

Performance Section





INTRODUCTION TO THE FY 2004 PERFORMANCE SECTION

The Performance Section of the report is composed of chapters for each of USAID's eight fiscal year (FY) 2004 strategic goals organized by the following six sub-sections:

SUB-SECTIONS USED FOR STRATEGIC GOAL PERFORMANCE ANALYSIS	
Sub-Section	Purpose and Explanation
I. Public Benefit	A concise narrative describing how pursuit of the goal provides intended benefits (or harm avoided) for the United States and the world.
II. Selected Performance Trends	Graphs that show key performance trends specific to each goal.
III. Resources Invested	A summary of resources (net costs) devoted to pursuit of the goal for both the current reporting period (FY 2004) and the previous reporting period (FY 2003), including the positive or negative percentage change for comparison purposes. The number of direct funded positions (USAID employees) associated with the strategic goal is also provided.
IV. Illustrative Examples	An example of a key FY 2004 achievement that is typical of the Agency's work in support of the goal.
V. Performance Results	Results history/trend together with, if available, preliminary FY 2004 performance results, the current rating, and a short impact statement pertaining to each of the available FY 2004 results achieved. For any FY 2004 performance result listed as preliminary, the final validated/verified performance data for that target/indicator set will be provided in the FY 2004 Performance and Accountability Report (PAR) Addendum, to be published by USAID in March 2005.
VI. Program Evaluations and PART Reviews	Summaries of evaluations and reviews conducted on the programs critical to activities related to a given strategic goal.

The table below shows the percentage of results attained that were equal to or above the "on target" rating for each strategic goal. The greater the percentage of results equal to or greater than the on target rating, the better. Goals in the FY 2003 column containing an asterisk (*) do not have percentages listed as they are new goals with no prior-year results associated with them.

PERCENTAGE OF RESULTS EQUAL TO OR ABOVE THE "ON TARGET" RATING			
Strategic Goal <i>(Number of FY 2004 Reported Results)</i>	FY 2004 ¹	FY 2003	Percentage Point Change
1. Regional Stability	TBD	91%	TBD
2. Counterterrorism	TBD	N/A*	TBD
3. International Crime and Drugs	TBD	100%	TBD
4. Democracy and Human Rights	TBD	93%	TBD
5. Economic Prosperity and Security	TBD	80.5%	TBD
6. Social and Environmental Issues	TBD	84.8%	TBD
7. Humanitarian Response	TBD	90%	TBD
8. Management and Organizational Excellence	TBD	N/A*	TBD

¹ TBD – Based on the preliminary results data for FY 2004 contained in this report, any attempt to provide a valid percentage of results equal to or above the "on target" rating would be misleading and statistically inaccurate. This data will be available and published in the March 2005 PAR Addendum.

BACKGROUND – UNDERSTANDING THE EVOLUTION OF OUR STRATEGIC PLANNING STRUCTURE

As referenced in the Management’s Discussion and Analysis (MD&A) section of the FY 2003 PAR (<http://www.usaid.gov/policy/par03>), FY 2003 was the final year to be associated with the USAID 2000 Strategic Plan. Beginning in FY 2004, the Department of State and USAID Joint State-USAID Strategic Plan for FY 2004-2009 will be the basis for performance and accountability reporting in accordance with the Government Performance and Results Act of 1993 (GPRA).

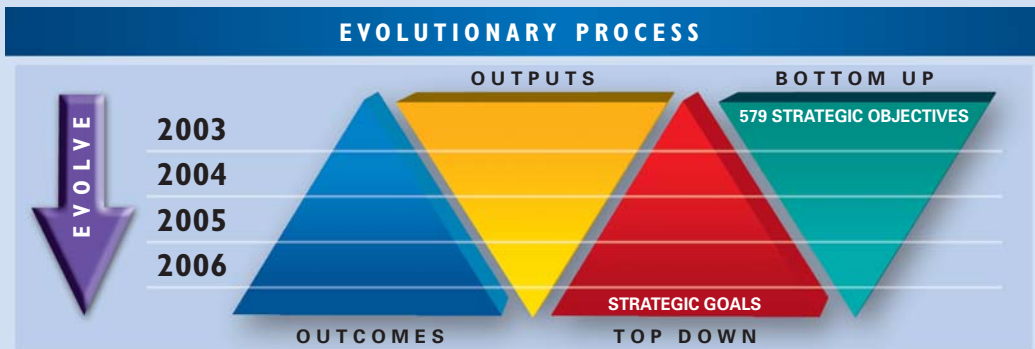
The six strategic goals and one management goal in the 2000 Strategic Plan have been superseded by the three strategic objectives and eight strategic goals of the Joint State-USAID Strategic Plan relevant to USAID, to more closely coordinate the activities of diplomacy and development. The relevance of foreign development in support of the U.S. national interest has never been stronger, and the merging of the strategic objectives and goals of USAID and the Department of State provides for greater continuity of the message, administration of the effort, and measurement of the results of foreign aid and diplomacy.

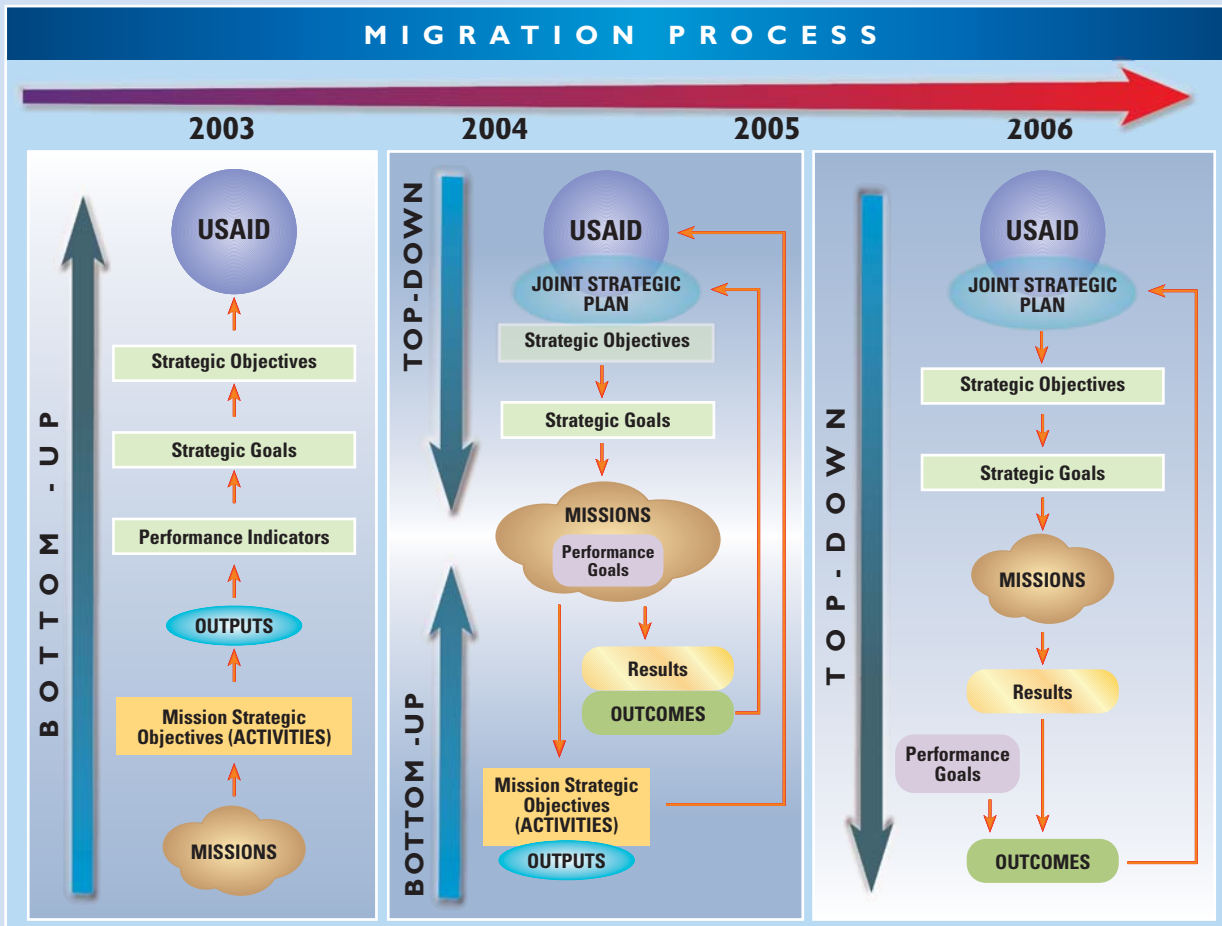
A structural shift of this magnitude is not without its challenges. Organizationally, USAID is in the midst of an evolutionary process, from a structure of decentralized goals and activities to a culture of results-oriented, centralized administration and performance of activities in support of

common goals and outcomes. This refocusing on outcomes, rather than on outputs, will contribute to a culture of stronger accountability for performance results, and ultimately, greater benefit to the American people and the nations of the world where USAID operates. This will be an evolutionary process as the various geographically dispersed USAID missions adopt and employ this process between FY 2004 and FY 2006.

Also critical to this evolutionary process is the full integration of the annual performance plans (APP) to the reporting requirements established each year by the Office of Management and Budget (OMB) for the PAR. USAID has recognized the opportunities for improvement from the FY 2003 report, and is currently performing the migration process to improve the quality of all aspects of performance planning and reporting.

The migration from the 2003 baseline to the 2006 standard is an evolution process, and will involve a phased shift from the previous structure over the course of several years. During this phase, the Mission-driven initiatives will be incorporated into the Joint Planning process to validate continuity with strategic goals and strategic objectives, but there is an onus to associate the Mission’s goals with the Joint Performance Plan, rather than vice versa.





As a result of the adoption of the Joint State-USAID Strategic Plan and Joint Performance Plan structures, there are no contiguous strategic and performance goals between 2003 and 2004; however, activities at the indicator and target level are able to be associated with the broader 2003 strategic objectives. Although none of the indicators are contiguous between the 2003 PAR and the 2006 Joint Performance Plan, 61 of 63 indicators are contiguous between 2004 and 2005 and 100 percent between 2005 and 2006.

To facilitate the evolutionary process described above, USAID carefully examined its reporting capabilities in light of the accelerated deadline for publishing the annual PAR for FY 2004. The decision was reached to report as much provisional or preliminary FY 2004 performance results information as possible to meet the November 15th reporting

deadline, clearly identify the results information as provisional and preliminary, and publish an Addendum to the PAR after the Annual Report data has been received, analyzed, and made available on an Agency-wide basis. In every case where data has been estimated for the FY 2004 Results column, the method employed for data estimation by USAID's professional analysis is described in detail in Appendix C (i.e., expert opinion, historical trends, extrapolation, or sampling and statistics). In furtherance of this strategy, USAID will publish a FY 2004 PAR Addendum in March 2005, which will contain all final, validated performance results for the Agency's FY 2004 targets and indicators. All recipients of the November 15th version of the FY 2004 USAID PAR will also receive a printed copy of the FY 2004 PAR Addendum, and it will also be available electronically on USAID's main Web site.

STRATEGIC OBJECTIVE #1: ACHIEVE PEACE AND SECURITY

The following are the strategic goals that comprise this strategic objective:

- ◆ Strategic Goal 1: Regional Stability
- ◆ Strategic Goal 2: Counterterrorism
- ◆ Strategic Goal 3: International Crime and Drugs

Each of these USAID Strategic Goals that support the “Achieve Peace and Security” Strategic Objective from the Joint State-USAID Strategic Plan will be discussed separately below, in the context of the strategic goal, performance goals, indicators, and targets which support overall accomplishment of the strategic objective.

STRATEGIC GOAL 1: REGIONAL STABILITY

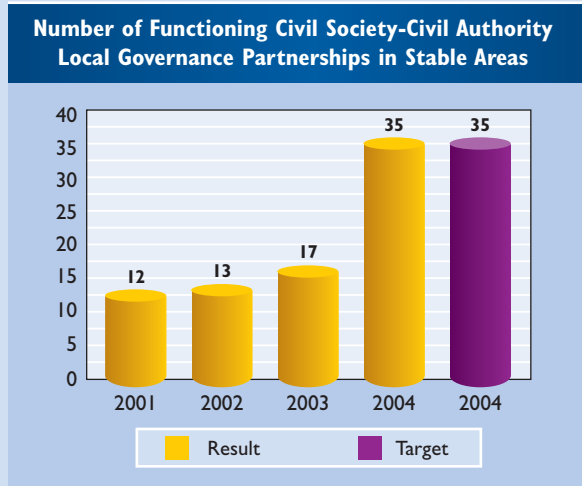
Avert and Resolve Local and Regional Conflicts to Preserve Peace and Minimize Harm to the National Interests of the United States

I. PUBLIC BENEFIT

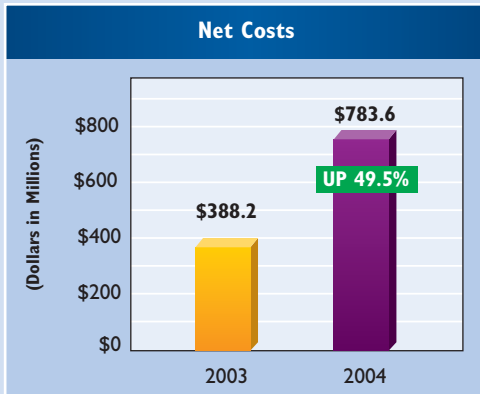
The United States must provide for the safety of Americans at home and abroad, protect against threats to its interests worldwide, and honor commitments to its allies and friends. The activities of USAID are cost-effective means for enhancing and ensuring stability in all regions of the world through understanding, addressing, and responding early to the causes and consequences of violent conflict. Through development assistance, USAID builds and strengthens relations with neighbors and allies worldwide by promoting peaceful regional environments and by educating foreign audiences in ways that can prevent, manage, and mitigate conflicts, and foster cooperative efforts. The benefits to the United States are greatest when the world is safer and more stable. Early action to address failing, failed, and recovering states, or “fragile states,” is central to promoting regional

stability and addressing the source of the nation's most pressing security threats. Factors that contribute to fragility and regional instability include, but are not limited to, economic and political instability; health crises; the illegal trade in toxic chemicals and dumping of hazardous wastes; corruption; violent ethnic conflict; influence of neighboring country interests; population movements; landmine contamination; exploitation of natural resources; proliferation of small arms and light weapons; trafficking in persons; the trade of illegal conflict diamonds; natural disasters; and systemic, state-sponsored denial of political and legal rights. USAID advances U.S. national security interests through the resolution of regional instability, so that Americans, at home and abroad, are safe from violence.

II. SELECTED PERFORMANCE TRENDS



III. RESOURCES INVESTED



IV. ILLUSTRATIVE EXAMPLE OF SIGNIFICANT ACHIEVEMENT

Burundi

USAID provided \$500,000 in FY 2003 and an additional \$1 million in FY 2004 while leveraging \$500,000 from Bureau for Africa (AFR) to program activities to mitigate land-related conflict. These activities seek to address both transitional issues, particularly those related to the most immediate threats and development objectives once the transitional period ends. The land issue is addressed in two ways: first by creating “breathing room” within which a participatory dialogue on land and resettlement can take place as developing policies related to land are a longer term process, and second, to create livelihood and food security opportunities to stimulate economic development. In addition, since over two-thirds of Burundians are practicing Catholics, the Office of Conflict Management and Mitigation (CMM) is working on a unique three-year project to promote a culture of peace and reconciliation through the Catholic Church in Burundi. This project will be managed by the Catholic Relief Service (CRS) and will have strong secular dimensions. The project will focus on education programs for peace and reconciliation and trauma healing provided by Catholic institutions for the general Burundian population.

Democratic Republic of Congo (DRC)

The DRC has taken significant steps forward in its effort to end conflicts, including an April 2003 power-sharing agreement signed by the government of the DRC, the two primary armed rebel groups, the political opposition, as well as civil society.

USAID supported activities that promote the informed participation of Congolese society in political and economic decision-making processes to contribute to a peaceful, unified, and democratic country. Through an Office of Transition Initiatives (OTI)-funded small grants initiative, strategic grants helped civil society organizations (CSO) enhance their outreach and participation in the peace process, develop advocacy skills, and connect to like-minded organizations throughout the country.

USAID was instrumental in the organization and success of the International Reconstruction Conference on Liberia and in attracting vital political and financial support (\$500 million pledged) from key regional and international institutions during this critical period of transition, thereby preventing a backslide into years of conflict. USAID/Liberia’s extensive reintegration and peace building programs promote community-based economic revitalization and reconciliation and have set the standard for other donors, demonstrating the U.S. commitment to stability in the Mano River Basin.

USAID is engaged in activities designed to promote a post-conflict transition to a durable peace in the DRC, which is key to the stability of the entire Great Lakes region. These include technical assistance and training to the DRC’s national institutions, including the Independent Election Commission, political parties, and subcommittees of the National Assembly; support to transitional justice institutions and non-governmental organizations to protect human rights and promote access to justice at the national and community level; and technical assistance and training in conflict mitigation for citizens to rebuild their communities while re-integrating ex-combatants and displaced persons.

Senegal: USAID's program has been engaged in an effort to stabilize the Casamance region by working with civil society and local government partners in a wide range of peace building, income generation, and conflict mitigation activities. USAID's work with both the government of Senegal (GOS) and the rebel group, MFDC, led to two major events in 2003: the historic May 4th meeting between the leader of the rebellion and President Wade, and an internal conference held by the MFDC to design a coherent negotiation platform for peace talks. Grassroots initiatives supported by USAID included 92 separate events to encourage dialogue, collaboration, and prevention of violence reaching 10,031 individuals. Sixteen local organizations were involved in peace promotion activities, exceeding the target of 10. Due to improved security, USAID has been able to expand its non-conflict programs in health, education, and democratization to the region.

With USAID support from Regional Economic Development Support Office (REDSO), six member states have ratified the protocol for a conflict early warning and response mechanism: offices were established in four countries and data collection has been initiated.

