



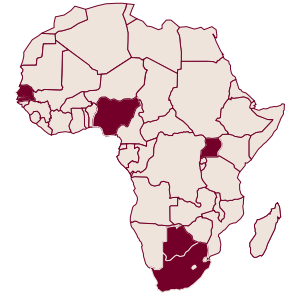
DELIVERING ON
AFRICA'S
PROMISE

UNITED STATES OF AMERICA

President Bush's Visit to Africa

July 8 – 12, 2003

Senegal, South Africa, Botswana, Uganda, Nigeria



Peacekeeping – President Bush met with the leaders of each country he visited, as well as seven other West African heads of state. He emphasized U.S. support for African efforts to mitigate conflict and maintain peace, such as the ECOWAS (Economic Community of West African States) peacekeeping force in West Africa.

With the ability to borrow money to buy homes and start businesses, more Africans will have the tools to achieve their dreams.

– President George W. Bush,
July 12, 2003

Economic Growth – President Bush announced a proposal to help strengthen and broaden African capital markets, specifically **mortgage markets**. Among those involved in this effort are the U.S. Treasury Department, the Overseas Private Investment Corporation, and U.S. and African experts and financial institutions such as Fannie Mae.

Millennium Challenge Account – To make development aid more effective, President Bush proposes that the new Millennium Challenge Account direct resources to countries with governments that rule justly, root out corruption, encourage entrepreneurship, and invest in the health and education of their people.



President Bush tours the assembly line at the Ford Motor Company of Southern Africa in Pretoria, South Africa.

Trade – The United States is working to complete a **free trade agreement** with the nations of the Southern African Customs Union—Botswana, Lesotho, Namibia, South Africa, and Swaziland—to create new opportunities for farmers, workers, and entrepreneurs across Africa.

AGOA – The Africa Growth and Opportunity Act (AGOA) has brought jobs, investment, and opportunity to Africa since its establishment in 2000. To help give businesses the confidence to make long-term investments in Africa, President Bush encourages the extension of AGOA beyond 2008.

The people of Africa are fighting HIV/AIDS with courage. And I'm here to say, you will not be alone in your fight.

– President George W. Bush,
July 12, 2003



President Bush greets families affected by AIDS at the Abuja National Hospital and Laboratory in Nigeria.

Security – The United States is working closely with African nations that face particular security threats. President Bush has proposed a \$100 million initiative to help governments in East Africa protect their people and strengthen counter-terrorism efforts, including border security.

HIV/AIDS – A major focus of the U. S. government is assisting Africa to face the impact of HIV/AIDS. President Bush commended African countries that are willing to confront the epidemic and assured them that the United States is supporting their efforts. He is endorsing funding for the first year of operation of his five-year, \$15 billion program to support the global fight against HIV/AIDS, which is focused on 14 nations in Africa and the Caribbean.

U.S.-Africa Partnership – While in Nigeria, President Bush addressed the Leon H. Sullivan Summit, an annual meeting promoting U.S. and African relations. He announced that USAID (the United States Agency for International Development) will give a new \$5 million grant to the International Foundation for Education and Self-Help, which for the past 10 years has sent American teachers to Africa to train local educators.

With greater opportunity, the peoples of Africa will build their own future of hope. And the United States will help this vast continent of possibilities to reach its full potential.

– President George W. Bush, July 12, 2003

U.S. Engagement with Africa

President Bush will visit Africa this year. This trip further underscores the U.S. commitment to the region; President Bush has already had meetings with 24 African heads of state. Seven members of the President's Cabinet—Secretary Powell, Secretary O'Neill, Secretary Thompson, Secretary Evans, Secretary Abraham, Secretary Rumsfeld, and Ambassador Zoellick—have traveled to Africa in their official capacities. In addition, U.S. Agency for International Development (USAID) Administrator Natsios, as Special Coordinator for International Disaster Assistance, and Senator Danforth, Presidential Envoy for Peace in Sudan, have made numerous trips to the continent.

“We will work in partnership with African nations and leaders for an African continent that lives in liberty and grows in prosperity.”

-President George W. Bush, June 20, 2002

◆ The President announced the **Millennium Challenge Account (MCA)** last year, which increases our core development assistance by 50 percent over the next three years, resulting in a \$5 billion annual increase over current levels by FY2006.

