programming under the proposed new strategy will utilize the experience gained from the work USAID has done in multi-national management of shared resources and community-based natural resource management, as well as the more recent experience in river basin management. The new strategic focus is expected to center on water resource management (a principal area of concern for natural resource management), agricultural development and conflict prevention. Principal contractors and grantees: To be determined.

**Performance and Results:** USAID has contributed substantially to the establishment of three transboundary natural resource management areas: 1) Great Limpopo (South Africa, Mozambique and Zimbabwe); 2) Four Corners (Botswana, Namibia, Zimbabwe and Zambia), and 3) ZIMOZA (Zimbabwe, Mozambique and Zambia). The operational framework for joint management of the Great Limpopo area was adopted in 2002, followed by the formal establishment of the Great Limpopo Transfrontier Park in December 2002. In Four Corners, all four governments are working together in the management of the freshwater fisheries of the Upper Zambezi. The treaty establishing the ZIMOZA area is nearing completion.

In these areas, community residents have organized to work together across borders to produce and implement resource management plans in conjunction with the work of the national and local governments. In addition, the best practices of community enterprises and joint ventures based on natural resources that has been successful in the Four Corners area are now being introduced in the Great Limpopo area, starting with small grants to seven non-governmental organizations to develop or support such enterprises, and a joint venture for a cattle/game ranch.

At the end of the program, there will be three new transboundary natural resource areas with technical plans and operating structures in place to guide collaborative work at both governmental and community levels. The beneficiary governments and communities will be firmly committed to the joint management and protection of their respective transboundary areas. Community members will have higher incomes as a result of their participation in natural resource based enterprises. In addition, river basin management in two river basins will have advanced due to the application of better information, modeling, and planning tools.

## US Financing in Thousands of Dollars

### Regional Center for Southern Africa

	DA	DFA	ESF
690-012 Shared Natural Resources Management			
<b>Through September 30, 2001</b>			
Obligations	42,142	750	0
Expenditures	23,192	685	0
Unliquidated	18,950	65	0
<b>Fiscal Year 2002</b>			
Obligations	0	0	650
Expenditures	7,765	55	0
<b>Through September 30, 2002</b>			
Obligations	42,142	750	650
Expenditures	30,957	740	0
Unliquidated	11,185	10	650
<b>Prior Year Unobligated Funds</b>			
Obligations	0	0	0
<b>Planned Fiscal Year 2003 NOA</b>			
Obligations	1,000	0	0
<b>Total Planned Fiscal Year 2003</b>			
Obligations	1,000	0	0
<b>Proposed Fiscal Year 2004 NOA</b>			
Obligations	2,673	0	0
Future Obligations	0	0	0
Est. Total Cost	45,815	750	650

## Data Sheet

<b>USAID Mission:</b>	Regional Center for Southern Africa
<b>Program Title:</b>	Expanded Trade in Farm Technologies and Products
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	690-013
<b>Status:</b>	Continuing
<b>Proposed FY 2003 Obligation:</b>	\$3,750,000 DA
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2004 Obligation:</b>	\$3,840,000 DA
<b>Year of Initial Obligation:</b>	FY 2000
<b>Estimated Completion Date:</b>	FY 2004

**Summary:** USAID's program to expand commercial markets for agricultural technologies and commodities includes research support, policy analysis, technical assistance and training to develop and disseminate crop and animal production technologies, inform and improve policies affecting agricultural production and trade, and support international and regional response to the southern Africa food security crisis.

### Inputs, Outputs, Activities:

#### FY 2003 Program:

Accelerate development, dissemination and adoption of sustainable agricultural technologies and practices (\$1,151,000 DA). USAID will leverage resources via a public-private alliance for the commercialization of technologies to control heartwater (a livestock disease). If successful, this venture could benefit livestock farmers by an estimated \$40-45 million annually and open up vast new opportunities associated with game species production. Additional resources will be allocated to international research programs focusing on adoption and commercialization of improved varieties of drought-tolerant food crops, i.e., sorghum, pearl millet, cassava and sweet potatoes. Principal grantees: the University of Florida (prime), Intervet International (sub), the International Crops Research Institute for the Semi-Arid Tropics (prime), and the International Institute for Tropical Agriculture (prime).