USAID launched the Northern Uganda Peace Initiative (NUPI) in March 2004. The original intention was to promote and prepare the government of Uganda's (GOU) Presidential Peace Team for talks with the Lord's Resistance Army (LRA) on providing humanitarian access to displaced populations in northern Uganda. It was hoped successful talks of a non-political nature would build confidence between the parties and lead to a comprehensive peace process and the end of hostilities. The LRA's failure to respond to a U.S. government offer of talks coupled with increased violence against civilians resulted in a decision that the U.S. government would only support talks if they led to a quick and permanent end to the conflict, disbanding of the LRA, and removal of its leaders. NUPI then shifted focus to promoting a national reconciliation process as part of a wider GOU peace strategy: a long-term national consensus building process that is owned by the GOU and civil society at all levels. NUPI's role is to provide technical assistance to this process by 1) assisting the GOU to establish a national Reconciliation Steering Group, 2) developing the

capacity of the Steering Group through technical assistance and team building, 3) acting as a process facilitator and strategy communicator between the GOU and civil society, and 4) advising Ugandan non-government organizations (NGO) and CSOs in developing and coordinating their programs for peace building and reconciliation. As of end FY 2004, NUPI had reached agreement in principle with key GOU ministries and agencies to establish the Steering Group and convene a stakeholders conference on national reconciliation; signed a memorandum of understanding (MOU) with the Center for Conflict Management and Peace Studies (CCMPS), Gulu University, for joint research and advocacy on reconciliation; and consulted widely with GOU, donors, UN, and civil society on plans for reconciliation and post-conflict development.

- ◆ MOU approved by USAID/Uganda and signed with CCMPS, Gulu University.
- ◆ The PS of MIA agreed in principle to establish a Steering Group on Reconciliation inviting initially representatives from the Ministry of Finance, PS of Office of the Prime Minister (OPM), Human Rights Commissioner, and Commissioner for the Amnesty Commission with NUPI acting in a secretariat function.
- ◆ Framework document for Security, Conflict Resolution, and Disaster Management (SCD) Sector Working Group drafted by the OPM with technical assistance from NUPI, and then distributed to Working Group members.

V. PERFORMANCE RESULTS

SUMMARY OF PROVISIONAL OR PRELIMINARY RESULTS — STRATEGIC GOAL 1			
Total Goals and Indicators		Performance Summary	
Number of Performance Goals	1	Number of Targets Met	3
Number of Program Goals	1	Number with Data Lags	–
Number of Indicators	3		

PERFORMANCE GOAL #1

Existing and Emergent Regional Conflicts are Contained or Resolved

FY 2004 NET PROGRAM COSTS - \$783,653,596

PROGRAM GOAL: CONFLICT MANAGEMENT AND MITIGATION

Use a variety of diplomatic and foreign assistance tools to turn despair into hope.

Performance Indicator #1: Progress Made in Advancement of a Peace Process (Worldwide)

FY RESULTS HISTORY	2001	N/A (new indicator for FY 2004)
	2002	N/A (new indicator for FY 2004)
	2003	N/A (new indicator for FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ In Senegal 92 separate events encouraged dialogue, collaboration, and prevention of violence reaching 10,031 individuals. ◆ Sixteen local organizations were involved in peace promotion exceeding the target of 10. ◆ 144 training sessions were sponsored. ◆ In Somalia – Center for Research and Dialogue (CRD) peace forums in Somalia, Academy for Peace and Development (APD) forum for civic dialogue in Somaliland – grass roots peace-building training for 800 women ◆ REDSO cross border peace dialogues in Karamoja have helped break cycles of conflict between the Pokot, Karamojong, Turkana, and Sabiny ethnic groups. ◆ REDSO partners conducted 16 conflict-training courses. ◆ West African Regional Program (WARP) partners trained 150 in conflict reduction and peace-building and 108 in conflict early warning (38 female, 69 male). ◆ Burundi – radio Isanganiro broadcasts 105 hours per week in three languages and has increased its coverage to 90 percent of the population in addition to reaching into neighboring countries. Studio Ijambo produces 17 hours of peace and reconciliation programs per week that are broadcast on seven radio stations. ◆ Sudan – seven major peace reconciliations/peace conferences with 700 to 1000 attending each. ◆ In FY 2004, Democracy, Conflict and Humanitarian Assistance Bureau’s (DCHA) CMM Office sponsored a broad range and number of events that will help both its Mission and Washington staff more effectively support conflict management and mitigation, including peace building initiatives. Through a workshop series focusing on monitoring and evaluation of conflict programs, for example, CMM is developing a comprehensive strategic framework and set of indicators for peace-building programs. Together, a series of CMM-sponsored lunchtime addresses and separate set of seminars in conjunction with the Woodrow Wilson Center brought together experts to inform USAID and the broader development community on a wide range of topics. Seminar topics ranged from the state of peace in Sudan to current issues affecting Pakistan and the Caucasus to the role played by young people, businesses, and the security sector in mitigating or exacerbating conflict. CMM has also already played a significant role in coordinating an Agency-wide workshop on community infrastructure in conflict societies, as well as in helping to plan a regional workshop on conflict monitoring and evaluation set for later this fall.

Continued

PROGRAM GOAL: CONFLICT MANAGEMENT AND MITIGATION (continued)	
Performance Indicator #1 (continued)	
FY 2004 Data (continued)	2004 Preliminary or Provisional Results (continued) <ul style="list-style-type: none"> The CMM Office has developed a series of training and technical assistance tools that can help USAID Missions identify and prioritize the most important causes of conflict in their country. CMM's Conflict Assessment Framework discusses how existing programs interact with underlying conflict dynamics and then illustrates how programs might shift in order to address these dynamics. In FY 2004, CMM offered direct technical assistance to Missions, completing assessments in East Timor, Azerbaijan, Panama, and El Salvador. At the end of FY 2004, CMM was readying publication of the first of a series of conflict "toolkits," which provide technical assistance to critical focus areas that have been shown to be contributing causes of conflict. The toolkits provide USAID missions with access to concrete, practical program options and lessons learned; options for partners; and mechanisms and monitoring and evaluation tools for implementing more effective conflict programs. To date, USAID has published youth, land, and minerals. Next in the series are local governance, human rights, water, and oil and natural gas.
	Target <ul style="list-style-type: none"> The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating <ul style="list-style-type: none"> ■ On Target
	Impact <p>Working toward its mandate of mainstreaming conflict sensitivity within USAID's traditional disaster, transitional, and development assistance portfolios, CMM has achieved positive results by supporting peace building initiatives, conflict sensitivity training, and conflict mitigation-focused media campaigns. These contributions continue to improve USAID's ability to more skillfully support local efforts toward peace and regional stability.</p>

PROGRAM GOAL: CONFLICT MANAGEMENT AND MITIGATION (continued)	
Performance Indicator #2: Number of Local Organizations Promoting Peace for 6 + Months	
FY RESULTS HISTORY	2001 N/A (new indicator in FY 2003)
	2002 N/A (new indicator in FY 2003)
	2003 16
FY 2004 Data	2004 Preliminary or Provisional Results <ul style="list-style-type: none"> USAID's work with both the GOS and the MFDC facilitated two major events this year: the historic May 4th meeting between the leader of the rebellion, Abbé Diamacoune, and President Wade on Senegalese soil; and an internal conference held by the MFDC to design a coherent negotiation platform for peace talks. The internal conference was held in Ziguinchor, marking the first time the MFDC has held a general assembly within the country. USAID's partners worked with key members of the MFDC to advise them on diplomatic techniques and communication strategies and at the same time served as a mediator between the MFDC and the GOS. USAID-funded village level conflict resolution meetings, primarily with displaced people, reached over 2,940 participants. These meetings addressed problems of community reconciliation, both ethnic and political. An education for peace curriculum, which promotes peace building among youth, was implemented. Ninety-two separate events to encourage dialogue, collaboration, and prevention of violence and reduction of prejudices reached thousands of participants. These included religious ceremonies (Catholic, Moslem and animist), concerts for peace, and ethnic/cultural exchanges. In Somalia, CRD peace forums in Somalia, APD forum for civic dialogue in Somaliland – grass roots peace building training for 800 women REDSO cross border peace dialogues in Karamoja have helped break cycles of conflict between the Pokot, Karamojong, Turkana, and Sabiny ethnic groups. REDSO partners conducted 16 conflict training courses WARP partners trained 150 in conflict reduction and peace-building and 108 in conflict early warning (38 female, 69 male). Over the past year, WANEP (a grant to a consortium composed of CRS and the West African Network for Peacebuilding) successfully set up national-level peace-building networks in 11 countries involving 298 CSOs. It also carried out comprehensive training needs assessments and subsequently designed training interventions for participating national-level organizations. WANEP's designated public sector partner is ECOWAS, an organization that has publicly committed itself to increasing its role in conflict prevention, but which is notably lacking in capacity. Thirty-three ECOWAS staff and 42 CSOs will be trained in conflict analysis, management, and peace-building. USAID will work with the United Nations Development Program (UNDP) to best structure assistance to deal with this challenge.

PROGRAM GOAL: CONFLICT MANAGEMENT AND MITIGATION (continued)		
Performance Indicator #2: Number of Local Organizations Promoting Peace for 6 + Months (continued)		
FY 2004 Data (continued)	2004 Preliminary or Provisional Results (continued)	<ul style="list-style-type: none"> ◆ Burundi – radio Isanganiro broadcasts 105 hours per week in three languages and has increased its coverage to 90 percent of the population in addition to reaching into neighboring countries. Studio Ijambo produces 17 hours of peace and reconciliation programs per week that are broadcast on seven radio stations. ◆ In Burundi, civil society groups help 138 peace and reconciliation meetings ◆ Sudan – Seven major new reconciliations were concluded: the Ngok of Abyei People’s Conference, Greater Aweil Dialogue for Peace, Upper Nile Peace Conference, Nuba Mountains, Kidepo Valley Agreement, Tore Conference, and Panakar Peace Conference. ◆ Increased participation in reconciliation efforts reduced local resource-driven endemic conflicts by improving the capacity of stakeholders to share natural resources. About 700 to 1000 people attended each meeting, including representatives of armed militias, but the benefits reached many others in the communities.
	Target	16
	Rating	■ On Target
	Impact	Peace cannot be achieved without extensive effort to reach all parties through the broadest means possible, (i.e., through events, etc.).

PROGRAM GOAL: CONFLICT MANAGEMENT AND MITIGATION (continued)		
Performance Indicator #3: Number of Functioning Civil Society-Civil Authority Local Governance Partnerships in Stable Areas		
FY RESULTS HISTORY	2001	12
	2002	13
	2003	17
FY 2004 Data	2004 Preliminary or Provisional Results	<p>USAID/Uganda funded several organizations to implement 35 peace dialogue action items, including the facilitation of peace-building activities, such as public works, traditional ceremonies, peace fairs, and theater; through peace committees, village leaders, and women’s groups. Thirty-five additional peace dialogue meetings were held at national and local levels; 20 peace clubs established in schools.</p> <p>Two large-scale traditional ceremonies involving a total of 199 individuals and five smaller ceremonies were carried out to facilitate the community reintegration of the ex-combatants registering for Amnesty (“reporters”).</p>
	Target	35 peace dialogue action items; 20 peace clubs established in schools; two large-scale traditional ceremonies.
	Rating	■ On Target
	Impact	In Northern Uganda key stakeholders in Gulu consulted regarding reconciliation priorities, including religious, district, and traditional leaders; women’s groups; NGOs; and civil society.

VI. PROGRAM EVALUATIONS AND PART REVIEWS

Five program evaluations for the FY 2004 budget process were conducted in FY 2004 that pertained to this Strategic Goal.

- 1) United States Agency for International Development. *Foreign Aid in the National Interest: Promoting Freedom, Security, and Opportunity*. Chapter 4, Mitigating and Managing Conflict. 2002
http://www.usaid.gov/fani/Chapter_4--Foreign_Aid_in_the_National_Interest.pdf
- 2) United States Agency for International Development, Office of Conflict Management and Mitigation. *Conducting a Conflict Assessment: A Framework for Strategy and Program Development*.
- 3) United States Agency for International Development, Office of Conflict Management and Mitigation. *Youth & Conflict: A Toolkit for Intervention*
- 4) United States Agency for International Development, Office of Conflict Management and Mitigation. *Valuable Minerals & Conflict: A Toolkit for Intervention*
- 5) United States Agency for International Development, Office of Conflict Management and Mitigation. *Land & Conflict: A Toolkit for Intervention*

OTHER REGIONAL SUCCESS STORIES NOT TIED TO SPECIFIC USAID INDICATORS IN REGIONAL STABILITY

Number of Officials and Key Decisionmakers Trained in Peace-Building/Conflict Resolution/Mitigation Skills.

SOMALIA: To promote conflict resolution and peace-building, CRD facilitated a grass-root peace-building training for over 800 women from 14 districts of Mogadishu, the first of its kind to be held in Mogadishu. CRD has collaborated with local CSOs and traditional leaders (met with over 10,000 people) to support their efforts for peace, reconciliation, and security.

SUDAN: Increased participation in reconciliation efforts; reduced local resource-driven endemic conflicts by improving the capacity of stakeholders to share natural resources. About 700 to 1000 people attended each meeting, including representatives of armed militias, but the benefits reached many others in the communities.

USAID also supported Sudan People's Liberation Movement (SPLM) governance assemblies at which elections took place for a national congress that will be convened to ratify a comprehensive peace agreement and set the direction for future governance in SPLM.

UGANDA: Some 268 implementing partner staff, local leaders, religious leaders, and district authorities were trained in media, advocacy, and parish mobilization; and 79 teachers and local and religious leaders were trained in human rights issues. In addition, USAID partners trained 252 paralegals and lawyers in conflict resolution and human rights law, and established Community Crisis Intervention Teams.

Number of USAID-Sponsored Justice Centers

SOMALIA: The War Torn Societies local affiliate in Somaliland, the APD, is now well established and has produced a large constituency promoting peace and good governance in Somaliland.

Percent of Population Reached by Conflict Prevention/Mitigation Media Campaigns (Disaggregated by Country)

SUDAN: Access to Information. OTI funds supported the Sudan Independent Radio Service, which began broadcasting on July 30, 2003, providing access to information in nine languages for 10 hours per week, and constituted a significant achievement for USAID. On September 15, 2003, the Sudan Mirror, a USAID-supported independent newspaper, printed its first edition of 3,000 copies, focusing on developments in the peace process.

UGANDA: In support of the amnesty program for ex-combatants, USAID has been working closely with the Amnesty Commission to raise awareness of the Amnesty Act 2000 through radio drama programs; weekly magazines in Gulu, Kitgum, and Lira; and talk shows with key amnesty experts.

WARP: Cross-Border Activities with USAID Missions and Embassies: USAID also worked successfully with USAID missions and U.S. embassies to design proposals and obtain competitively awarded funds for two cross-border programs. The first program was jointly developed and vetted with USAID/Senegal and the U.S. Embassy in the Gambia. It focuses on fostering economic stability and social cohesion through reconstruction, peace-building, and conflict mitigation activities in Senegal's Casamance region and in neighboring areas of Guinea Bissau and the Gambia.

The second cross-border activity was based on a proposal that was jointly developed by USAID/WARP, USAID's Sierra Leone program, and USAID/Liberia. The program is implemented by a consortium led by the International Rescue Committee, the Center for Victims of Torture, and Search for Common Ground/Talking Drum Studios. Funded by a combination of Victims of Torture, Trafficking in Persons, and Development Assistance monies, and located in Kailahun district in northeast Sierra Leone, the program targets refugee and internally displaced populations. It provides psychological counseling,

information on local conditions, and skills training to victims returning to Sierra Leone or fleeing conflict in Liberia. It also undertakes outreach to refugees in key border areas. The project trains groups of individuals, including health care workers (18), local police (15), school inspectors and teachers (15), local chiefs (90), as well as family and village elders, who work with victims of gender-based violence (GBV) in the four target communities. The result has been an increase in the number of reports of cases of GBV (52 in six months) and growing awareness of the issues.

The project has also trained community-level “psychosocial agents” to counsel those traumatized by their experience of war crimes. By September 2003, 26 such agents had identified 705 clients, conducted assessments, and facilitated 24 group and 1,007 individual discussions. The project also organized recreational activities as a way of promoting social cohesion and rebuilding the social infrastructure destroyed by the war. The project has designed training curriculum materials on GBV as well as promotional materials intended to increase public awareness of the issues. These efforts are reinforced by the development of two radio soap opera programs in local languages to address issues of torture and violence. They are being beamed from Kailahun and reach into neighboring countries of Guinea and Liberia where refugees and internally displaced people are located. Beyond the community, the project is setting up systems to refer GBV cases to concerned ministries.

USAID also finalized the design of an activity that will reach the border areas around Burkina Faso, Cote d'Ivoire, and Mali. The activity builds on the spectacular success of the USAID/Mali's community radio program by expanding it to the two neighboring countries. Community radio will be used to develop and disseminate messages on multiple issues, including trafficking in persons and HIV/AIDS prevention, in the course of FY 2004.

Number of People Trained in Conflict Mitigation/Resolution (disaggregated by country).

SOMALIA: CRD facilitated a grass-root peace-building training for over 800 women from 14 districts of Mogadishu, the first of its kind to be held in Mogadishu. CRD has collabo-

rated with local CSOs and traditional leaders (met with over 10,000 people) to support their efforts for peace, reconciliation, and security. CHECK

SUDAN: Increased participation in reconciliation efforts; reduced local resource-driven endemic conflicts by improving the capacity of stakeholders to share natural resources. About 700 to 1000 people attended each meeting, including representatives of armed militias, but the benefits reached many others in the communities. CHECK

LIBERIA: Project design, gender transformation, and conflict management; and approximately 2,360 circle members (70 percent female) exist in 109 communities in Grand Bassa, Montserrado, and Margibi Counties.

SENEGAL: USAID-funded village level conflict resolution meetings, primarily with displaced people, reached over 2,940 participants. These meetings addressed problems of community reconciliation, both ethnic and political. An education for peace curriculum which promotes peace-building among youth was implemented. Ninety-two separate events to encourage dialogue, collaboration, and prevention of violence and reduction of prejudices reached thousands of participants. These included religious ceremonies (Catholic, Moslem and animist), concerts for peace, and ethnic/cultural exchanges.

SIERRA LEONE: Today, 60 USAID-assisted communities are demonstrating measurable progress toward social healing and peaceful coexistence. Considerable progress was also achieved in improving the climate for mutual acceptance among ex-combatants, war-affected youth, and community members. Over 5,000 ex-combatants and war-affected youth participated in civic works projects that facilitated their integration back into society. Some ex-combatants and war-affected youth attribute their return specifically to USAID intervention, which provided gainful employment and skills training. This had a profound effect on reconciliation by increasing trust and unity, decreasing fear and stigmatization, and building mutual respect between ex-combatants and their communities.