◆ The President recently announced the **Emergency Plan for AIDS Relief**, a \$15 billion commitment, which includes \$10 billion in new funding. The plan builds on the \$500 million **Mother and Child HIV Prevention Initiative** announced last year. The United States continues to be the largest contributor to the **Global Fund to Fight HIV/AIDS, Tuberculosis, and Malaria**.

◆ The United States doubled its financial commitment to the **Africa Education Initiative** it launched in 2001, bringing our total basic education spending in Africa to \$630 million over five years.

◆ The United States will continue to build on the success of the **African Growth and Opportunity Act (AGOA)**, and the President has committed to extending the act past its current end date of 2008.

◆ The United States is negotiating a **free trade agreement** with the Southern African Customs Union (SACU) and is working to tear down trade barriers and promote Africa's integration into the global economy.

◆ The United States is pursuing policies to foster lasting peace and security throughout Africa, by training peacekeepers under the **African Contingency Operations Training and Assistance Program (ACOTA)**, conducting military education seminars at the **Africa Center for Strategic Studies (ACSS)**, and working with African mediators and sub-regional organizations to resolve conflict.

◆ The President has proposed a new \$200 million **Famine Fund** to increase U. S. flexibility in responding to famine. The United States will deliver up to \$1.4 billion in **emergency assistance** in 2003, of which approximately \$850 million will be in Africa, to address food crises.

Launching a New Compact for Development

“The needs of the developing world demand a new approach....This new vision unleashes the potential of those who are poor, instead of locking them into a cycle of dependence. This new vision looks beyond arbitrary inputs from the rich, and demands tangible outcomes for the poor.”

***- President George W. Bush,
March 14, 2002***

The President announced at the Inter-American Development Bank on March 14, 2002, that the United States will increase its core development assistance by 50 percent over the next three years, resulting in a **\$5 billion** annual increase over current levels by FY2006. These additional funds will go to a new **Millennium Challenge Account**.

The Millennium Challenge Account represents a new compact, which recognizes that economic development assistance can be successful only if it is linked to sound policies in developing countries. In sound policy environments, aid attracts private investment by two to one—that is, every dollar of aid attracts two dollars of private capital. In countries where poor public policy dominates, aid can actually harm the very citizens it was meant to help.

The funds going into the Millennium Challenge Account will be distributed to developing countries that demonstrate a strong commitment toward:

◆ **Good governance.** Rooting out corruption, upholding human rights, and adhering to the rule of law are essential conditions for successful development.



President Bush meets with Senegal's President Abdoulaye Wade.

◆ **The health and education of their people.** Investment in health care and schools provide for healthy and educated citizens who can become agents of development.

◆ **Sound economic policies that foster enterprise and entrepreneurship.** More open markets, sustainable budget policies, and strong support for development will unleash the enterprise and creativity for lasting growth and prosperity.

Combating HIV/AIDS

- ◆ HIV/AIDS has already killed over 20 million people worldwide and is expected to kill 55 million more by 2020.
- ◆ Of the world's 25 most HIV/AIDS-affected countries, 24 are in Africa, with 7 countries already having prevalence rates above 20 percent of the adult population.
- ◆ In 2002 alone, African HIV/AIDS infections grew by 3.5 million.
- ◆ Nearly 500,000 infants are infected by HIV every year in Sub-Saharan Africa through mother-to-child transmission.

In this year's State of the Union address, President Bush announced the **Emergency Plan for AIDS Relief**, a five-year, **\$15 billion** initiative to combat the global HIV/AIDS pandemic. This commitment of resources will help the most affected countries in Africa and the Caribbean wage and win the war against HIV/AIDS, extending and saving lives. Specifically, the initiative is intended to:

- ◆ **Prevent 7 million new infections (60 percent of the projected new infections in the target countries).**

The initiative will involve large-scale prevention efforts, including voluntary testing and counseling. The availability of treatment will enhance prevention efforts by providing an incentive for individuals to be tested.

- ◆ **Treat 2 million HIV-infected people.**

Capitalizing on recent advances in antiretroviral (ARV) treatment, the President's Emergency Plan for AIDS Relief will be the first global effort to provide advanced ARV treatment on a large scale in the poorest, most affected countries.