Analyze and implement policies, laws and regulations that increase trade of agricultural commodities and technologies (\$1,811,000 DA). USAID will provide technical support to governments and the private sector to harmonize sanitary and phytosanitary standards (SPS) with international food safety standards, and to develop local laboratory and agribusiness capacity to meet those standards. In a parallel effort, USAID will host a USDA Animal Plant Health Inspection Service advisor to assist national agencies in producing pest risk assessments and pest lists in order to streamline admissibility of SADC agricultural commodities to U.S. and other markets. On the broader agricultural policy front, USAID will field highly skilled agricultural policy analysts to support the adoption of recommendations from an upcoming report on policy constraints hampering efficient agricultural markets and trade. Principal contractor: Chemonics International (prime).

Support regional response to food security concerns (\$788,000 DA). USAID will continue funding Famine Early Warning System Network (FEWSNET) emergency food security assessments that have provided international donors and the Southern Africa region with critical information on vulnerable household populations and their geographic locations in relation to food resources during the current food security crisis. USAID will establish a FEWS unit in Angola to coordinate and improve food security information systems. The immediate objective is to produce the information needed to expedite the restoration and revitalization of Angola's agricultural sector and rural economy. Principal contractor: Chemonics International (prime).

#### FY 2004 Program:



The USAID Southern Africa regional strategy ends in FY 2003, the final year of obligation. USAID is presently working on a new strategy for FY 2004 - FY 2010. While shown as requests in support of the current objective, FY 2004 funds will be obligated under the new strategy. Future programming under the proposed new strategy will build on USAID's successes in development, dissemination, and adoption of agricultural technologies and practices, and will expand upon its more recent work in regional agricultural markets and trade, and regional preparedness and response to disasters.

**Performance and Results:** USAID's program in improved agricultural technologies and commercialization of staple food crops and their products has increased smallholder income when rains are good and household food security when rains are bad for small farmers across the region. In 2002, the regional food security crisis increased demand for these products both as foodstuffs and as inputs to industry. In some cases, however, the food security crisis has adversely affected market supply of some commodities due to households not having any excess production to sell. Anecdotal reports indicate that the prevalence of improved crop varieties in some drought-affected regions considerably reduced the hunger period. To verify this, USAID will conduct an assessment of the impact of planting drought-tolerant varieties on the food security of these households. In another activity directed specifically at the current food crisis, a USAID grantee carried out a series of assessments of the food security situation in the six countries most affected by the drought. These assessments identified the specific locations of the most vulnerable households in these countries and thus facilitated coordination of food delivery efforts by donors and commercial suppliers. In the course of this process, analysts pinpointed specific policies impeding free movement of commodities across and within borders, as well as those creating disincentives to agricultural production and trade. Subsidies, pricing policies and marketing controls were among the identified disincentives.

The agricultural component of the Trade Hub portfolio successfully completed an 11-country assessment of national SPS policies in comparison with international SPS standards. This comparative analysis will form the basis for harmonizing national policies with international standards, beginning with the adoption of a new annex on SPS standards to the SADC trade agreement. Signatories to the regional agreement will then bring national legislation into line with SADC guidelines.

At the end of the program, farmers in seven countries will be benefiting from improved crop varieties and new agricultural technologies, increasing their production, processing, and commercialization of basic food crops. A heartwater vaccine will have undergone field trials, and if the trials are successful, will be registered with governmental authorities and on its way to market. Progress on meeting international SPS will open up new export markets for some of the region's agricultural commodities.

## US Financing in Thousands of Dollars

Regional Center for Southern Africa

690-013 Expanded Trade in Farm Technologies and Products	DA
<b>Through September 30, 2001</b>	
Obligations	8,979
Expenditures	6,493
Unliquidated	2,486
<b>Fiscal Year 2002</b>	
Obligations	4,000
Expenditures	1,481
<b>Through September 30, 2002</b>	
Obligations	12,979
Expenditures	7,974
Unliquidated	5,005
<b>Prior Year Unobligated Funds</b>	
Obligations	0
<b>Planned Fiscal Year 2003 NOA</b>	
Obligations	3,750
<b>Total Planned Fiscal Year 2003</b>	
Obligations	3,750
<b>Proposed Fiscal Year 2004 NOA</b>	
Obligations	3,840
Future Obligations	0
Est. Total Cost	20,569