STRATEGIC GOAL 2: COUNTERTERRORISM

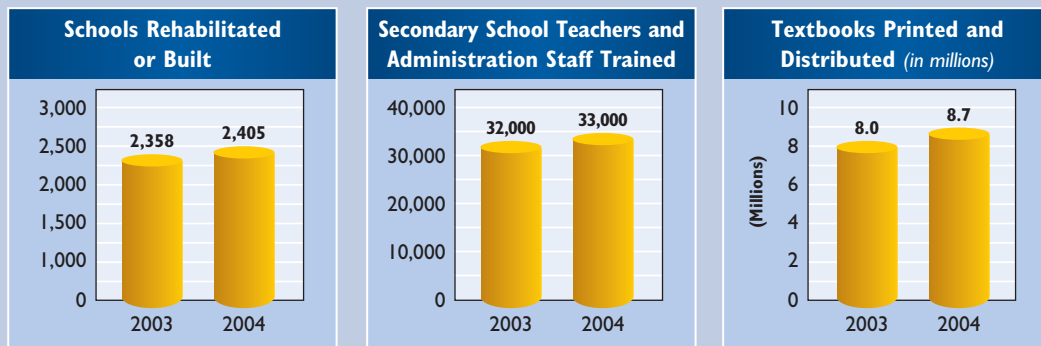
Prevent Attacks Against the United States, Our Allies, and Our Friends, and Strengthen Alliances and International Arrangements to Defeat Global Terrorism

I. PUBLIC BENEFIT

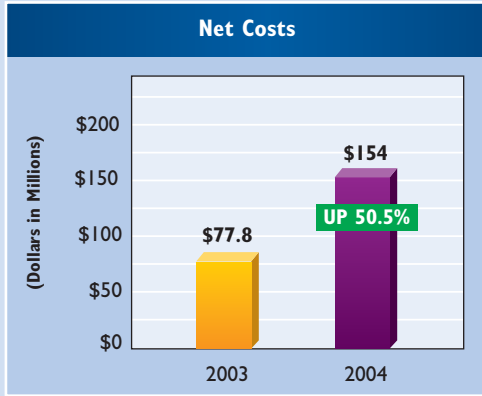
The tragic events of 9/11 demonstrated the gravity of the threat international terrorists pose to the United States and its citizens, at home and abroad. With a presence in some 60 countries, Al-Qaeda continues to be of great concern, although it has been significantly weakened by U.S. actions in the past two years. USAID plays an important supportive role to the Department of State, which has the lead in international aspects of the Global War on Terrorism (GWOT). In every corner of the globe, the Secretary, the USAID Administrator, other senior officials, ambassadors, and mission directors have pressed their counterparts for expanded cooperation and intensified efforts against terrorists. Through such effective diplomacy, the United States has developed and leads a worldwide coalition that acts to suppress terrorism on all fronts: military, intelligence, law enforcement, public diplomacy, and financial. Over 3,000 terrorist suspects have been arrested, and over \$138 million in terrorists' assets have been blocked by over 40 foreign governments. Key to the ability to mobilize effective action by USAID's foreign partners is the provision of training to those who want to help but lack the means. Since 9/11, these programs, including programs on anti-terrorist assistance, establishing stable and modern government, job creation, and education reforms, have significantly improved the abilities of many countries to be effective partners.

II. SELECTED PERFORMANCE TRENDS

Trajectory of Support for Education Reform and Development in Iraq



III. RESOURCES INVESTED



IV. ILLUSTRATIVE EXAMPLE OF SIGNIFICANT ACHIEVEMENT

Counterterrorism

USAID's strategy is to deny recruits from terrorist organizations by offering better alternatives: basic education vs. radical madrasas, skills training vs. unemployment, and the development of micro-enterprise generated jobs vs. terrorism out of a sense of hopelessness and desperation. USAID targets areas where terrorist recruiting conditions are the strongest: large Muslim communities, relatively poor communities, areas characterized by high youth unemployment, and where there are large pockets of disaffected groups. USAID works on the



frontlines of many countries hardest hit by terrorism by increasing public services and stability, and helping to establish good governance, the rule of law and administration of justice, conflict mitigation, and public communication. An excellent example of USAID's efforts in the area of public communication includes conducting a full day seminar for press correspondents. Participants included representatives from Al-Ahram; Algerian Press Services; Saudi Press Agency; Kuwait News Agency and Annahar. Also attending were journalists representing leading Arab-American publications, community newspapers and Arab correspondents. "USAID's new public diplomacy initiative is committed to presenting a more accurate image of America to the greater Middle East, and promoting a better understanding of the policy goals of Presidential Initiatives and the mission of USAID," says Director, Walid Maalouf.

V. PERFORMANCE RESULTS

SUMMARY OF PROVISIONAL OR PRELIMINARY RESULTS — STRATEGIC GOAL 2			
Total Goals and Indicators		Performance Summary	
Number of Performance Goals	1	Number of Targets Met	8
Number of Program Goals	4	Number with Data Lags	5
Number of Indicators	13		

PERFORMANCE GOAL #1

Diminished Political and Economic Conditions that Permit Terrorism to Flourish

FY 2004 NET PROGRAM COSTS - \$154,174,636

PROGRAM GOAL: DIMINISH POTENTIAL UNDERLYING CONDITIONS OF TERRORISM IN IRAQ	
Ensure that both public and private institutions are developed and strengthened to be able to prevent the reoccurrence of terrorist infiltration.	
Performance Indicator #1: Level of Economic Aid to Iraq	
FY RESULTS HISTORY	2001 N/A (new indicator for FY 2004)
	2002 N/A (new indicator for FY 2004)
	2003 N/A (new indicator for FY 2004)
FY 2004 Data	<ul style="list-style-type: none"> ◆ Thirty-eight individual countries pledged in Madrid, plus the European Community (EC), World Bank, and International Monetary Fund (IMF) for a total of 41 countries/organizations ◆ Total pledged for 2004-2007 from non-U.S. donors at Madrid totaled over \$8 billion from donor governments including loan assistance (e.g., Japan pledged \$5 billion of which \$3.5 billion was in the form of concessional lending), and another \$5.5 billion in potential lending from the World Bank and the IMF. <p>OTI/Iraq</p> <ul style="list-style-type: none"> ◆ Provided 25 grants to support women's centers in Iraq ◆ Provided 84 grants to support schools ◆ Provided 10 grants to rehabilitate clinics ◆ Provided 12 grants to rehabilitate libraries ◆ Provided 20 grants to support youth centers ◆ The OTI Iraq program did 1524 small grants for \$114 million dollars in FY04.
	Target Maximize international participation in the level of economic aid to Iraq.
	Rating ■ On Target
	Impact \$3.3 billion in U.S aid fixed schools, vaccinated millions of children, restored electricity, and created Iraq's first democratic councils.

PROGRAM GOAL: DIMINISH POTENTIAL UNDERLYING CONDITIONS OF TERRORISM IN IRAQ <i>(continued)</i>		
Performance Indicator #2: Support Education Reform and Development in Iraq		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	Data first collected in FY 2003: <ul style="list-style-type: none"> ◆ 2,358 schools rehabilitated or built. ◆ Over 32,000 secondary school teachers and administration staff trained. ◆ Over eight million textbooks printed and distributed.
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ 2,405 schools rehabilitated or built. ◆ Over 33,000 secondary school teachers and administration staff trained. ◆ Over 8.7 million textbooks printed and distributed.
	Target	<ul style="list-style-type: none"> ◆ Over 2,000 schools to be rehabilitated or built. ◆ Over 30,000 secondary school teachers and administration staff to be trained. ◆ Over 8 million textbooks to be printed and distributed.
	Rating	■ Exceeded Target
	Impact	U.S. funds paid for Iraqi workmen to turn crumbling schools into freshly painted places to learn. An accelerated learning program USAID launched helped particularly motivated young people to make up for lost time and do two years' academic work in one.
Performance Indicator #3: Provide Assistance to Transform Iraq to a Free Market-based Economy		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	With the Ministry of Finance, the new national currency, the Iraqi dinar, was introduced.
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ Developed 10 laws and/or regulations processes relating to private sector development. ◆ Implemented Financial Management Information System (FMIS) at Ministry of Finance; implementation in progress at six key Ministries.
	Target	<ul style="list-style-type: none"> ◆ Develop at least 10 laws and/or regulations processes relating to private sector development . ◆ Implement an FMIS at the Ministry of Finance and six other key Ministries.
	Rating	■ On Target
	Impact	USAID's efforts to create jobs and strengthen overall trade, investment, and enterprise growth programs throughout the country will help promote and support stability and security.

PROGRAM GOAL: DIMINISH POTENTIAL UNDERLYING CONDITIONS OF TERRORISM IN IRAQ <i>(continued)</i>		
Performance Indicator #4: Support Iraqis in Their Efforts to Define and Develop Democratic Local Governance Policies and Systems		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	Data first collected in FY 2003: Baseline: 90 percent of districts with local governance established.
FY 2004 Data	2004 Preliminary or Provisional Results	◆ Ninety-five percent of districts with local governance established.
	Target	◆ At least 95 percent of districts with local governance established. ◆ Maximize number of small grants provided.
	Rating	■ On Target
	Impact	In order for local governance to be established, community members must be engaged and active participants, and national government structures must support local decision-making.
Performance Indicator #5: Create Jobs and Provide Essential Services in Iraq		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	◆ 48,000 jobs created through USAID-funded works projects. ◆ w Average 30,000 Iraqis employed per month on short term basis (future numbers dependent upon security situation)
	Target	◆ Direct employment of 50,000 Iraqis by USAID-financed projects. ◆ Employ 40,000 Iraqis per month on short-term basis.
	Rating	■ Below Target
	Impact	USAID's efforts to create jobs will help promote and support stability and security.
Performance Indicator #6: Promote Citizenry Confidence in Government's Ability to Effectively and Efficiently Function		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	◆ Office of Transition Initiatives (OTI) awarded more than 1,888 small grants for quick impact activities that support: good governance, civil society, conflict management and mitigation, human rights, and transitional justice. ◆ The 1,888 small grants total more than \$142 million
	Target	Maximize number of small grants provided.
	Rating	■ On Target
	Impact	Confidence in government functions will foster democracy and stability and reduce the threat of terrorism.

PROGRAM GOAL: DIMINISH POTENTIAL UNDERLYING CONDITIONS OF TERRORISM IN IRAQ <i>(continued)</i>		
Performance Indicator #7: Increase Delivery of Essential Services in Iraq		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ Increased availability of potable water to 27 percent of target population. ◆ Increased volume of treated sewerage to seven percent of target population. ◆ Supported delivery of water for irrigation meeting 13 percent of target. ◆ Increased availability of electricity meeting 22 percent of target population.
	Target	<ul style="list-style-type: none"> ◆ Increase availability of potable water—target population 6.5 million Iraqis ◆ Increase volume of treated sewerage –target population 6.1 million Iraqis ◆ Support delivery of water for irrigation to eight pumping stations ◆ Increase availability of electricity by adding 2036 megawatts (MW).
	Rating	■ On Target
	Impact	Essential service delivery will both improve severe impoverished conditions in the country and promote stability and security.

PROGRAM GOAL: DIMINISH POTENTIAL UNDERLYING CONDITIONS OF TERRORISM IN AFGHANISTAN		
Ensure that both public and private institutions are developed and strengthened to be able to prevent the reoccurrence of terrorist infiltration.		
Performance Indicator #1: Moderate Government Strengthened in Afghanistan		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ USAID provided critical assistance for December's Loya Jirga, which led to ratification of the constitution; support for the September 2004 elections. Seven judicial facilities built/rehabilitated (estimate). ◆ 443 judicial experts trained (estimate). ◆ 10.5 million – Number of people registered to vote; approximately 95 percent of eligible voters registered to vote, although it is difficult to know exact percentage because there are no reliable demographic figures for Afghanistan.
	Target	<ul style="list-style-type: none"> ◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	■ On Target
	Impact	The establishment of a stable and moderate government in Afghanistan is critical to eliminating safe havens for terrorists.

PROGRAM GOAL: DIMINISH POTENTIAL UNDERLYING CONDITIONS OF TERRORISM IN AFGHANISTAN (continued)		
Performance Indicator #2: Rural Economic Opportunity Expanded in Afghanistan		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	Data first collected in FY 2003: <ul style="list-style-type: none"> ◆ 100,000 (cumulative) farmers served by extension through USAID assistance. ◆ 8,000 irrigation/ water works projects completed.
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ 567,806 (cumulative) farmers served by extension through USAID assistance. ◆ 310,500 (cumulative) hectares receiving improved irrigation through USAID assistance. ◆ 8,400 (cumulative) microfinance loans disbursed totaling USD \$1.26 million.
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	■ On Target
	Impact	USAID's efforts to create jobs and support to strengthen overall rural growth programs throughout the country will help support stability and security.
Performance Indicator #3: Rehabilitation Status of Afghan Educational Infrastructure		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	Data first collected in FY 2003: <ul style="list-style-type: none"> ◆ 188 schools rehabilitated/ built through USAID assistance. ◆ 15,282 students enrolled/ trained (in three provinces) through USAID assistance. ◆ 7,900 teachers trained through USAID assistance. ◆ 10.3 million textbooks printed/ distributed through USAID assistance.
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ 81 – Number of schools built or rehabilitated in 2004 through USAID assistance. ◆ 169,716 – Students enrolled/ trained (in three provinces) through USAID assistance. ◆ 35,819 – Number of teachers trained in 2004 through USAID assistance. ◆ TBD – textbooks printed/ distributed through USAID assistance. ◆ TBD – textbooks printed/ distributed through USAID assistance.
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	■ On Target
	Impact	This indicator will measure the efforts to build or rehabilitate Afghanistan's education system, with a focus on providing support to secular schools and education; as well as promote democratic values through education.

PROGRAM GOAL: DIMINISH CONDITIONS EXPLOITED BY TERRORIST RECRUITMENT IN OTHER FRONTLINE STATES		
Policies, programs, and activities establish attractive alternatives to terrorist indoctrination and recruitment.		
Performance Indicator #1: Alternative Education Systems Supported		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ Number of students enrolled in secular basic education programs in schools in Muslim countries (disaggregated by type of school, e.g. madras, other). ◆ Number of students graduating from vocational training programs in Muslim communities with high youth unemployment/underemployment. ◆ Number of books and secular material printed in local languages distributed to identified schools.
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	This indicator will measure the efforts to support alternatives to radical schools; as well as promote democratic values in Frontline states.
Performance Indicator #2: Civilian Livelihood Opportunities Expanded		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ Number of jobs created through USAID-funded works projects. ◆ Number of loans provided through USAID assistance. ◆ Number of farmers / micro entrepreneurs served through extension services supported by USAID. ◆ In Sierra Leone – 5088 ex-combatants and war-affected youth participated in communal civic works projects.
	Target	TBD
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	This indicator will measure USAID's efforts to create jobs and support to strengthen overall economic growth programs throughout Frontline countries. As well, it will measure USAID efforts to reintegrate former combatants back into civilian livelihoods. This will help support stability and security.

PROGRAM GOAL: DIMINISH CONDITIONS EXPLOITED FOR TERRORIST SANCTUARY IN OTHER FRONTLINE STATES		
Policies, programs, and activities promote responsive and transparent governance to diminish opportunities for terrorist establishing sanctuary.		
Performance Indicator #1: Stable and Moderate Governments Established		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ In Sierra Leone 144 community organizations effectively managed and implemented self-selected development projects, like the Yengema carpentry project; 34 high-impact infrastructure projects were completed. ◆ In Uganda, 3,585 formerly abducted children were assisted with psycho-social rehabilitation and reintegration, of whom 1,796 are not enrolled in school or vocational training exceeding the target of 495. ◆ On both sides of the Kenya/Somali border, pastoral groups have always resorted to violence to resolve water disputes, one of the root causes of conflict in this volatile region. During the past three years, USAID has funded private agencies working together (PACT) to work with the Wajir South Development Association (WASDA) to reduce conflict by improving water sources through drilling bore holes, building dams, and assisting groups to negotiate joint use and management agreements for water points. WASDA has also helped establish Peace Committees that monitor the level of tension in communities and harmonize the needs of neighborhoods. As a result, communities in the region are experiencing peace for the first time, food security has improved, and small businesses are flourishing. ◆ Asia and Near East (ANE) region: With other donors, USAID has worked with hundreds of communities on thousands of small-scale activities in Afghanistan, including constructing wells, local roads, and market centers. Exact number of activities not currently available.
	Target	TBD
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	This will measure progress made in establishing good governance at the local and community levels. The more that community decisions are made through participatory and transparent means, the less terrorist groups and shadow governance groups will be able to successfully offer viable alternatives.

VI. PROGRAM EVALUATIONS AND PART REVIEWS

No program evaluations or PART reviews were conducted in FY 2004 for this strategic goal.

Muslim Mindanao

The Alliance for Mindanao Off-Grid Renewable Energy (AMORE) provides solar-powered compact fluorescent lights and street lamps in the southern Philippines. By allowing work and study to extend into the evening hours, AMORE is helping to increase business and educational opportunities in a region where extreme lack of development has contributed to a rise in recruitment by militant and international terrorist groups.



AMORE joins USAID with the Autonomous Region of Muslim Mindanao, Mirant Philippines Corporation, and Philippine Department of Energy, who together contributed \$3.7 million to augment USAID's \$2.4 million of funding. Together, the alliance partners have established sustainable, renewable solar energy and micro-hydro systems in at least 160 remote rural communities, serving 5,000 homes.

Alliance for Mindanao Off-Grid Renewable Energy brings solar-powered lights to Muslim Mindanao.

STRATEGIC GOAL 3: INTERNATIONAL CRIME AND DRUGS

Minimize the Impact of International Crime and Illegal Drugs on the United States and Its Citizens

I. PUBLIC BENEFIT

Americans face growing security threats, both at home and abroad, from international terrorist networks and their allies in the illegal drug trade and international criminal enterprises. Illegal drugs impose a staggering toll, killing more than 19,000 Americans annually and costing more than \$160 billion in terms of law enforcement, drug-related health care, and lost productivity. This is in addition to the wasted lives; the devastating impact on families, schools, and communities; and the generally corrosive effect on public institutions. In the President's words, "Illegal drug use threatens everything that is good about our country."