- ◆ **Care for 10 million HIV-infected individuals and AIDS orphans.**

The initiative will provide a range of care, including support for AIDS orphans.

The \$15 billion in funding in the Emergency Plan virtually triples the U.S. commitment to international AIDS assistance. Funding will begin with \$2 billion in FY2004, and ramp up thereafter. The \$15 billion includes \$1 billion for the Global Fund to Fight HIV/AIDS, Tuberculosis, and Malaria, conditioned on the Fund showing positive results.



President Bush hosts a visit by United Nations Secretary General Kofi Annan and Nigerian President Olusegun Obasanjo to the Oval Office May 11, 2001. President Bush discussed a strategy to halt the spread of AIDS and other infectious diseases across the African continent and the world. At a Rose Garden speech, President Bush pledged U.S. support for the Global HIV/AIDS fund and jump-started the fund with the first contribution.

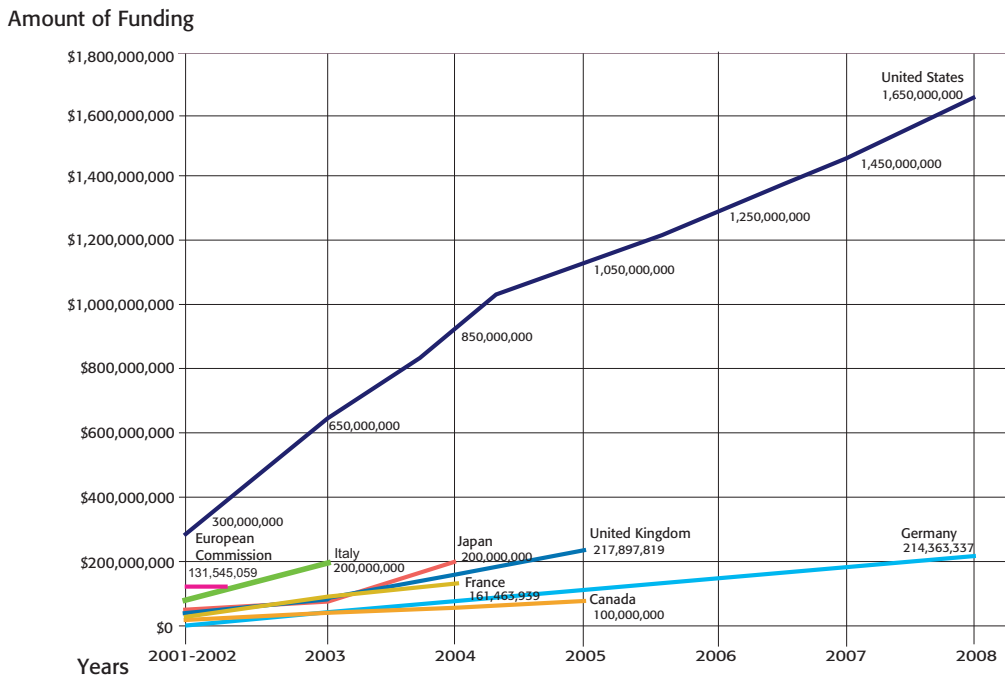
“One of the greatest obstacles to Africa’s development is HIV/AIDS, which clouds the future of entire nations. The world must do more to fight the spread of this disease, and must do more to treat and care for those it afflicts. And this country will lead the effort.”

**- President George W. Bush,
June 20, 2002**

The Emergency Plan builds on the \$500 million **Mother and Child HIV Prevention Initiative** designed to prevent mother-to-child transmission, launched last year. Under this initiative:

- ◆ Up to 1 million pregnant women will receive treatment annually.
- ◆ Mother-to-child transmission will be reduced by 40 percent within five years or less in 12 African countries and the Caribbean.
- ◆ Health care delivery systems will be developed, including volunteer medical and nursing training corps.

United States Commits \$1.65 Billion to the Global Fund for HIV/AIDS, Tuberculosis, and Malaria



Improving Africa's Education

- ◆ Primary school enrollments and literacy rates in Africa are among the lowest in the world.
- ◆ 42 million school children in Sub-Saharan Africa are not enrolled in school.

The President's **Africa Education Initiative** committed \$200 million over five years (FY2002-2006). The multi-year basic education initiative provides needed training and materials to both teachers and students. With this additional funding, many African students will receive textbooks written in their local language and girls will receive scholarships covering the cost of tuition. Likewise, new and existing teachers will receive the needed training to educate children more effectively.

This initiative will:

- ◆ Train more than 160,000 new teachers and provide in-service training for more than 260,000 existing teachers.
- ◆ Partner with historically black colleges and universities in America to provide 4.5 million more textbooks and other learning materials for children in Africa.

“Education is the foundation of development and democracy—in every culture, on every continent. We’ll work to give Africa’s children the advantages of literacy and learning so they can build Africa’s future.”

- President George W. Bush, June 20, 2002



Schoolgirls in West Africa.

- ◆ Provide 250,000 scholarships for African girls.
- ◆ Increase the role of parents in their children's education by working to make school systems more transparent and open to reforms from parents.

This initiative, combined with existing programs, brings U.S. spending on basic education programs in Africa to more than \$630 million over five years.

Stimulating Economic Growth and Opportunity Through Trade and Investment

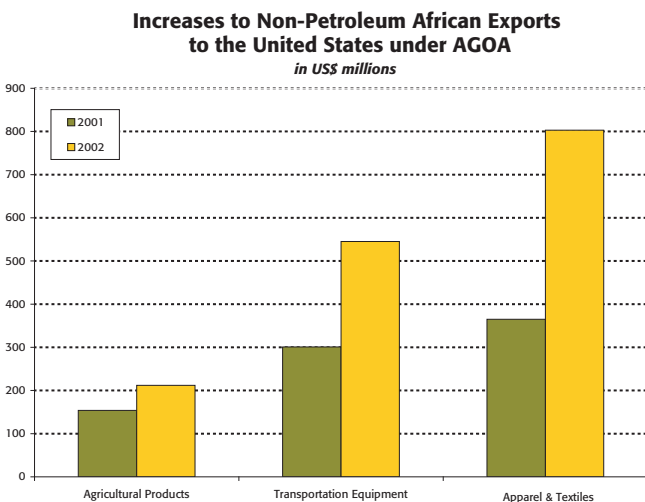
- ◆ Although Sub-Saharan Africa has roughly 11 percent of the world's population, it generates only 1 percent of world economic activity and 1.5 percent of global trade.
- ◆ In 1999, average GDP per capita in Africa was only \$504, one-tenth of the global average of \$5,117.

“America is committed to building on the great success of AGOA....Therefore, I’m pleased to announce that I will ask the United States Congress to extend AGOA beyond 2008.”
 - President George W. Bush, January 15, 2003

The **African Growth and Opportunity Act (AGOA)** is transforming the economic landscape of Sub-Saharan Africa—stimulating new trading opportunities for African businesses and entrepreneurs, creating new jobs, and bringing hundreds of millions of dollars in much-needed investment to the region.

- ◆ Roughly 94 percent of U.S. imports from beneficiary countries now enter the U.S. duty-free.
- ◆ The United States imported \$9 billion of merchandise duty-free under AGOA provisions in 2002, a 10 percent increase from 2001, despite the general decline in imports from Sub-Saharan Africa.

The United States is committed to building on the success of AGOA through:



- ◆ Passage of AGOA II legislation, **enhancing AGOA**, to provide expanded opportunities for African countries.
 - ◆ Commitment to **extending AGOA** beyond its current end date of 2008.
- In addition, the United States is negotiating a regional **free trade agreement with the Southern African Customs Union (SACU)**. This agreement will provide a catalyst for trade and investment between the United States and SACU.

Since 1999, the United States has devoted \$345 million to **trade capacity building** programs in Sub-Saharan Africa. Among the areas receiving significant funding were:

- ◆ Trade-related agricultural development technical assistance.
- ◆ Assistance toward World Trade Organization (WTO) awareness, accession, and participation.
- ◆ Support for a diverse set of trade-promoting activities, including support for business training in export sectors, greater efficiency in customs operations, regional trade agreements between countries, and access to e-commerce technology.



Trade Representative Robert Zoellick speaking at the January 2003 AGOA Forum in Mauritius.