International crime groups also pose critical threats to U.S. interests, undermine the rule of law, and enable transnational threats to grow. International trafficking in persons, smuggling of migrants and contraband, money laundering, cyber crime, theft of intellectual property rights, vehicle theft, public corruption, environmental crimes, and trafficking in small arms cost U.S. taxpayers and businesses billions of dollars each year. International trafficking in persons violates fundamental human rights of victims. Experts estimate that non-drug crime accounts for half of the estimated \$750 billion of money laundered each year globally.

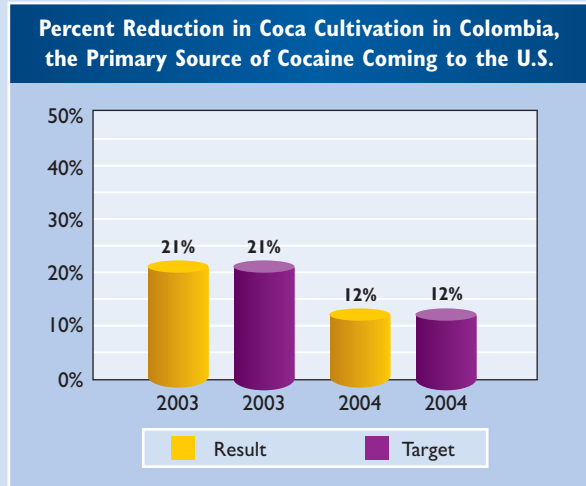
The events of 9/11 and their aftermath highlight the close connections and overlap among international terrorists, drug traffickers, and transnational criminals. All three groups seek out weak states with feeble judicial systems, whose governments they can corrupt or even dominate. Such groups jeopardize peace and freedom, undermine the rule of law,

menace local and regional stability, and threaten the United States and its friends and allies.

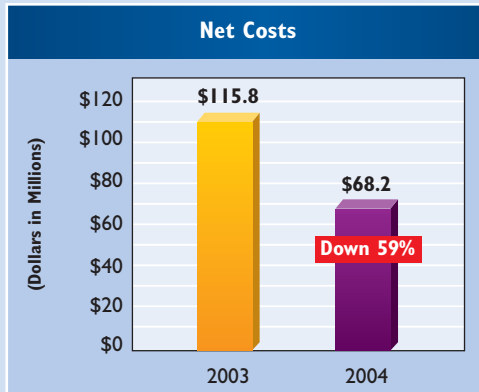
Despite bold efforts by Colombia, Bolivia, and Peru to combat narcotrafficking, the lack of a state presence in some areas has allowed illegal narcotics production and armed terrorist organizations to continue to flourish. USAID is working in partnership with the Andean region's leadership, who are actively pursuing policies to fight narco-terrorism and expand the reach of government and rule of law. USAID support in this sector is aimed at strengthening the presence and role of the state, strengthening local governance and civil society, providing small farmers a means to abandon illicit crop production permanently by developing viable licit economic opportunities, and improving the social conditions of farm families living in and around areas of illicit crop production.

Awareness of trafficking in persons is growing among Latin American governments, fueled in part by increasing international attention to the subject. USAID will continue to address aspects of prevention, victim protection, and prosecution of traffickers through public education efforts, capacity building for public and private social service organizations, and passage and implementation of comprehensive laws. Successful anti-trafficking initiatives are reinforced by programs that support economic development, good governance, education, health and human rights, and flow from country-based collaborative frameworks that have the committed participation of civil society, government, and law enforcement.

II. SELECTED PERFORMANCE TRENDS



III. RESOURCES INVESTED



IV. ILLUSTRATIVE EXAMPLE OF SIGNIFICANT ACHIEVEMENT

Andean Counterdrug Initiative

The Andean Counterdrug Initiative has begun paying high dividends in the fight against illegal cocaine and heroin from the Andean region of South America. In 2003, the Andean coca crop dropped to its lowest levels since the U.S. government estimates began back in 1986. Total cultivation was down 16 percent in 2003. The U.S.-backed aerial eradication program in Colombia, the primary source of cocaine coming to the United States, was particularly effective, reducing coca cultivation by 21 percent in 2003 and by 33 percent over the past two years. Opium poppy cultivation in Colombia, which along with Mexico provides 90 percent of the illegal heroin consumed in the United States, also declined, by 10 percent. For 2004, the aerial eradication operation is on a glide path for a third straight year of reduced coca and opium poppy cultivation. During this same period, the United States helped Colombia establish a security presence in 158 municipalities formerly left to narco-terrorists, leading to a dramatic fall in violent crime and displaced people. In Peru, the aggressive U.S.-backed coca eradication program produced a 15 percent decline in cultivation, the second straight year of decline. Cultivation also dropped 15 percent in the old Bolivian bread-basket for coca, the Chapare, but increased in the Yungas where opposition groups have opposed, sometimes violently, government eradication efforts. Despite the 17 percent overall increase in Bolivia, the cultivation level remains well below the high point of the 1990s and significantly below the level in Colombia.

V. PERFORMANCE RESULTS

SUMMARY OF PROVISIONAL OR PRELIMINARY RESULTS — STRATEGIC GOAL 3

Total Goals and Indicators		Performance Summary	
Number of Performance Goals	1	Number of Targets Met	2
Number of Program Goals	2	Number with Data Lags	–
Number of Indicators	2		

PERFORMANCE GOAL #1


International Trafficking in Drugs, Persons, and Other Illicit Goods Disrupted and Criminal Organizations Dismantled

FY 2004 NET PROGRAM COSTS - \$68,243,639

PROGRAM GOAL: GLOBAL POPPY CULTIVATION

Strengthen the unified campaign against drug trafficking and the terrorists who benefit from it.


Performance Indicator #1: Number of Hectares in Licit Production Formerly in Illicit Poppy Production (Alt: Alternative Development Supported)

FY RESULTS HISTORY	2001	N/A (new indicator for FY 2004)
	2002	N/A (new indicator for FY 2004)
	2003	N/A (new indicator for FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	25,000 hectares (estimate) in licit production formerly in illicit poppy production in the ANE region.
	Target	25,000 hectares
	Rating	 On Target
	Impact	This indicator will measure the impact of USAID programs to educate growers, provide alternative seeds and agricultural inputs, and promote the production of licit crops in areas where poppy has been grown.

PROGRAM GOAL: IMPROVE ANTI-TRAFFICKING PROSECUTORIAL AND PROTECTION CAPACITIES

Train law enforcement officials and service providers to work collaboratively to take preventive measures against trafficking in persons, identify trafficking rings and victims, effectively use existing legislation to prosecute traffickers, weed out corruption, and ensure protections for victims.

Performance Indicator #1: Number of People Reached Through USAID-supported Anti-trafficking in Persons Programs

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	Data first collected in FY 2003: <ul style="list-style-type: none"> ◆ 5,060,500 persons reached by public awareness. ◆ 3,737 officials educated or trained. ◆ 362 survivors of trafficking in persons (TIP) receive counseling and other support services.
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ ANE: 320,000 (est.) – Number of Persons Reached by Public Awareness. ◆ ANE: 5,200 (est.) – Number of Officials Educated or Trained. ◆ ANE: 6,400 (est.) – Number of Survivors of TIP That Receive Counseling and Other Support Services. ◆ Latin America and the Caribbean (LAC) Region – Many new TIP programs in LAC this year. Data is impossible to project – will use data from 2004 Annual Report.
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	 On Target
	Impact	By increasing awareness of the dangers of trafficking, training officials on the legal and human rights issues of trafficking, and by providing support services to the survivors of trafficking, USAID's efforts will result in the mitigation of the numbers of people trafficked and in the consequences of trafficking.

VI. PROGRAM EVALUATIONS AND PART REVIEWS

One program evaluation was conducted in FY 2004 that pertained to this Strategic Goal.

- 1) Results of the CAD [Colombia Alternative Development] Project Appraisal Survey: An Evaluation of the Effect and Impact of the CAD Project in Putumayo Department, Colombia. Link: http://www.dec.org/pdf_docs/PDACA534.pdf



Sierra Leone / Peace Diamonds

In order to control the high number of diamonds exported illegally each year in Sierra Leone, USAID brought together the Sierra Leonean government, DeBeers, diamond mining communities, local organizations, and international donors to form the 2002 Kono Peace Diamond Alliance. The alliance addresses smuggling and exploitation by connecting mining cooperatives with internationally recognized buyers. As a result, for the first time ever, mining communities received a portion of the tax revenues from diamond sales to build public structures, markets, and schools.

USAID *Peace Diamond Alliance counters illegal international trade.*

STRATEGIC OBJECTIVE #2: ADVANCE SUSTAINABLE DEVELOPMENT AND GLOBAL INTERESTS

Protecting the United States and its allies from the dangers of terrorism, weapons of mass destruction, international crime, and regional instability is necessary but not sufficient for achieving national security. A more healthy, educated, democratic, and prosperous world — in short, a better world — will also be more stable and secure

USAID's strategic goals for democracy and human rights, economic prosperity and security, and social and environmental issues are part of a larger whole. It is no coincidence that conflict, chaos, corrupt and oppressive governments, environmental degradation, and humanitarian crisis often reign in the same places.

The broad aim of USAID's programs in development assistance is to turn vicious circles into virtuous ones, where accountable governments, political and economic freedoms, investing in people, and respect for individuals beget prosperity, healthy and educated populations, and political stability.

The following are the strategic goals that comprise this strategic objective:

- ◆ Strategic Goal 4: Democracy and Human Rights
- ◆ Strategic Goal 5: Economic Prosperity and Security
- ◆ Strategic Goal 6: Social and Environmental Issues
- ◆ Strategic Goal 7: Humanitarian Response

STRATEGIC GOAL #4: DEMOCRACY AND HUMAN RIGHTS

Advance the Growth of Democracy and Good Governance, including Civil Society, the Rule of Law, Respect for Human Rights, and Religious Freedom

I. PUBLIC BENEFIT

The United States recognizes that a world composed of democracies will better protect America's long-term national security than a world of authoritarian or chaotic regimes. The rule of law, open markets, more prosperous economies, and better-educated citizens are all benefits of a democratic form of government. Democratic governance ensures a more peaceful, predictable world — a great and lasting benefit to the United States.

Protecting human rights and advocating democracy is an integral part of a U.S. foreign policy that seeks to end oppression, combat terrorism, and promote democratic ideals

and freedoms worldwide. USAID seeks opportunities to cooperate with human rights advocates and policymakers to engender positive change in countries that strive for democracy and human rights, and to challenge those that routinely ignore international human rights or selectively uphold them.

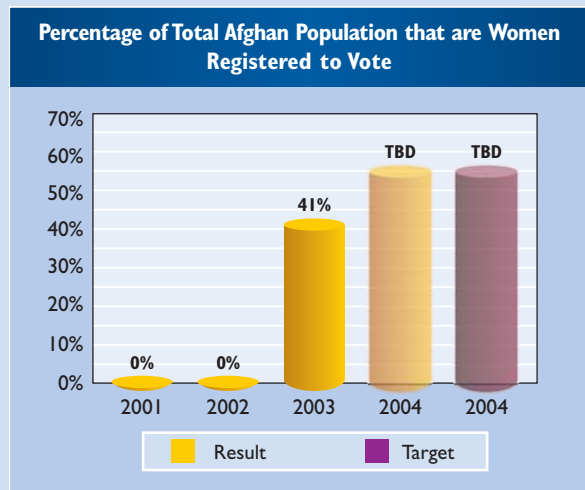
Institutionalizing democracy, human rights, and good governance in priority developing countries is the focus of USAID programs in approximately 80 countries around the globe. These on-the-ground efforts build institutions and processes to ensure free, effective individual participation in

national and local political processes. Countries where USAID is successfully implementing these programs become more successful participants in the international community, as well as better strategic and business partners for the United States.

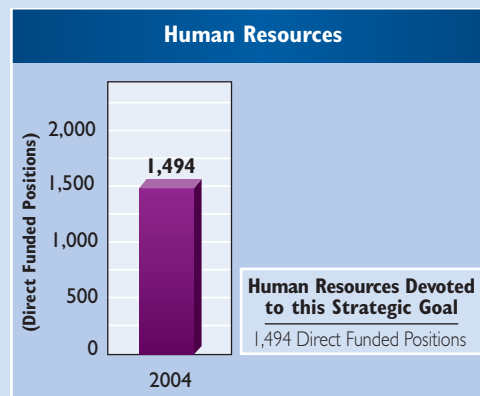
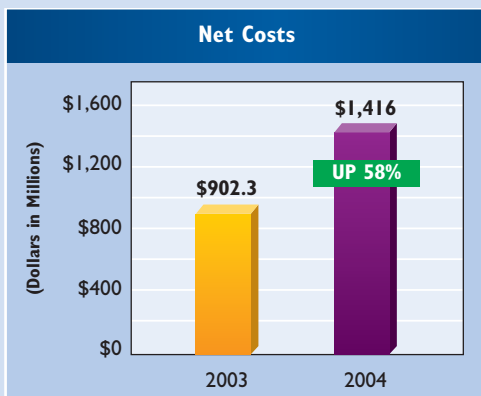
While the United States continues to play a leading role in promoting democracy and human rights, USAID recognizes that those are not uniquely American concepts. As democra-

tization must ultimately be a process driven by a society's citizenry, USAID must work to make sure reforms reflect a representative political process. Advancing women's rights, for example, generates benefits through the role women play in strengthening democracies, building economic security, increasing governments' respect for human rights, and enhancing religious tolerance.

II. SELECTED PERFORMANCE TRENDS



III. RESOURCES INVESTED



IV. ILLUSTRATIVE EXAMPLE OF SIGNIFICANT ACHIEVEMENT

Afghanistan's New Constitution

On January 4, 2004 the Constitutional Loya Jirga (CLJ) passed the new Afghan Constitution, noted as one of the most democratic documents in the region. The CLJ was characterized by energized, open debate and proved to the world that the Afghan people are moving steadily forward on the path to democracy. The constitution they developed provides strong human rights protections, including the incorporation of international treaties to which Afghanistan is a party. Islam is recognized as the official religion, but the practice of other religions is protected. Women also made substantial gains in the CLJ including one woman selected as a deputy chairperson, specific mention of women's equality, the official recognition of women as citizens, and a guarantee of at least two women per province to be elected to the lower house (approximately 20 percent of seats).

The United States provided training in political advocacy for women delegates to the CLJ in December 2003. The CLJ (12/15 -1/4) was comprised of 502 delegates (including 102 women) elected from a pool of participants in the June 2002 Emergency Loya Jirga. The delegates were presented with a draft constitution, which had been drafted by a nine-member commission (two of whom were women) and revised by a larger 35-member commission (seven of whom were women) in prior months. Today, women in Afghanistan are judges, teachers, politicians, health officials, agronomists, athletes, and Fulbright scholars. Many of these women have traveled to other countries in their capacities as officials, students, visitors and delegates to global fora, signaling Afghan women's reentry into the international community.

Women in Iraq

Iraqi women occupy numerous positions in the new government. The Iraqi cabinet, announced in May 2004, includes six women ministers (out of a total of 33 individuals), in the following Ministries: Agriculture, Displacement and Migration, Environment, Labor and Social Affairs, Public Works, and Women's Affairs. In April 2004, seven women were appointed to hold deputy minister positions. Women occupy six of the 37 seats on the Baghdad City Council, 81 serve on neighborhood and district councils around the capital, and many women have also been elected to district, local, and municipal councils in most other regions of Iraq. The Department also backed the successful efforts to persuade the Iraqi Governing Council to repeal Resolution 137, which would have imposed Shari'ah family law on Iraqi women, and to outlaw gender discrimination in the Transitional Administrative Law (TAL). The TAL guarantees that all Iraqis are equal in their rights and before the law without regard to gender, sect, opinion, belief, nationality, religion, or origin.

V. PERFORMANCE RESULTS

SUMMARY OF PROVISIONAL OR PRELIMINARY RESULTS — STRATEGIC GOAL 4			
Total Goals and Indicators		Performance Summary	
Number of Performance Goals	1	Number of Targets Met	2
Number of Program Goals	1	Number with Data Lags	4
Number of Indicators	6		

PERFORMANCE GOAL #1

Measures Adopted to Develop Transparent and Accountable Democratic Institutions, Laws, and Political Processes and Practices

FY 2004 NET PROGRAM COSTS - \$1,416,322,905

PROGRAM GOAL: ENGAGEMENT TO ADVANCE DEMOCRACY

Work with countries that are reforming government systems to create more transparent, inclusive, and participatory practices, through bilateral engagement, multilateral mechanisms, and non-governmental (NGO) channels.