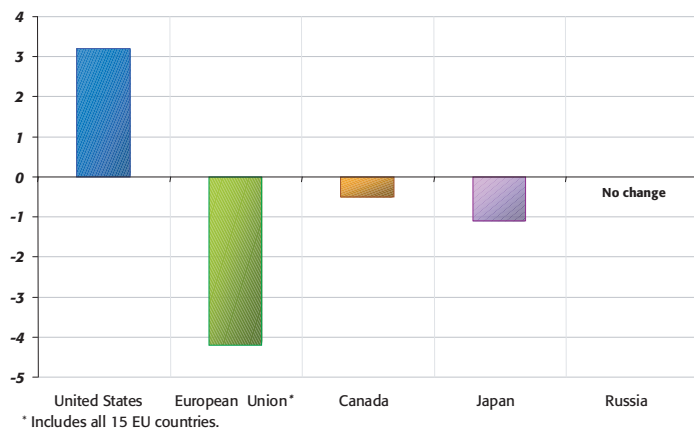
In the last 12 months, the United States has created three **regional trade hubs** in Botswana, Ghana, and Kenya to assist in utilization of AGOA and promote African trade. In January, the President announced the addition of U.S. agriculture officials to these hubs to help African farmers export abroad.

The United States, in partnership with developing countries, is committed to delivering the benefits of global trade through successful **Doha negotiations**. These negotiations will benefit African nations, especially by opening agriculture markets and by reducing trade-distorting farm subsidies with an eye toward eventual elimination.

The **Overseas Private Investment Corporation**, a self-sustaining U.S. government agency that helps investors manage risk by providing political risk insurance and financing, had approved nearly \$1 billion in projects in Sub-Saharan Africa as of the end of 2002.

The **Export-Import Bank of the United States (Ex-Im)** provides trade finance opportunities in regions often overlooked by commercial banks, with special attention being given to Sub-Saharan Africa. In 2002, Ex-Im supported 127 transactions in 18 Sub-Saharan African countries for \$475 million, a 456 percent increase in authorizations compared with 2001.

United States Gaining Share, Growing in Importance as Sub-Saharan Africa Export Market
Percentage point change in share of SSA total exports between 1996 and 2001, all sectors



Expanding World Bank Grants and Debt Reduction

Bilateral Debt Relief being provided by the U.S. since 2001 (Million US\$)	
Country	Amount Reduced
Cameroon	47.7
Democratic Republic of the Congo	1,538.8
Ethiopia	66.0
Ghana	11.3
Guinea	122.4
Madagascar	8.5
Mali	0.1
Mauritania	7.1
Mozambique	5.0
Niger	4.1
Rwanda	1.6
Senegal	8.6
Sierra Leone	71.4
Tanzania	16.4
Uganda	0.2
Zambia	280.3
TOTAL	2,189.5

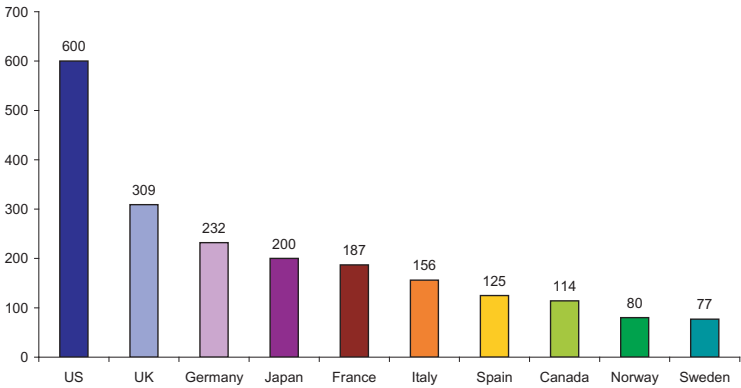
The United States has led the vigorous effort to “**stop the debt**” for the poorest countries. The G-8 has supported the U.S.-led initiative to provide a substantial **increase in World Bank grants** for the poorest countries. Moreover, the United States provides over 99 percent of its official development assistance in grants, more than any other G-8 member.

The United States also supports the **Heavily Indebted Poor Countries (HIPC)** initiative to help countries in Africa and elsewhere in the world achieve both sustainable economic policies and sustainable debt levels.

◆ Twenty-six countries, 22 of them in Africa, have started to receive HIPC debt relief totaling \$41 billion in face value terms. Social expenditures in these countries have increased from 5.9 percent of GDP in 1999 to 9.1 percent in 2002.

◆ The United States has contributed \$600 million to the HIPC Trust Fund, which helps regional multilateral institutions cover their costs of HIPC debt reduction. Roughly \$392 million of this contribution is to help the African Development Bank cover its costs of HIPC debt reduction for Sub-Saharan African countries.

U.S. is Leading Contributor to HIPC Trust Fund
Top 10 Contributors to HIPC Trust Fund as of 12/31/02 (US\$ millions)



◆ As a follow-up to commitments made at the 2002 G-8 Summit, the United States has pledged to contribute an additional \$150 million to the HIPC Trust Fund financing gap.

◆ The United States is going beyond the HIPC program requirements by forgiving 100 percent of debts owed to the United States by qualifying HIPC countries and encouraging other allies to do the same.

Enhancing Agricultural Development, Resource Management, and the Environment

- ◆ Africa currently has the lowest agricultural yields of any region in the world.
- ◆ Thirty percent of African GDP is based on agriculture and more than 70 percent of Africa's population derives its livelihood from the sector.
- ◆ The Congo River Basin Forest, the second largest tropical forest in the world, is being degraded at the rate of 2 million acres every year.

The United States is raising the profile of agriculture in the international development community and is significantly increasing its financial support. The United States funds agricultural programs in 25 African countries. In 2003, the United States will spend **\$164 million** on projects in Africa to support agricultural productivity, improve technology and research capacity, invest in rural infrastructure, support community-based producer organizations, and improve agricultural trade infrastructure and information systems.

To help meet the Millennium Development Goal of reducing the number of hungry people on the continent by half by 2015, the United States launched the **Initiative to End Hunger in Africa (IEHA)** at the World Summit on Sustainable Development in Johannesburg last year. The IEHA is a multi-year effort that will focus on harnessing science and technology and unleashing the power of market forces to increase small-holder agricultural productivity.

In 2002, the United States established 18 new targeted **public-private alliances** in support of African agriculture, providing nearly \$20 million to leverage more than \$37 million of funding from private partners. These include a development alliance with the global chocolate industry and the establishment of the African Agricultural Technology Foundation.



Pepper farmers in South Africa.



Women in Mozambique maintaining a borehole.

The **Congo Basin Forest Partnership**, launched at the World Summit on Sustainable Development in 2002, pledges \$53 million over a four-year period. Support is to be provided to a network of national parks and protected areas, well-managed forestry concessions, and communities dependent upon the conservation of forest and wildlife resources.

Safe, clean drinking water is necessary for human life. Yet only 62 percent of Africans have regular access to a clean water source. At a regional level, the United States has committed more than \$17 million over the past three years to improving water resources management in Africa.

Over the next three years, more than a half million people are expected to gain access to clean water and sanitation services as a result of the **West Africa Water Initiative** (WAWI), an alliance of organizations announced at the World Summit on Sustainable Development. Along with partners, the

United States announced a nearly \$41 million public-private partnership to provide potable water and sanitation to rural villages in Mali, Ghana, and Niger. By 2008, the partners expect WAWI will:

- ◆ Provide 825 new water boreholes, 100 alternative water resources, and 9,000 more latrines.
- ◆ Instruct thousands of adults, children, and teachers in safe hygiene and sanitation practices.



President Bush conferring with Secretary of State Colin Powell and National Security Advisor Dr. Condoleezza Rice.

Achieving Peace and Security

The United States is pursuing a strategy to end wars and combat terror in Africa. The United States is helping African nations and organizations develop their ability to respond to crises and will work closely with responsible African leaders, our allies in Europe, and the United Nations to support regional peace initiatives. The U.S. efforts include:

- ◆ Assisting African nations on the front lines of the war on terror.
- ◆ Appointing Presidential Envoy for Peace in Sudan, former Senator John Danforth.
- ◆ Supporting regional peacekeepers to secure peace in places like Sierra Leone and Côte d'Ivoire.
- ◆ Supporting demobilization of soldiers in Angola to consolidate peace.
- ◆ Launching a \$5 million rewards program to track down individuals responsible for genocide and terror acts in Central Africa.