Performance Indicator #1: Strengthened Local Governance

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	Seventy-six percent of USAID-assisted National Governments Devolving Authorities to Local Governments with the Corresponding Access to Financial Resources.
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ Seventy-seven percent of USAID-assisted National Governments Devolving Authorities to Local Governments with the Corresponding Access to Financial Resources. In Rwanda, USAID's fiscal decentralization activity facilitated the development and dissemination of a new nationwide accounting system, training 98 percent of the nation's district accountants in several intensive sessions throughout the year. Of those trained, 75 percent are using the new system to submit regular reports to the central government. In South Africa, USAID has funded technical assistance programs to 94 of the country's 284 metropolitan, district, and local municipalities to improve strategic planning and community participation. USAID has funded the design and launch of a learning network of 16 of South Africa's 47 district municipalities and a Web-based newsletter, Hologram, through which all local governments share best practices. Already the Hologram subscriber list has grown to 3,500 and the Web site is averaging 550 visitors each month. ◆ Change in local government resources after USAID assistance: <ul style="list-style-type: none"> In Rwanda, USAID successfully strengthened the capacity of 11 district government boards in Kibungo Province to develop, implement, and monitor 32 community development projects, valued at approximately \$1 million, including water supply and sanitation, school construction and rehabilitation, and market rehabilitation. In addition, the district tender boards of each target district government were able to transparently and efficiently manage community development and social infrastructure projects. At the same time, the government of Rwanda (GOR) provided \$600,000 through the Common Development Fund to finance an additional 20 projects. In Ghana, district governments have seen real gains in their revenue mobilization amounts as a result of USAID programs. For example, in the targeted West Mamprusi district, officials reported that for the first three quarters of 2003, the district collected \$5,600 more in taxes than it had last year at the same time. District officials attributed the gains to USAID-sponsored fee negotiation exercises with civil society and USAID's training for revenue collectors. Civil society representatives reported a greater willingness to pay taxes and levies when they had a say in the amount and better understood the intended uses of the revenue. In Senegal, USAID-sponsored training for local officials and community-based organizations (CBO) in participatory decision-making, transparent budgeting, and local development planning reached 97 of Senegal's 402 municipalities. With improved skills, local governments increased revenue and improve service delivery. For example, in the town of Koukane in southern Senegal, a local working committee improved management of a large regional market, enabling the local government to collect record-setting tax revenues. These resources were invested to improve the safety and sanitary conditions at the market and further increase revenues. ◆ Data not collected in 2003 Annual Report – LAC will submit with 2004 Annual Report.
	Target	77% of USAID—assisted national governments devolving authorities to local governments with the corresponding access to financial resources
	Rating	■ On Target
	Impact	As a result of USAID's municipal governance program in El Salvador, which provides technical assistance and training to 22 municipalities to improve coverage of basic public services, transparent financial administration, and public participation in decision-making, the number of households receiving municipal services increased by nearly 44 percent between 1998 and 2003. Residents answered the municipalities' increased responsiveness by paying more of their taxes and fees; by the end of FY 2003, local revenue generation by these municipalities exceeded projected levels by 15 percent. These additional funds allowed for a 25 percent greater investment in local services and infrastructure.

PROGRAM GOAL: ENGAGEMENT TO ADVANCE DEMOCRACY (continued)		
Performance Indicator #2: Civil Society Functioning		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	Ninety percent of USAID-assisted countries where Citizens' Concerns are Being Effectively Represented at the National and Local Levels.
FY 2004 Data	2004 Preliminary or Provisional Results	<p>Ninety percent of USAID-assisted countries where Citizens' Concerns are Being Effectively Represented at the National and Local Levels:</p> <ul style="list-style-type: none"> ◆ In Mali, after four years of USAID assistance, 100 percent of targeted community organizations had developed the capacity to govern themselves democratically. Eighty-four percent of targeted Community Organizations (CO) had formed partnerships with local governments to deliver public services, whereas none existed as recently as 2000. In addition, a USAID evaluation found that 94 percent of targeted groups had developed sound management practices since 2000. ◆ In Tanzania, USAID achieved substantial progress in building the capacity of civil society organizations (CSO) with the ultimate goal of enhancing their effectiveness in advocacy. To gauge performance, USAID measures the number of CSOs that advance on a CSO capacity index. The index measures six components of organizational capacity. Average baseline scores and first year reassessment scores of a total of 34 groups appear in parentheses on a progressive scale of one to six: advocacy (2.4 increased to 3.1), governance (2.3 increased to 3.1), management (1.9 increased to 2.5), financial management (1.9 increased to 2.7), external relations (2.7 increased to 3.5), and sustainability (2.1 increased to 2.8). The three areas most commonly improved by NGOs, governance, advocacy, and external relations, were those in which USAID provided direct interventions. ◆ In Uganda, USAID's support for effective decentralization at the local government level gives more citizens an opportunity to participate in decision-making. All eight partner districts developed district development plans that included active participation by stakeholders and took into account sector interests. Citizen capacity to influence decisions at the local government level increased as the number of CSOs having a target agenda with their local governments increased from an average of four active CSOs in 2002 per target district to 12 in 2003. All USAID partner local governments showed significant improvements in fiscal management. Financial reports are being provided to the public by most local government at least two weeks before Council sessions and public hearings are being held on proposed local government budgets. ◆ In Angola, efforts to engage the government of the Republic of Angola (GRA) on policy reforms have resulted in some important gains for target populations, including women. The coalition on women's rights to housing and other national and international organizations were successful in pressuring the government to approve a decree on the Resettlement and Reintegration of the Internally Displaced, providing a legal framework for government assistance to internally displaced persons (IDP), particularly important for improving the lives of families headed by women. Also as a direct result of this coalition's work, the Ministry of Social Affairs provided tents and food items for the temporary accommodation to displaced families, and the Governor of the province of Kwanza Sul provided roofing materials to families. After three years of GRA inaction, the National Assembly not only recognized the need to revise the draft law on the rights of people living with HIV/AIDS, but actively sought the participation of a USAID-supported CSO coalition in the revision process. Land advocates successfully stopped the occupation of pastoral community land to benefit large landowners, and facilitated successful and nonviolent negotiations between provincial agriculture authorities, commercial farmers, and community members on communities' compensation. ◆ In Nigeria, 46 out of 51 USAID-supported groups, or 87 percent, reported positive outcomes from their engagement with policymakers. One of these groups, the Freedom of Information Coalition (FOIC), spearheaded the re-introduction of the Freedom of Information Bill, and successfully lobbied to secure sponsors for the Bill as well as first and second readings in the National Assembly. A USAID-supported coalition of women's groups also lobbied an Executive Committee examining the structure and functions of local government councils, presenting a credible voice on such issues as evidenced by the number of interviews given and public information sessions held during the review period.
	Target	The baseline for number of countries, established in FY 2004 is 30; 90% of USAID-assisted countries.
	Rating	■ On Target
	Impact	This indicator focuses on the role of civil society organizations to represent and advocate on the behalf of citizens. Civil society is a critical component of effective democracies at all times, but particularly between elections as a strong civil society is an instrument of citizen participation in political and economic decision-making.

PROGRAM GOAL: ENGAGEMENT TO ADVANCE DEMOCRACY (continued)		
Performance Indicator #3: Citizens Access to Justice Sector Expanded for All		
FY RESULTS HISTORY	2001	N/A (new indicator for FY 2004)
	2002	N/A (new indicator for FY 2004)
	2003	N/A (new indicator for FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ Average total time it takes to process a legal case (in days) before USAID assistance and after USAID assistance. ◆ Number of legal experts trained through USAID assistance: <p>In Malawi, USAID funds supported the training and activities of 720 volunteer community-based educators (over 30 percent are women), who together with 14 paralegals (four women), trained citizens and traditional leaders, as well as helped citizens resolve problems on a daily basis at a community level through mediation and advice. Anecdotal evidence and case studies in target areas document that these volunteers are an important community resource and a key ingredient to social capital in rural areas.</p> <p>In Ethiopia, working in partnership with the Federal Supreme Court, USAID supported training for 1,244 judges from all geographic regions of the country. This number represents 63.4 percent of all judges in Ethiopia. Of the total, 984 were Supreme and High Court Judges, 245 were First Instance Judges, and 15 were Addis Ababa Municipal Court Judges. The training provided in FY 2003 included second-round trainings in criminal law, labor law, tax law, family and succession law, contracts and torts, criminal procedure, and the execution of decrees.</p> <p>In Rwanda, USAID provided extensive ethics training to more than 100 officials involved in the Gacaca traditional justice process, which communities across the country are using to bring genocide perpetrators to justice and encourage reconciliation.</p> ◆ Number of USAID sponsored mediation centers and justice centers in target areas: <p>In Zambia, USAID-supported mediation and arbitration processes handled more than 1,900 legal disputes in 2003, up from zero in 2000.</p> <p>In Rwanda, USAID provided material support to the country's 106 Gacaca (traditional justice and reconciliation) jurisdictions in the form of vehicles, computers and other equipment, office furniture, and supplies. These vehicles and equipment are critical to the effective functioning of the Gacaca courts.</p> ◆ Number of USAID-presence countries in which pre-trial detention decreases. ◆ Not collected by LAC in 2003 Annual Report – will submit with 2004 Annual Report.
	Target	The baseline year for analysis, 2004, indicates that 40.3% of countries with USAID presence will have citizens access to the justice sector expanded for all.
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	With assistance from USAID, Bolivia now has an oral, adversarial criminal justice system that is significantly more transparent, efficient, and participatory. As of 2004, with three years' experience under the new legal code, average trial length has been reduced from seven years to 18 months; the cost of trials has decreased from an average of \$2,400 to \$400; and citizen confidence in the integrity of criminal processes has improved.

PROGRAM GOAL: ENGAGEMENT TO ADVANCE DEMOCRACY (continued)		
Performance Indicator #4: Corruption Mitigated in Priority USAID Countries		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2002)
	2002	Control of corruption percentile rank by region (regional baselines): Sub-Saharan Africa – 32.4; Middle East and North Africa – 54.7; South Asia – 41.5; East Asia – 44.4; Latin America and Caribbean – 54.9; Eastern Europe – 54.7; Former Soviet Union – 16.8.
	2003	N/A (data not collected annually)
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ Control of corruption ranking for priority USAID countries – collect centrally. ◆ Number of people trained in anti-corruption through USAID assistance – New indicator for FY 2004: In Benin, USAID trained 58 government auditors from the Inspector General of Finance and the Chamber of Accounts on audit techniques. USAID's support urged these key audit institutions to perform 40 more audits than last year. This success adds to the improvement of governance at both local and national levels, and helps inculcate the culture of transparent and accountable practices in Benin. Even students were involved in anti-corruption campaigns; pilot awareness groups were set up in 50 schools to monitor corrupt practices in schools.
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	Corruption is defined as the misuse of public or private position for direct or indirect personal gain. Strengthening existing institutional mechanisms to encourage ethical behavior and prevent corruption and abuse is important, including checks on formal state actors such as civil service reform (i.e., restructuring incentives and punishments), limits on civil servants' discretion, strengthened audits and investigative functions, more effective internal procedures for enhanced oversight, improved operating systems in government institutions, and building a public constituency against corruption. As well, this is an important Millennium Challenge Account indicator, and so should be tracked for all relevant USAID presence countries.
NOTES	* The Control of Corruption Index measures perceptions of corruption through surveys that rate countries on: the frequency of "additional payments to get things done," the effects of corruption on the business environment, "grand corruption" in the political arena and the tendency of elites to engage in "state capture." Higher or positive values indicate greater corruption control. Index rankings are reported by the World Bank Institute every 2 years.	
Performance Indicator #5: Constituencies Political Parties Represent		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ Number of elections in USAID presence countries where no political party receives more than 75 percent of the vote – collect centrally. ◆ Number of women and minority candidates on ballots after USAID assistance. Number of women and minority candidates elected after USAID assistance. ◆ Number of political party members/officials trained through USAID assistance. ◆ Number of elections in USAID presence countries where no political party receives more than 75 percent of the vote. (five in ANE: Philippines, Mongolia, Sri Lanka, Afghanistan, Indonesia) ◆ LAC data not collected in 2003 Annual Report – will submit with 2004 Annual Report.
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	A representative and competitive multiparty system includes the following: 1) parties (through their statements, structure, and leadership) that demonstrate a commitment to transparent, inclusive, and accountable democratic political processes; 2) parties that adopt institutional structures that enable them to reflect the interests of those they choose to represent in government or in the opposition, and to compete effectively in periodic elections at all levels; and 3) political parties that enjoy the confidence of citizens, encourage citizen participation, and reinforce the legitimacy of democracy as a governing approach. This indicator will measure the strength and capacity of political parties assisted by USAID.

PROGRAM GOAL: ENGAGEMENT TO ADVANCE DEMOCRACY (continued)		
Performance Indicator #6: Status of Independent/Alternative Media		
FY RESULTS HISTORY	2001	First Year Data Collected: Four of 18 countries have a "Partly Free" or "Free" media (Freedom House Press Survey.*)
	2002	Four of 18 countries have a "Partly Free" or "Free" media.
	2003	Three of 18 countries have a "Partly Free" or "Free" media
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ USAID: Number of journalists trained (disaggregated by type of training). ◆ USAID: Number of non-government radio stations established through USAID assistance; ◆ In Angola, the Voice of America, funded through USAID, continues to broadcast timely and accurate information by presenting diverse viewpoints. For many Angolans, the radio station represents one of the only sources of information available besides Angola's national radio station. Through the U.S. Embassy, the U.S. government also provided Radio Ecclesia, Angola's only independent radio station, with funds to purchase repeaters that extend the range of their broadcasts.
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	A free and independent media is an imperative for democratic, transparent governance. It provides essential information to the people, both informing their political decisions (including voting) and acting as a means for the people to express their views.

VI. PROGRAM EVALUATIONS AND PART REVIEWS

One program evaluation was conducted in FY 2004 that pertained to this Strategic Goal.

- 1) Foreign Assistance: U.S. Anticorruption Programs in Sub-Saharan Africa Will Require Time and Commitment, GAO-04-506, April 26, 2004



USAID's *Balkan Trust for Democracy Alliance* increases stability in southeast Europe.

Balkan Trust

An example of an alliance that is working towards building regional stability and democracy is the Balkan Trust for Democracy. This alliance is a grant-making initiative to mitigate regional and ethnic rivalries in southeast Europe by supporting good governance and increased civic participation. An \$11 million USAID investment leverages an additional \$18 million from the German Marshall Fund, Charles Stewart Mott Foundation, and the government of Greece. By awarding grants to various civic bodies and local and national governments, the Trust aims to strengthen democratic institutions and political processes for long-term regional stability.

STRATEGIC GOAL 5: ECONOMIC PROSPERITY AND SECURITY

Strengthen World Economic Growth, Development, and Stability, While Expanding Opportunities for U.S. Businesses and Ensuring Economic Security for the Nation

I. PUBLIC BENEFIT

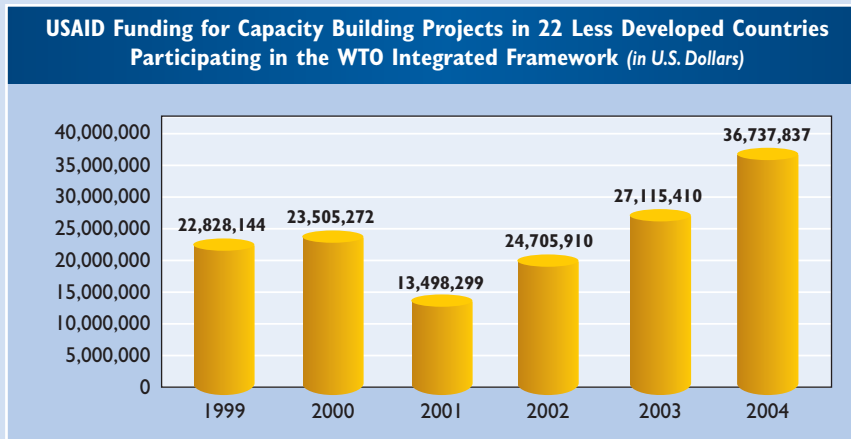
The President's National Security Strategy aims to "help make the world not just safer, but better." National security and global economic prosperity are inextricably linked. Americans have a vital interest in a strong international economy that advances prosperity, freedom, and economic opportunity worldwide. Economic growth creates new jobs and higher incomes for Americans and for citizens of other nations, and is vital for ensuring the economic security of the United States. Creating new economic opportunity through industry, agricultural development, and trade will reduce the suffering from poverty and hunger that currently plagues 1.2 billion people worldwide. It will also improve natural resource management and environmental quality, and create institutional and human capacity to build equitable and sustainable economies. USAID, in conjunction with the public and private sectors in developing nations, works closely with other U.S. agencies, businesses, and NGOs, as well as with other international donors, to build strong and dynamic economic systems based on free trade bringing benefits and raising incomes of U.S. and host country businesses and workers.

The remarkable growth and prosperity of the developed economies have demonstrated the strength of a dynamic, open international trading system based on free trade and free markets, good governance, and the rule of law, which is a key element of sustainable development. Conversely, the lack of economic opportunity for many around the world is an underlying factor for a number of the grave challenges the United States faces. Regional instability, social and environmental destabilization, food insecurity, unemployment, and humanitarian crises all feed on, and further marginalize, vulnerable populations. USAID's efforts to promote trade and sustainable economic development have a direct positive effect on these vulnerable populations while also strengthening the U.S. economy.

As the world's largest importer and exporter, the United States has a significant impact: trade reached \$2.6 trillion in FY 2003. Exports account for roughly 10 percent of gross domestic product (GDP), but contribute much more in terms of GDP growth, as export growth contributed about 15 percent of U.S. economic growth during the past decade. U.S. workers in export sectors have higher than average wages, and one of every five U.S. manufacturing workers depends on exports for a job. The capacity of developing countries to buy U.S. exports depends, in turn, on their ability to expand their exports to the major developed countries.

Imports by the United States make competitive, lower cost goods available to U.S. consumers and quality supply components available to U.S. industries. The United States is the largest importer from developing countries, importing goods worth over \$680 billion in 2003, more than 10 times the value of the total of all official development assistance to developing countries from all donors. Furthermore, a productive agricultural sector is critical to overall economic growth, trade expansion, and increased income-earning opportunities, not to mention food security. Equally important is increased access to infrastructure—communications, transport, water, energy—and it underpins the expansion and improvement of services in all other sectors of development. Continued growth and the economic opportunity gained from open trading systems, good governance and the rule of law, critical infrastructure, foreign investment, U.S. development assistance, and international cooperation on financial issues promotes political liberty abroad and U.S. national security at home.

II. SELECTED PERFORMANCE TRENDS



III. RESOURCES INVESTED



IV. ILLUSTRATIVE EXAMPLE OF SIGNIFICANT ACHIEVEMENT

Madrid International Donors Conference on Iraq Reconstruction

The October 2003 Madrid International Donors Conference on Reconstruction in Iraq, attended by the USAID Administrator, was the most successful donors conference ever, raising over \$32 billion in pledges. The Department of State and USAID worked closely with the Departments of Defense and Treasury in consulting with other countries, the United Nations, and international financial institutions to help organize the conference, which was attended by 73 countries. Pledging included \$13.5 billion from non-U.S. sources. Of this non-U.S. component, \$5.5 billion was pledged by the World Bank and International Monetary Fund (IMF) in lending programs. The remaining \$8 billion was pledged by 36 countries and the European Commission. The largest previous pledging conference had raised \$5-6 billion.