An ever more lethal environment exists in Africa as local civil wars spread beyond borders to create regional war zones. The United States is working to form coalitions of the willing and cooperative security arrangements, which are key to confronting these emerging transnational threats.

The **African Contingency Operations Training and Assistance Program** (ACOTA) aims

to develop and enhance peace operations and humanitarian assistance capabilities among selected African armies. ACOTA provides peacekeeping training, technical assistance, mentoring, and field equipment. ACOTA has successfully trained African militaries to provide the backbone of peacekeeping operations within the region.

The **Africa Center for Strategic Studies** (ACSS) is a unique American institution that fosters professional education of Africa's civilian and military leaders, supports democratic governance in Africa, and facilitates long-term, continuing dialogue with and among leaders. The center supports U.S. policy objectives by promoting democratic values, good civil-military relations, and a stable security environment in Africa.

U.S.-Africa Counterterrorism Cooperation will help build indigenous capability to secure borders, and help build up the law enforcement and intelligence infrastructure to deny havens for terrorists.



President Bush meets with President Joseph Kabila of the Democratic Republic of Congo, left, President Thabo Mbeki of South Africa, center, and President Paul Kagame of Rwanda, right, on September 13, 2002, during the United Nations General Assembly meeting to promote stability in the Great Lakes region. President Kagame announced that same afternoon that Rwandan forces would withdraw from Congo.

Fighting Famine

◆ Today in Africa, 40 million people are at risk of starvation or are facing severe food shortages, including more than 14 million people in Ethiopia and Eritrea alone.

The United States is the world's largest contributor of food relief, providing 51 percent of total contributions to the U.N. World Food Program's emergency operations, and over 40 percent of contributions to the World Food Program's emergency appeals for Southern Africa last year.



U.S. Agency for International Development Administrator Andrew Natsios meets with village leaders in Ethiopia.

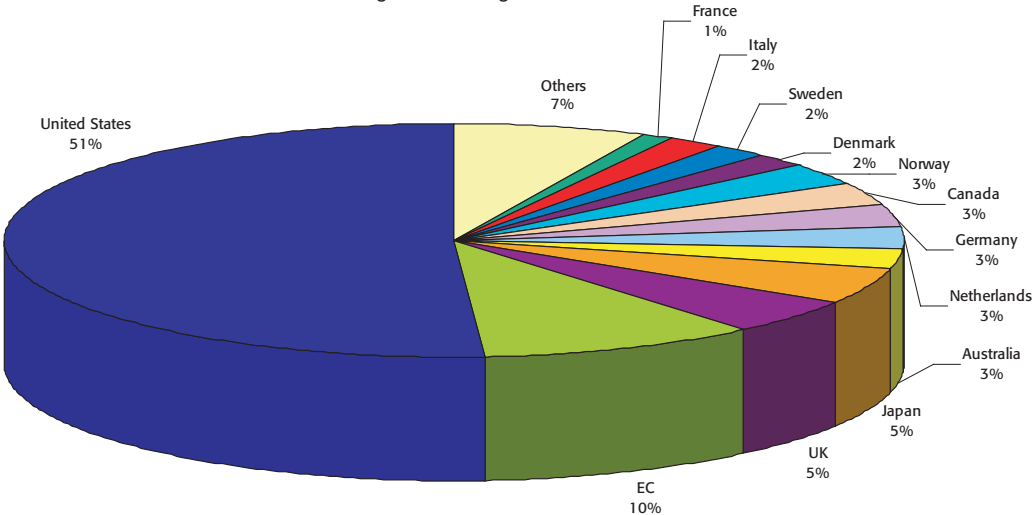
The United States will deliver up to **\$1.4 billion** in USAID-administered emergency assistance in 2003, of which approximately \$850 million will be in Africa, to address food crises.

The President's FY2004 budget recognizes the need for immediate famine relief by continuing current levels of **emergency assistance** and creating a new \$200 million **Famine Fund** to prevent and mitigate famine in developing countries.

President Bush is urging other nations to follow America's lead by increasing donations or contributing for the first time, as well as by establishing their own emergency response funds to respond quickly and effectively to severe food crises.

United States Providing More Than Half of Donor Contributions to World Food Program

Percentage of Total Program, 2002





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