Millennium Challenge Corporation

FY 2004 was a year that brought the Millennium Challenge Account (MCA), the Administration's innovative approach to development assistance, into existence. The Agency played a major role in these efforts, including by helping to develop the organizational and operational principles of the MCA, helping to draft the proposed legislation that the President presented to Congress, and then working with the Senate and House to gain support and acceptable legislation which was finally passed in the second quarter of FY 2004. On several occasions, senior Agency officials testified before Congress to explain and build support for the Millennium Challenge concept. USAID and the State Department were the lead agencies in outreach efforts to gain the support of business and academic groups, non-governmental organizations, and the general public for the MCA legislation.

V. PERFORMANCE RESULTS

SUMMARY OF PROVISIONAL OR PRELIMINARY RESULTS — STRATEGIC GOAL 5			
Total Goals and Indicators		Performance Summary	
Number of Performance Goals	3	Number of Targets Met	2
Number of Program Goals	5	Number with Data Lags	3
Number of Indicators	6		

PERFORMANCE GOAL #1

Institutions, Laws, and Policies Foster Private Sector Growth, Macroeconomic Stability, and Poverty Reduction.

FY 2004 NET PROGRAM COSTS - \$2,812,371,385

PROGRAM GOAL: SCIENCE-BASED DECISION-MAKING AND STANDARDS DEVELOPMENT		
Strengthen ties with neighbors and key allies, and facilitate access to international markets for new technologies.		
Performance Indicator #1: Effectiveness of Contacts Between Science & Technology (S&T) Communities and Policymakers		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2002)
	2002	<ul style="list-style-type: none"> ◆ U.S. government organized and sponsored four roundtables on biotechnology and nanotechnology issues. ◆ U.S. government (USAID) launched an ag-biotech initiative, Collaborative Agricultural Biotechnology Initiative; mobilizing new science and technology (S&T) to reduce poverty and hunger.
	2003	<ul style="list-style-type: none"> ◆ To promote developing country access to and management of new scientific tools such as biotechnology for improving agriculture productivity, environmental sustainability and nutrition, USAID launched a comprehensive set of activities under the Collaborative Agricultural Biotechnology Initiative (CABIO). These activities include research and technology development to better address developing country crop and animal production needs, as well as development of policy and regulatory frameworks. Developing science-based biosafety systems was undertaken by bringing scientists and policy makers together to provide the basis for sound decision-making on biotechnology in agricultural development. ◆ USAID sponsored a global meeting of researchers to consider the relevance and importance of social sciences to agricultural and natural resources research aimed at alleviating poverty and enhancing environmental sustainability. The outcome strengthened the support for economics and social sciences in the \$400 million CGAIR global research program. ◆ USAID sponsored an Asia regional agricultural biotechnology priority setting meeting in New Delhi, India, bringing scientists and policy makers from the U.S. and from across the region to discuss key objectives and steps needed to bring the benefit of new science to increasing productivity among smallholder farmers. Key objectives identified included nutritional enhancement and tolerance of abiotic stress (e.g., drought, salinity). ◆ USAID joined with the Rockefeller Foundation and DFID (UK) to establish the African Agricultural Technology Foundation to sponsor the sharing of research technologies between the public and private sectors in ways that bring the latest science to bear on solving problems affecting the livelihood of millions of African farmers. The prime objective is to ensure a conducive policy and technology management environment by building sound stewardship of biotechnology on the ground in Africa. ◆ USAID joined with the International Rice Research Institute to implement the International Rice Functional Genomics Consortium and the Cereals Comparative Genomics Initiative. Both efforts focus on linking leading U.S. laboratories and universities in a global effort aimed at using rice science to solve key problems facing rice production in ways critical to global food security. ◆ USAID worked with CGAIR partners and leading U.S. researchers to establish the Harvest Plus Challenge Program aimed at developing nutritionally enhanced strains of rice, wheat, maize, beans, cassava and sweet potato. The program has since attracted \$25 million in support from the Gales Foundation, as well as the World Bank and USAID.
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ Participated in 6 bilateral initiatives to involve developing country partners in climate change science and technology cooperation. ◆ Through UAID leadership, the U.S. signed a letter of intent to collaborate in agricultural biotechnology with India. India is poised to be a leader on agricultural biotechnology among developing countries and thus can play an influential role in demonstrating the benefits of biotechnology. ◆ In collaboration with USAID, USAID organized a meeting of West African ministers to discuss agricultural science and technology as a tool for economic development and food security. An outcome of that conference has been increased interest in biotechnology and further discussions with the U.S. on collaboration in this area. ◆ USAID and USDA jointly sponsored a meeting held at the University of California at Davis to strengthen research cooperation between the U.S. research community and the international agricultural and natural research centers. USAID also supports scientific liaison officers from the U.S. research community with 16 international agricultural research centers whose mission is to achieve sustainable food security and reduce poverty through research and research-related activities. ◆ The long-term agricultural and natural resource management research funded by USAID and other donors continues to provide important benefits for both producers and consumers in developing countries. Benefits generated include new, higher-yielding rice varieties in Latin America, Asia, and West Africa; higher-yielding wheat in Asia, North Africa, and Latin America; and cassava mealybug biocontrol in Africa. ◆ USAID convened a U.S.-India Joint Working Group on Agricultural Biotechnology, engaging USDA, State, NSF and leading U.S. scientists with a counterpart team drawn from the Government of India leadership and leading Indian biotechnology research organizations. A joint program of work is emerging targeting Golden Rice, drought tolerant rice and virus resistant strains of key horticultural crops.

(continued on next page)

PROGRAM GOAL: SCIENCE-BASED DECISION-MAKING AND STANDARDS DEVELOPMENT (continued)	
Performance Indicator #1: Effectiveness of Contacts Between Science & Technology (S&T) Communities and Policymakers (continued)	
Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
Impact	This indicator was chosen because the language in UN economic development resolutions reflects prevailing policy norms. UN development organizations are major players in economic development. The types of programs and the nature of recipients' requests for assistance will demonstrate the degree of acceptance of MCA principles.

PROGRAM GOAL: PRIVATE SECTOR CAPACITY		
Improve Private Sector Capacity/ Growth, Including Rural Competitiveness and Micro and Small-Enterprise Development.		
Performance Indicator #1: Enterprise Level Competitiveness		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	<ul style="list-style-type: none"> ◆ 1,338,864 loans provided as a result of USAID assistance (disaggregated by type of recipient, including historically disadvantaged groups). ◆ \$363,054,541 in loans provided as a result of USAID assistance (disaggregated by type of recipient, including historically disadvantaged groups). ◆ 89,913 firms directly participating in USAID sponsored activities to strengthen their competitiveness/productivity (annually).
FY 2004 Data	2004 Preliminary or Provisional Results	◆ Results for 2004 to be determined by from Missions' Annual Reports.
	Target	<ul style="list-style-type: none"> ◆ 2,000,000 loans provided as a result of USAID assistance (disaggregated by type of recipient, including historically disadvantaged groups). ◆ \$400 million in loans provided as a result of USAID assistance (disaggregated by type of recipient, including historically disadvantaged groups). ◆ 90,000 firms directly participating in USAID sponsored activities to strengthen their competitiveness/productivity (annually).
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	Firms in developing countries typically lack access to credit through the formal financial system for expansion. Providing credit directly or mobilizing bank financing for such firms is critical to achieving economic growth and associated job creation.

PERFORMANCE GOAL #2

Increased Trade and Investment Achieved through Market-Opening International Agreements and Further Integration of Developing Countries into the Trading System

FY 2004 NET PROGRAM COSTS - \$226,208,664


PROGRAM GOAL: CREATE OPEN AND DYNAMIC WORLD, REGIONAL AND NATIONAL MARKETS

Increase capacity of countries to participate in global, regional, and national trade, and increase market access for U.S. goods, services, and enhance protection of intellectual property.

Performance Indicator #1: Level of Trade Capacity of USAID-Assisted Countries

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	First Year Data Reported: \$161,979,374 increase in exports of countries where USAID provides trade development assistance (from national sources collected on a calendar year basis).
FY 2004 Data	2004 Preliminary or Provisional Results	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator: Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	Increased exports spur economic growth, create jobs, increase incomes, raise standards of living, and reduce poverty. The resulting economic growth and poverty reduction improves social and economic stability, creates new markets for U.S. goods and services, and contributes to regional and global security.

Performance Indicator #2: Number of USAID-assisted Countries in Some Stage of WTO Accession and Compliance

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	First Year Data Reported: 28
FY 2004 Data	2004 Preliminary or Provisional Results	29 (5 in ANE Region: Nepal, Cambodia, Lebanon, Vietnam, and Yemen. Iraq has observer status, and Afghanistan put in application for observer status.) 16 of 16 LAC presence countries are WTO members.
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator: Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	 On Target
	Impact	WTO accession means access to markets more open and predictable, aligns developing country commercial law regimes with international norms, expands the international rule of law, improves transparency and economic governance, and reduces opportunities for corruption.

PERFORMANCE GOAL #3


Enhanced Food Security and Agricultural Development

FY 2004 NET PROGRAM COSTS - \$372,116,870

PROGRAM GOAL: AGRICULTURE-LED INCOME OPPORTUNITIES EXPANDED

Capacity of Organizations and Individuals to Support the Production and Distribution of Food and Marketable Agricultural Goods.

Performance Indicator #1: Level of Agricultural Sector Growth

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	1.* 172 agricultural technologies made available for transfer through USAID programs. 2. Nine or ten countries undertook field trials of a biotechnology crop. 3.* 4,171 rural organizations assisted by USAID 4.* 116,353 male individuals received agricultural training. 5.* 98,422 female individuals received agricultural training.
	Target	1.* 109 agricultural technologies made available for transfer through USAID programs. 2. Number of developing countries undertaking field trials and/or commercial approval of bioengineered crops: 10. 3.* Number of rural organizations assisted by USAID: 2,288. 4.* 46,554 male individuals to receive agricultural training. 5.* 37,681 female individuals to receive agricultural training.
	Rating	 Exceeded Target
	Impact	<p>Biotechnology capacity: Expanding the number of countries who are integrating biotechnology into agricultural and food systems will both improve global acceptance of these crops and broaden the economic and environmental benefits of this technology, particularly to developing countries. USAID contributes to this in two ways: in the development of new bioengineered crops aimed at the needs of developing countries, and by support for the development and implementation of sound biotechnology regulatory systems which facilitate field trials, and eventually, commercialization. In 2004, Burkina Faso undertook their first field test of a bioengineered crop, insect-resistant cotton. This step has widely been watched by other developing countries, particularly those in West Africa, and has served as a stimulus to other countries to move forward on biotech. For example, the Mali government has requested support from USAID to develop their biosafety regulations to allow for field trials of biotech cotton there as well. As a result of this assistance, it is expected that bioengineered cotton will begin field trials in Mali in December 2004 or early 2005.</p> <p>Developing capacity of producer organizations: Developing the capacity of producer organizations in rural areas is key for giving individual member farmers increased market power and influence on policy-making with their elected leaders. Producer organizations are also the focal point for giving farmers access to improved production, storage, and processing technologies leading to increasing value – added to agricultural production and thus individual or group income. The achievement of this result is important because it creates democratic governance capacity at the local level while increasing income in rural areas.</p>
NOTES	* Data from eleven missions and Washington-based Initiative to End Hunger in Africa (IEHA) activities.	

PROGRAM GOAL: FOOD SECURITY		
Ensure that vulnerable populations have access to food.		
Performance Indicator #1: Number of People Receiving Title II Food Assistance		
FY RESULTS HISTORY	2001	68,849,000 people received Title II Food Assistance.
	2002	86,499,000 people received Title II Food Assistance.
	2003	124,019,000 people received Title II Food Assistance.
FY 2004 Data	2004 Preliminary or Provisional Results	96,387,000 people receiving Title II Food Assistance. ♦ Per capita food production index: 128.4 ♦ Yield per hectare (kg/ha) of cereal crops in developing countries: 2,786.6
	Target	19,000,000 people receiving Title II Food Assistance. ♦ Per capita food production index: 126.1 ♦ Yield per hectare (kg/ha) of cereal crops in developing countries: 2,821.1
	Rating	■ Exceeded Target
	Impact	The broadest measure of USG impact on food insecure populations is the number of people receiving food assistance.

VI. PROGRAM EVALUATIONS AND PART REVIEWS

One program evaluation was conducted in FY 2004 that pertained to this Strategic Goal.

- 1) "USAID Technical Assistance in Fiscal Reform" (8 Case Studies), August 2004, which can be found at: www.fiscalreform.net/usaidtha/usaidtha.htm

Entra 21 Alliance



Disadvantaged youth are trained with IT skills in order to prepare them for employment

In working to achieve economic prosperity and security in Latin America, the \$28 million Entra 21 Alliance fuels Latin America's information technology (IT) economy by bridging the gap between jobs and young people. The alliance establishes task forces to provide internships for disadvantaged youth to prepare them for formal employment. Twelve thousand students will be trained with competitive IT skills in 26 Latin American countries. As one 18-year-old trainee, a father of two, says, "These days I find work as a gardener. I'm not able to find much more because I'm not qualified. I don't have technical training, and I don't hold a degree. I like computers, and I like that this program is open to people like me, with little resources to go elsewhere." USAID's alliance partners include Inter-American Development Bank, International Youth Foundation, Lucent Technologies, Merrill Lynch, and Microsoft.

Coffee Alliance

Since April 2003, the Coffee Corps Alliance has provided 47 pro bono coffee consultants and devoted over 5,000 hours of technical assistance in 16 countries in Africa and Latin America. In cooperation with the Coffee Quality Institute, this alliance has supported transparent price mechanisms for coffee. This alliance employs the Q-Auction, an innovative online means of connecting quality coffee growers with buyers, that delivers 75 percent of revenues back to producers and two percent to a national fund for community development. A critical success component of this alliance is the Coffee Corps, a group of volunteers passionate about coffee and willing to share their time and talents with coffee farmers and coffee communities. The Coffee Quality Institute works with groups in producing countries in Africa and Latin America to identify business and humanitarian needs with which Coffee Corps volunteers can make a difference.



Coffee Alliance helps farmers in Zambia grow high quality coffee.

Food Resources Bank Alliance

Alliances support by USAID in FY 2003 capitalized on FY 2002 efforts, such as the Foods Resource Bank Alliance. This innovative alliance mobilizes the goodwill donations of technical expertise and commodities from farmers, agricultural firms, and church groups throughout the United States to address international food security challenges in Kenya, Ghana, Zambia, Malawi, and 18 additional countries. Foods Resource Bank (FRB) is a faith-based organization that conducts outreach to U.S. farmers on food security issues in the developing world. In its short five-year existence, FRB has initiated 154 U.S.-based rural community growing projects. These are “twinned” with 93 suburban/urban communities (for financial support) to produce over 5,000 acres of marketable agricultural crops. These commodities are sold in the United States and the funds used to implement smallholder sustainable food security programs in the developing world. Because administrative costs are funded by the organization's separate fundraising, 100 percent of the revenue generated by community growing projects goes to overseas programming. USAID then matches the amount of funds raised to double total program resources. Each program serves approximately 10,000 people at an annual cost of about \$4.00 per person, or one cent per day. This is not emergency feeding or disaster relief; rather it initiates and develops a sustainable food security system that allows people to know the dignity and pride of feeding themselves and their families.



Afican communities learn sustainable food production techniques funded by donations from U.S. farming communities.

Biosphere Station on Meso American Reef Demonstrates Clean and Sustainable Techniques for Meeting Energy, Water, and Sanitation Needs

When Mexican officials decided to build a field station by a coastal reserve rich in coral reefs along the southern coast of Mexico, there were no energy sources or fresh water, nor a way to dispose wastewater safely. A combustible fuel generator and untreated wastewater or a septic tank carried back to shore by boat could have damaged the environment that the field station was meant to protect.

To address this concern, a public-private team that included local fisherman and international energy experts put in place model systems to generate renewable energy; collect, store, and filter rainwater; and treat and dispose wastewater. Through the Mexico Renewable Energy Program USAID contributed the hardware, energy and water efficiency devices, and technical expertise in renewable energy systems to support the pilot



Banco Chinchorro field station workers lift solar collectors to the roof for installation in July 2004. Photo credit: Arturo Romero, Sandia National Laboratories

effort. Additionally, both USAID/Mexico and the EGAT Energy Team contributed funding. With the current success of this project, plans are already underway to replicate the model for 15 fishermen cabins and a small ecotourism lodge on the reserve.

Banco Chinchorro Biosphere Reserve has the largest and best representation of coral reefs among all protected marine areas in Mexico. However, its environmental balance is threatened by tourism, over-fishing, contamination, and the existence of non-native species. To balance conservation and use effectively, the Mexican National Commission of Natural Protected Areas (CONANP) decided to build a field station on the reserve at Cayo Centro. The station's purpose is to manage and protect the natural resources of the area, support scientific research, and share knowledge about the area.

The isolated and geological location of the field station meant that the only connection to infrastructure and amenities is a four-hour, once-weekly boat service to and from the coastal port of Mahahual. Conventional energy sources would damage the environment and be costly; therefore, a team committed to the environment, including CONANP, World Wildlife Fund, Quintana Roo Society for Renewable Energy, USAID, and local fishermen proposed a sustainable and replicable model, that would affordably allow the Cayo Centro Field Station to blend in with the environment. Clean renewable energy systems were installed along with energy-efficient appliances; a rainwater collection, storage and filter system was put in place together with water conservation devices; and a wastewater treatment system was employed to neutralize water before entering the environment.

This field station is a model for all research, guard, education and visitor centers of the Mesoamerican Barrier Reef System to consider as well as local fisherman, coastal homeowners, mainland park personnel, and ecotourism entrepreneurs.

Slum Electrification; 1.2 Million People Receive Legal Access to Energy in Ahmedabad, India



Local CBO (NGO) President with new meter

The EGAT Energy Team worked with the India Mission, the Ahmedabad Electric Company (AEC), and local non-governmental organizations (NGO) to develop and promote an approach to provide safe, reliable, and legal electric service connections to approximately 1.2 million slum dwellers (233,000 households). USAID's mission was to provide matching seed funds to cover one-third of the costs for the pilot phase of this activity which reached approximately 3,000 households. The pilot demonstrated that losses from theft could be reduced entirely and that poor households are able and willing to pay a connection fee and their utility bills when provided quality electrical service. Because of the success of the pilot phase, the AEC used its own funds to expand the slum electrification program to another 30,000 households and plans to provide service to 200,000 additional households by March 2007.

In Ahmedabad the term “slum” is taken to cover very poor households living in homesteads without formal tenure; the slums themselves are anywhere from a few years to one hundred years old.

The historical approach for electrifying households in slums required that the households provide legal documents proving tenure and to cover 100 percent of the cost of stringing feeder lines from the distribution system to a residence. Few households could prove legal tenure, and fewer still could raise the upfront costs of connecting to the grid. Benefits of electricity to households are so great that an informal (read: illegal) system of electricity distribution developed in neighborhoods. Households paid an illegal service provider to provide a connection. The Ahmedabad Municipal Corporation (AMC) has a slum upgrading project (the Parivartan scheme) which seeks to improve the lives of the approximately 25 percent of the city who live in slums. The Parivartan scheme provides improved water supply (private household connections), sanitation facilities, stormwater drainage, street lighting, and solid waste management; but it does not provide or seek to improve the condition of electrical distribution system in these neighborhoods. However, it does provide for a form of tenure the “No Objection Certificates.”. Here the role of the NGOs were essential in helping to bridge the gap between the language that the AMC intended to use and the language that the AEC required to protect its investments in slum areas and to protect itself against liability.

One of the principal concerns of the AEC was would consumers pay to connect and would they pay their periodic utility bills or would infrastructure investments result in an increased capacity to steal electricity. Likewise, from the consumer perspective the question was would paying the connection fee actually result in the AEC delivering a quality (affordable and reliable) service. USAID worked with the AEC, the NGOs and the communities to address this dilemma by providing seed money to pilot a program that tapped into the preexisting trust and experience that the NGOs had with both the slum households and with the AEC to bridge the lack of trust and confidence that existed between the utility and their customers.



Family with their newly installed electric meter

Several key lessons were learned from the pilot. 1) Monthly charges for electrical service for those households that had been previously relying on illegal service providers decreased by almost 50 percent 2) Households are willing and able to pay connection and usage charges 3) Electrifying entire neighborhoods allowed the AEC to reap substantial economies of scale and to substantially reduce the average connection fee.

In addition to reduced electrical costs, the benefiting households of the pilot project also could now extend their work or study time in the evenings, use electrical equipment to increase productivity, and partake of leisure activities. They also noted an increase in quality of electrical service (more hours and stable voltage) and the consequent reduced damage to appliances. In addition, community associations and NGOs earned income by engaging women to provide meter reading services and by loaning funds for the connection charges. These funds were recycled within the community to provide daycare, adult education, and other social services. Perhaps the most critical benefit of the pilot project was to develop an experience of trust between the utility and its staff and the slum dwellers.

As a result of the success of the pilot project which reached nearly 3,000 households, the AEC used its own funds to provide safe, reliable, and legal electrical service to an additional 30,000 households and has plans to provide service to an additional 200,000 households by March 2007.

The Ahmedabad Slum Electrification project is part of the Energy Team's larger strategy for improving access to, and increasing the consumption of, safe and reliable modern energy to increase the health, welfare, and productivity of poor communities.

EGAT Energy Team Supports Solar Electrification of African Clinic Where AIDS Was Discovered

USAID's EGAT Energy Team provided funding for Solar Light for Africa. This is a faith-based non-governmental organization (NGO) collaboration between U.S. and African churches, NGOs, and governments to provide light and energy sources for rural Africa using the natural power of the sun. Solar Light for Africa's primary project for 2004 is to provide electricity with solar photovoltaic panels to the Kakuuto Hospital located in the Rakai District of Uganda where AIDS was first discovered. This project will not only provide clean electricity but also provide pure spring water to the hospital via 3.2 kilometers of pipe, solar powered pumps, and site storage tanks. A real benefit to the villages between the spring and the hospital is that they will also be provided access to the water through strategically placed spigots.

In addition to the Rakai hospital project, the goal for 2004 is to install 100 other solar systems in both Uganda and Tanzania. The installations will be in rural health clinics, community centers, and schools. As many solar installations as possible will be installed by the combined American and East African youth teams. To date, 1,400 solar systems have been installed since 1997.

This will be the sixth consecutive year that SLA has organized a mission. On the American side, the participants will include solar engineers, environmental experts, dentists, senior high students, and college students who will work with East African youth, technicians and noted African officials.

The SLA is renowned for its work in rural areas to provide clean energy for health care facilities, schools, churches, and private homes in rural Africa. "One of my fondest memories is of a young mother giving birth to her child, in the dark of night, with the assistance of solar light. Had it not been for this solar installation at the Birthing Center, the mid-wife would have delivered the baby, to the best of her ability, utilizing the meager light of one kerosene lantern that produces noxious black fumes. Instead, the baby's first breath was of pure air. The mother named her son, Solar."

*Sherry Rainey, Former Youth Mission Participant
Tallahassee, Florida*

Microeconomic Reform

Microeconomic reform plays a large and growing role in USAID's programs to promote economic growth overseas. Almost every USAID field mission has implemented microeconomic reform programs, with extensive activities in well over half of the 75 countries where USAID has a presence. Both the number and breadth of microeconomic policy reform activities are increasing in every region and have reached a cumulative funding total of nearly \$3 billion.

USAID field missions have initiated more than six hundred microeconomic reform activities, covering the following nine categories of policies and regulations:

- ◆ Investment approvals and processing
- ◆ Business operation
- ◆ Contract enforcement, dispute resolution, bankruptcy
- ◆ Labor markets
- ◆ Markets for credit or equity finance
- ◆ Import/export procedures
- ◆ Intellectual property rights
- ◆ Sector-specific regulation affecting investors
- ◆ Local/regional and national tax regimes

The impact of USAID's assistance in microeconomic reform is exemplified by its work in Jordan. As one of its projects following an Investors' Roadmap analysis, USAID supported the government in re-engineering its company registration process. As a result, the number of required forms reduced from five to one and processing time decreased from over two weeks to 30 minutes. Similar successes are found throughout USAID's programs, including in Morocco's court system, where the time to complete a case dropped from 227 days in 2001 to 97 days in 2003. In Ghana, because of USAID's intervention, the number of days to clear goods at the port is currently 3 days, down from 10 days in 2000.

The publicity generated by the recent publication of the World Bank's *Doing Business in 2004* has galvanized support for microeconomic reform throughout the world. *Doing Business* complements the World Economic Forum's *Global Competitiveness Report*, further expanding the resources available to countries and USAID field missions for designing and implementing effective microeconomic reform projects. The benchmarking approach for these publications stimulated peer pressure and spurs governments to action, providing an excellent opportunity for USAID to capitalize on this new momentum for reform.

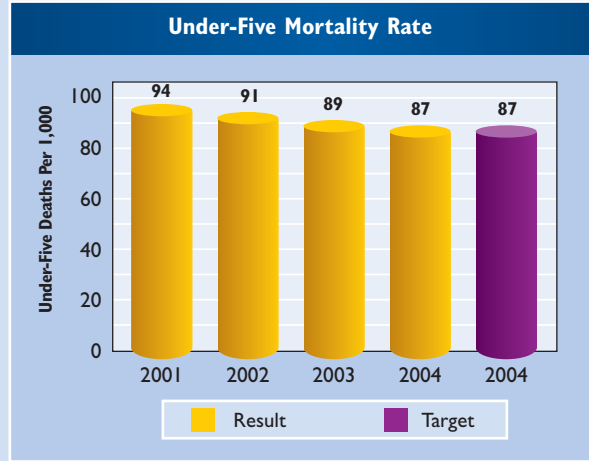
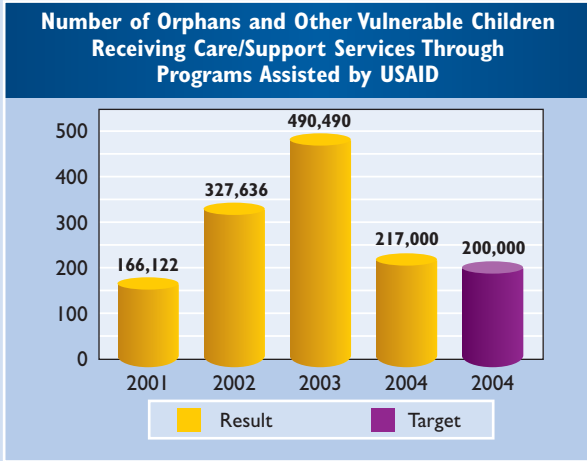
STRATEGIC GOAL 6: SOCIAL AND ENVIRONMENTAL ISSUES*Improve Health, Education, Environment, and Other Conditions for the Global Population***I. PUBLIC BENEFIT**

Disease, poverty, displacement, lack of education, and environmental degradation destroy lives, ravage societies, destabilize regions, and cheat future generations of prosperity. While these social and environmental problems are daunting, ample experience at the international and national levels demonstrates that progress is possible through concerted efforts. USAID's health sector investments have resulted in: reductions in HIV transmission in high-priority countries and improved quality of life for persons living with HIV/AIDS; more couples being able to decide the number and spacing of their children; more women having access to skilled care at childbirth; more children being immunized and surviving common childhood illnesses; expanded access to effective prevention and treatment measures for infectious diseases like malaria and tuberculosis; and significant progress in eradicating polio worldwide. In the environmental area, the United States is supporting clean energy technology and climate change mitigation, as well as biodiversity, forestry and other natural resource management issues as a productive way to promote sustainable environmental development, thereby reducing the strains on society that lead to conflict, and even terrorism. These improvements in health, survival, and environment are enabling the citizens of developing countries to contribute to their own progress and to national prosperity.

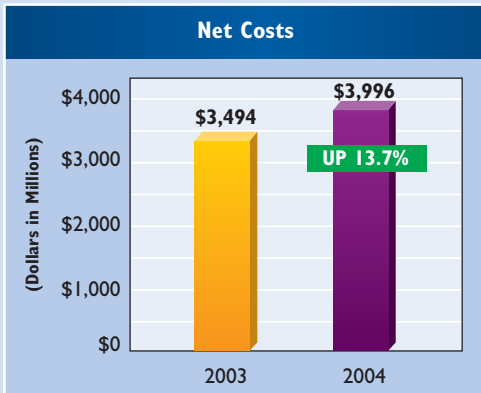
The United States has humanitarian, security, and economic interests in helping countries tackle social and environmental problems. Left unresolved, these problems will aggravate social and political instability and could reverse the development advances made over the last several decades. By confronting these problems, the U.S. can save lives, reduce human suffering, lay the groundwork for sustainable economic development, forestall the conditions that sow the seeds of terrorism, and prevent adverse conditions from spilling across our borders.

USAID will build public-private partnerships that leverage resources, strengthen international cooperation, mobilize domestic resources and help other countries build their institutional capacity to manage these problems. USAID will encourage good governance and greater civil society involvement, necessary for making sustainable gains against social and environmental problems by bringing problems to light, enabling varied, creative solutions in the context of public debate, and holding governments and other institutions accountable for results.

II. SELECTED PERFORMANCE TRENDS



III. RESOURCES INVESTED



IV. ILLUSTRATIVE EXAMPLE OF SIGNIFICANT ACHIEVEMENT

Africa

In Africa, USAID supports basic education programs in 15 countries: Benin, Democratic Republic of the Congo (DRC), Djibouti, Ethiopia, Ghana, Guinea, Malawi, Mali, Namibia, Nigeria, Senegal, South Africa, Sudan, Uganda, and Zambia. In addition, Missions in Kenya, Tanzania, and Madagascar are adding education to their country programs. Within the Africa Bureau, several important cross-cutting themes are targeted: 1) HIV/AIDS—in particular, mitigating the impact of this disease on Africa's education systems; 2) gender equity—increasing educational opportunities for girls, and 3) increasing community participation in education, with an emphasis on local level school ownership and management. Focus is also concentrated on promoting innovative programming, developing effective schools and classrooms, building capacity at both national and local levels, and promoting sustainable systemic reform. A particular initiative, the Africa Education Initiative (AEI) focuses on increasing access to quality education through the provision of scholarships for girls, improved in-service and pre-service teacher training, development and distribution of textbooks and related learning materials, and increased involvement of African communities in the education of their children.

Since 1990, countries have achieved strong enrollment gains and much greater equity for girls: there were 12 million more total children enrolled in primary schools in 2000 than there were in 1990. Other accomplishments include significantly increased public expenditures on education; improved qualifications and conditions of service for teachers; improved education sector management information systems; and increased local, regional, and community participation and decision-making in education. Under AEI's scholarship component, 5,353 girls have received scholarships, Guinea has received 500,000 first and second grade language arts texts, and Senegal has received 270,000 textbooks. Additionally, 62,044 in-service teachers and 6,800 pre-service teachers have received training.

The Global Partnership for Child Survival

The United States continues to be one of the world's major donors and an international leader in child survival. In 2003, a global review of progress in child survival documented the need for accelerated progress to achieve the international development goals set for 2015. The review documented that 90 percent of the world's deaths of children occur in 42 developing countries, with half of these deaths occurring in just six large countries. USAID joined the Canadian International Development Agency (CIDA) and the government of Uganda (GOU) in an international consultation to respond to this analysis. As a result, USAID became a founding member of a global "Child Survival Partnership" along with CIDA, UNICEF, the World Health Organization (WHO), the World Bank, the Bill and Melinda Gates Foundation, and other bilateral donors and governments of several developing countries. This group of organizations and governments is working together to strengthen child health programming in countries with high burdens of child mortality, including promotion of regular monitoring and high level review of progress and linkage of child health interventions to national level resources. By mid-2004, this partnership had supported the development of a national child health strategy in Ethiopia, the incorporation of child health into the health investments in the World Bank's emergency recovery program in DRC, and implementation of a national review of the child health and nutrition situation in Cambodia. During the remainder of 2004, additional policy-level actions are planned for India and at least one additional African country. At the same time, patterns will strengthen coordination and programming in those countries already engaged in the partnership. Accelerated progress in key child health indicators is expected within three years in partner countries.

V. PERFORMANCE RESULTS

SUMMARY OF PROVISIONAL OR PRELIMINARY RESULTS — STRATEGIC GOAL 6			
Total Goals and Indicators		Performance Summary	
Number of Performance Goals	3	Number of Targets Met	17
Number of Program Goals	9	Number with Data Lags	7
Number of Indicators	29		

PERFORMANCE GOAL #1

Improved Global Health, Including Child, Maternal, and Reproductive Health, and the Reduction of Abortion and Disease, Especially HIV/AIDS, Malaria, and Tuberculosis

FY 2004 NET PROGRAM COSTS - \$2,912,321,034

PROGRAM GOAL: INFECTIOUS DISEASES



Increased use of proven interventions to reduce the threat of infectious diseases of major public health importance.

Performance Indicator #1: Tuberculosis Treatment Success Rate (%) (37 Countries)

		Tuberculosis Treatment Success Rate:		
		◆ Less than 50%: 1	◆ 50-84%: 26	◆ 85% or more: 8
FY RESULTS HISTORY	2001	Tuberculosis Treatment Success Rate:		
	2002	Data is pending.		
	2003	Data will be available in 2005.		
FY 2004 Data	2004 Preliminary or Provisional Results	Data will be available in 2006.		
	Target	Tuberculosis Treatment Success Rate:		
		◆ Less than 50%: 0	◆ 50-84%: 25	◆ 85% or more: 12
	Rating	Data is pending.		
	Impact	Tuberculosis control programs should ensure high treatment success before expanding case detection because patients given less than a fully-curative course of treatment remain chronically infectious and continue to spread tuberculosis.		

PROGRAM GOAL: INFECTIOUS DISEASES (continued)		
Performance Indicator #2: Case Detection Rate for Tuberculosis		
FY RESULTS HISTORY	2001	Case Detection Rate for Tuberculosis: <ul style="list-style-type: none"> ◆ Less than 40%: 18 ◆ 40-69%: 13 ◆ 70% or more: 6
	2002	Case Detection Rate for Tuberculosis: <ul style="list-style-type: none"> ◆ Less than 40%: 16 ◆ 40-69%: 14 ◆ 70% or more: 7
	2003	Data is pending.
FY 2004 Data	2004 Preliminary or Provisional Results	Data will be available in 2005.
	Target	Case Detection Rate for Tuberculosis: <ul style="list-style-type: none"> ◆ Less than 40%: 13 ◆ 40-69%: 16 ◆ 70% or more: 8
	Rating	Data is pending.
	Impact	In the presence of a high cure rate, increased case detection of sputum smear positive pulmonary tuberculosis cases will decrease tuberculosis transmission and ultimately, tuberculosis incidence. This is an important indicator to measure how well the program is reducing the overall tuberculosis burden in the targeted countries.
Performance Indicator #3: Percentage of Households in Malaria Endemic Areas with at Least One Insecticide Treated Net (ITN Coverage Rate)		
FY RESULTS HISTORY	2001	ITN Coverage Rate: N/A (new indicator)
	2002	ITN Coverage Rate: N/A (new indicator)
	2003	ITN Coverage Rate: N/A (new indicator)
FY 2004 Data	2004 Preliminary or Provisional Results	ITN Coverage Rate: 12.8 percent (Represents 2002 startup baseline. Will be updated March 2005.)
	Target	7 percent
	Rating	■ Exceeds Target
	Impact	ITNs are an important component of an overall strategy to control malaria especially for children which results in a 20 percent decrease in deaths.

PROGRAM GOAL: INFECTIOUS DISEASES <i>(continued)</i>		
Performance Indicator #4: Number of Clients Provided Services at STI Clinics*		
FY RESULTS HISTORY	2001	180,507 Clients
	2002	58,445 Male; 61,762 Female; 120,207 Total Clients
	2003	214,694 Male; 1,084,640 Female; 1,299,334 Total Clients
FY 2004 Data	2004 Preliminary or Provisional Results	119,914* (extrapolated)
	Target	200,000*
	Rating	■ Below Target
	Impact	With its severe social, economic, and political consequences, HIV/AIDS presents a security threat and violates a basic principle of development—that each generation do better than the one before. Care for people infected and affected by HIV/AIDS, including orphans, mitigates the severe pain and debilitating symptoms caused by HIV/AIDS, as well as its social and economic consequences.
NOTES	* FY 2001 through FY 2003 data is for focus and non-focus countries. Beginning in FY 2004, USAID will collect this data for non-focus countries only.	
Performance Indicator #5: Number of Orphans and Other Vulnerable Children Receiving Care/Support Services Through Programs Assisted by USAID*		
FY RESULTS HISTORY	2001	166,122
	2002	327,636
	2003	198,354 Male; 187,688 Female; 104,448 Male or Female; 490,490 Total
FY 2004 Data	2004 Preliminary or Provisional Results	217,000 Total* (extrapolated)
	Target	200,000
	Rating	■ Below Target
	Impact	With its severe social, economic, and political consequences, HIV/AIDS presents a security threat and violates a basic principle of development—that each generation do better than the one before. Care for people infected and affected by HIV/AIDS, including orphans, mitigates the severe pain and debilitating symptoms caused by HIV/AIDS, as well as its social and economic consequences.
NOTES	* FY 2001 through FY 2003 data is for focus and non-focus countries. Beginning in FY 2004 USAID will collect this data for non-focus countries only.	

PROGRAM GOAL: REDUCE HIV TRANSMISSION AND THE IMPACT OF THE HIV AIDS PANDEMIC		
Performance Indicator #1: Number of People Receiving HIV/AIDS Treatment in the 15 Emergency Plan Focus Countries		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	◆ Provisional data from the field indicates progress toward first year program goals of 200,000 people receiving treatment, with nearly 25,000 people currently receiving treatment. Funds from the President's Emergency Plan were not available until June 2004.
	Target	At least 200,000 individuals receiving treatment during FY 2004
	Rating	 On Target Treatment results indicated above reflect preliminary reporting from nine of 15 focus countries in advance of first HIV/AIDS annual progress reports due December 3, 2004. Final numbers for people on treatment at the end of the first reporting period are likely to be much higher, with the target of 200,000 reached by the end of the first year of full program implementation in June 2005
	Impact	With its severe social, economic, and political consequences, HIV/AIDS presents a security threat and violates a basic principle of development—that each generation do better than the one before. HIV/AIDS treatment mitigates the consequences of HIV/AIDS by dramatically improving health and therefore productivity. With every person receiving treatment, life is extended, families are held intact, and nations move forward with development.
Performance Indicator #2: Estimated Number of HIV Infections Prevented in the 15 Emergency Plan Focus Countries		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	◆ FY 2004 estimates of people receiving prevention services and HIV/AIDS infections prevented in the 15 countries would be provided after HIV/AIDS annual report is submitted on December 3, 2004.
	Target	1. An estimated 47.8 million people receiving prevention services. 2. An estimated 1.3 million infections prevented.
	Rating	 On Target
	Impact	With its severe social, economic, and political consequences, HIV/AIDS presents a security threat and violates a basic principle of development—that each generation do better than the one before. Preventing HIV infections will dramatically decrease burdens of disease on individuals, families, and nations.

PROGRAM GOAL: REDUCE HIV TRANSMISSION AND THE IMPACT OF THE HIV AIDS PANDEMIC <i>(continued)</i>		
Performance Indicator #3: Number of People Receiving HIV/AIDS Care in the 15 Focus Countries		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	◆ FY 2004 figures for number of people receiving HIV/AIDS care in the 15 countries would be provided after HIV/AIDS annual report is submitted on December 3, 2004.
	Target	At least 1.1 million people infected and affected by HIV/AIDS receiving care and support, including orphans and other vulnerable children.
	Rating	■ On Target
	Impact	With its severe social, economic, and political consequences, HIV/AIDS presents a security threat and violates a basic principle of development—that each generation do better than the one before. Care for people infected and affected by HIV/AIDS, including orphans, mitigates the severe pain and debilitating symptoms caused by HIV/AIDS, as well as its social and economic consequences.
Performance Indicator #4: Number of HIV-Infected Pregnant Women Receiving a Complete Course of ARV Prophylaxis to Reduce the Risk of MTCT in USAID Assisted Sites*		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2002)
	2002	6,618
	2003	10,841
FY 2004 Data	2004 Preliminary or Provisional Results	4,707* (extrapolated)
	Target	5,000
	Rating	■ On Target
	Impact	With its severe social, economic, and political consequences, HIV/AIDS presents a security threat and violates a basic principle of development—that each generation do better than the one before. Care for people infected and affected by HIV/AIDS, including orphans, mitigates the severe pain and debilitating symptoms caused by HIV/AIDS, as well as its social and economic consequences.
NOTES	* FY 2001 through FY 2003 data is for focus and non-focus countries. Beginning in FY 2004 USAID will collect this data for non-focus countries only.	

PROGRAM GOAL: MATERNAL AND REPRODUCTIVE HEALTH		
Reduce unintended pregnancy, promote healthy reproductive behavior, and enhance maternal survival, health, and nutrition.		
Performance Indicator #1: Total Fertility Rate (TFR)		
FY RESULTS HISTORY	2001	TFR: 4.4
	2002	TFR: 4.3
	2003	TFR: 4.3
FY 2004 Data	2004 Preliminary or Provisional Results	TFR: 4.2
	Target	No targets set. USAID's program promotes voluntarism in the use of family planning services and thus it would be inappropriate for the Agency to set target levels for family size.
	Rating	N/A
	Impact	TFR illustrates overall trends in family size.
Performance Indicator #2: Percent of Live Births Attended by Skilled Birth Attendants		
FY RESULTS HISTORY	2001	Percent of Live Births Attended by Skilled Birth Attendants: 46.5 percent
	2002	Percent of Live Births Attended by Skilled Birth Attendants: 47.2 percent
	2003	Percent of Live Births Attended by Skilled Birth Attendants: 48.0 percent
FY 2004 Data	2004 Preliminary or Provisional Results	Percent of Live Births Attended by Skilled Birth Attendants: 48.7 percent
	Target	48.5%
	Rating	■ On Target
	Impact	Percent of live births attended by skilled birth attendants is inversely correlated with the maternal mortality ratio.
Performance Indicator #3: Modern Contraceptive Prevalence Rate (Global)		
FY RESULTS HISTORY	2001	Modern Contraceptive Prevalence Rate: 34.7 percent
	2002	Modern Contraceptive Prevalence Rate: 36.1 percent
	2003	Modern Contraceptive Prevalence Rate: 37.3 percent
FY 2004 Data	2004 Preliminary or Provisional Results	Modern Contraceptive Prevalence Rate: 38.4 percent (extrapolated)
	Target	FY 2004 targets were not specified in the Joint Performance Plan. FY 2005 target from Joint Performance Plan: 39.4 percent
	Rating	■ On Target
	Impact	Use of modern contraception is a principal proximate determinant of fertility. As contraceptive use increases, both fertility and abortion rates tends to decrease.

PROGRAM GOAL: MATERNAL AND REPRODUCTIVE HEALTH <i>(continued)</i>		
Performance Indicator #4: Percent of Births Spaced More Than Three Years Apart		
FY RESULTS HISTORY	2001	Percent of Births Spaced More Than Three Years Apart: 43.3.0 percent
	2002	Percent of Births Spaced More Than Three Years Apart: 44.0 percent
	2003	Percent of Births Spaced More Than Three Years Apart: 44.7 percent
FY 2004 Data	2004 Preliminary or Provisional Results	Percent of Births Spaced More Than Three Years Apart: 45.3 percent (extrapolated)
	Target	FY 2004 targets were not specified in the Joint Performance Plan. FY 2005 target: 45.9 percent
	Rating	■ On Target
	Impact	Longer birth intervals are associated with better health outcomes for both mothers and infants.
Performance Indicator #5: Percent of First Births to Mothers Under 18		
FY RESULTS HISTORY	2001	Percent of First Births to Mothers Under 18: 25.0 percent
	2002	Percent of First Births to Mothers Under 18: 24.8 percent
	2003	Percent of First Births to Mothers Under 18: 24.5 percent
FY 2004 Data	2004 Preliminary or Provisional Results	Percent of First Births to Mothers Under 18: 24.3 (extrapolated)
	Target	FY 2004 targets were not specified in the Joint Performance Plan. FY 2005 target: 24.1 percent
	Rating	■ On Target
	Impact	Young maternal age is associated with poorer health outcomes for mothers and infants.
Performance Indicator #6: Percent Need Satisfied with Modern Contraceptive Methods		
FY RESULTS HISTORY	2001	Percent Need Satisfied with Modern Contraceptive Methods: 62.9 percent
	2002	Percent Need Satisfied with Modern Contraceptive Methods: 64.1 percent
	2003	Percent Need Satisfied with Modern Contraceptive Methods: 65.2 percent
FY 2004 Data	2004 Preliminary or Provisional Results	Percent Need Satisfied with Modern Contraceptive Methods: 66.4 percent (extrapolated)
	Target	FY 2004 targets were not specified in the Joint Performance Plan. FY 2005 target: 67.8 percent
	Rating	■ On Target
	Impact	Increases in the percentage of need satisfied indicate that women are increasingly able to achieve the number and spacing of children that they desire.

PROGRAM GOAL: MATERNAL AND REPRODUCTIVE HEALTH <i>(continued)</i>		
Performance Indicator #7: Percent of Births Parity 5 or Higher		
FY RESULTS HISTORY	2001	Percent of Births Parity 5 or Higher: 26.8 percent
	2002	Percent of Births Parity 5 or Higher: 26.1 percent
	2003	Percent of Births Parity 5 or Higher: 25.4 percent
FY 2004 Data	2004 Preliminary or Provisional Results	Percent of Births Parity 5 or Higher: 24.7 percent (extrapolated)
	Target	FY 2004 targets were not specified in the Joint Performance Plan. FY 2005 target: 24.1 percent.
	Rating	■ On Target
	Impact	High parity births are associated with poorer health outcomes for infants.

PROGRAM GOAL: CHILD HEALTH		
Infant and child survival, health, and nutrition improved.		
Performance Indicator #1: Under-Five Mortality Rate		
FY RESULTS HISTORY	2001	Under-Five Mortality Rate (1998): 94/1,000
	2002	Under-Five Mortality Rate (2000): 91/1,000
	2003	Under-Five Mortality Rate (2002): 89/1,000
FY 2004 Data	2004 Preliminary or Provisional Results	Under-Five Mortality Rate (provisional): 87/1,000
	Target	87/1,000
	Rating	■ On Target
	Impact	Survival of children under age five is one of the most important indicators of a population's overall well being. Continued, although slow progress in child survival indicates the success of investment by USAID, countries, and other partners in direct interventions in child health, such as immunization and improved nutrition, combined with the effects of poverty alleviation, education (especially for women and girls), increased food security, and other development interventions. For every additional child who survives through these program investments, hundreds more leave their childhood healthier, better nourished, and more able to reach their own potential and contribute to their country's progress.

PROGRAM GOAL: CHILD HEALTH <i>(continued)</i>		
Performance Indicator #2: Neonatal Mortality Rate		
FY RESULTS HISTORY	2001	Neonatal Mortality Rate (1997-2002): 34/1,000
	2002	Neonatal Mortality Rate (1997-2002): 34/1,000
	2003	N/A (demographic health surveys are very expensive, time consuming, and slow, and are not done every year)
FY 2004 Data	2004 Preliminary or Provisional Results	Neonatal Mortality Rate: (not available)
	Target	33/1,000
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	With improved survival of older infants and pre-school children in many countries, mortality among infants in the first month of life has become one of the largest parts of overall mortality of young children. USAID has led efforts to increase focus on program approaches that improve the survival and well being of these youngest children; USAID-supported research has demonstrated significant reductions of newborn mortality through simple measures to improve routine newborn care in poor countries and through simple approaches to treating life-threatening infections. These efforts are linked to programs that improve the health and survival of mothers through better care during pregnancy, birth, and the critical days and weeks after birth when maternal and newborn complications are most frequent.
Performance Indicator #3: Underweight for Age Among Children Under-Five		
FY RESULTS HISTORY	2001	Underweight for Age Among Children Under-Five: 29 percent
	2002	Underweight for Age Among Children Under-Five: No Data Available.
	2003	Underweight for Age Among Children Under-Five: 28 percent
FY 2004 Data	2004 Preliminary or Provisional Results	Underweight for Age Among Children Under-Five: 27 percent (based on historical trend)
	Target	27 percent
	Rating	■ On Target
	Impact	The proportion of young children beneath the normal range of weight for their age is a basic indicator of child nutritional status. USAID combines promotion of breastfeeding, a vital source of nutrition and protection against diseases, with improved young child feeding and prevention of the malnourishing effects of child illness. The slow but positive global trend in child nutrition is a strong reflection of the impact of health and other program investments in improving the well being of children, and also contributes to lower risk of severe illness and death from infectious diseases. As part of its work to control the HIV/AIDS epidemic, USAID has worked closely with UNICEF, WHO, and other partners to promote safe infant feeding, including exclusive breastfeeding, in populations where HIV infection is highly prevalent.

PROGRAM GOAL: CHILD HEALTH <i>(continued)</i>		
Performance Indicator #4: Percentage of Children with DPT3 Coverage		
FY RESULTS HISTORY	2001	Percentage of Children with DPT3 Coverage: 72 percent
	2002	Percentage of Children with DPT3 Coverage: No Data Available.
	2003	Percentage of Children with DPT3 Coverage: 73 percent
FY 2004 Data	2004 Preliminary or Provisional Results	Percentage of Children with DPT3 Coverage: 74 percent (based on historical trends and expert opinion)
	Target	74 percent
	Rating	■ On Target
	Impact	Immunization is one of the most fundamental and cost-effective child health interventions. In developing countries, immunization saves millions of children from the health-impairing and often life-threatening effects of diseases like measles, whooping cough, tetanus, and polio. In 2004, USAID invested its own resources and technical expertise to leverage the substantial resources provided by Congress to the Global Alliance for Vaccines and Immunization (GAVI), linking the introduction of new vaccines against additional child illnesses to strengthening of countries' systems to immunize children year after year. Evaluations carried out in 2004 found significant strengthening of immunization and child health capacities in several countries as a result of this investment.
Performance Indicator #5: Percent of Children Aged 0-4 with Diarrhea Who Received Oral Rehydration Therapy		
FY RESULTS HISTORY	2001	Percent of Children Aged 0-4 with Diarrhea Who Received ORT: 64 percent
	2002	Percent of Children Aged 0-4 with Diarrhea Who Received ORT: 67 percent
	2003	Percent of Children Aged 0-4 with Diarrhea Who Received ORT: 69 percent
FY 2004 Data	2004 Preliminary or Provisional Results	Percent of Children Aged 0-4 with Diarrhea Who Received ORT: 71 percent (based on historic trends)
	Target	71 percent
	Rating	■ On Target
	Impact	Since the development of ORT through USAID-supported research in the 1970s, this simple treatment has saved millions of child deaths from the dehydrating effects of the diarrheal illnesses that are common in poor countries. In 2004, USAID worked with WHO and UNICEF to accelerate progress in use of this life-saving treatment. Together, these partners introduced a new improved formulation of oral rehydration solution as well as zinc treatment, which USAID-supported research has shown to reduce the severity and duration of diarrheal illness. These new products will help further reduce diarrhea mortality in children, and will be promoted to increase awareness of correct treatment by families. In this way, ORT-use rates are expected to climb further in the next several years.

PERFORMANCE GOAL #2

Partnerships, Initiatives, and Implemented International Treaties and Agreements that Protect the Environment and Promote Efficient Energy Use and Resource Management


FY 2004 NET PROGRAM COSTS - \$495,128,531


PROGRAM GOAL: INSTITUTIONALIZING SUSTAINABLE DEVELOPMENT

Reform bilateral and multilateral processes and institutions to focus efforts on key sustainable development issues (water, energy, and domestic good governance; education; agriculture; environment; and economic growth) and on implementation of sustainable development practices.

Performance Indicator #1: Number of People in Target Areas With Access to Adequate Safe Water Supply and/or Sanitation That Meets Sustainability Standards

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	<ul style="list-style-type: none"> ◆ 5,428,571 people in target areas with improved access to adequate safe water supply that meets sustainability standards (not including 1,567,071 beneficiaries gained in Iraq, which brings the total to 6,995,642 people). ◆ 7,198,855 people in target areas with improved access to adequate sanitation that meets sustainability standards (not including 1,567,071 beneficiaries gained in Iraq, which brings the total to 6,995,642 people). ◆ 57,436 Integrated water resources management (IWRM) governance groups established.
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ 9,131,752 cumulative number of people since the beginning of 2003 with improved access to adequate safe water supply that meets sustainability standards (not including 1,759,641 beneficiaries gained in Iraq since the beginning of 2003, which brings the total to 10,891,393 people). ◆ 11,302,403 cumulative number of people since the beginning of 2003 with improved access to adequate safe water supply that meets sustainability standards (not including 9,613,101 total beneficiaries in Iraq since the beginning of 2003, which brings the total to 20,915,504 people). ◆ 60,512 Integrated water resources management (IWRM) governance groups established.
	Target	<ul style="list-style-type: none"> ◆ 5,573,727 people in target with improved access to adequate safe water supply that meets sustainability standards. ◆ 3,000,000 people in target areas with improved access to adequate sanitation that meets sustainability standards
	Rating	■ Below Target
	Impact	<p>Water Supply: Results will accelerate and expand international efforts to achieve the UN Millennium Development Goals and implement the Johannesburg Plan of Implementation including halving, by 2015, "the proportion of people who are unable to reach or afford safe drinking water."</p> <p>Sanitation: Results will accelerate and expand international efforts to achieve the UN Millennium Development Goals and implement the Johannesburg Plan of Implementation including halving, by 2015, "the proportion of people without access to basic sanitation."</p>

PROGRAM GOAL: INSTITUTIONALIZING SUSTAINABLE DEVELOPMENT <i>(continued)</i>		
Performance Indicator #2: Number of People with Adequate Access to Modern Energy Services		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	4,765,923 people with access to modern energy services.
FY 2004 Data	2004 Preliminary or Provisional Results	5,557,031 people with access to modern energy services (as per OPIN figures to June 2004). (ANE Region: Afghanistan est. 1.56 million) LAC – This is an OPIN indicator and should be available now through the OPIN coordinator for the clean energy initiative.
	Target	4,900,000 (FY 2004 Annual Performance Plan (APP) target)
	Rating	 Exceeds Target
	Impact	Access to affordable, reliable, clean, and efficient energy services is essential to breaking the cycle of poverty and achieving sustainable development and economic growth. Through USAID's work, over five million previously un-served people have received access to energy services in FY 2004. These expanded energy services have contributed to improved health care, promoted micro-enterprise development, and improved agricultural productivity. For example, USAID has provided funding for solar powered communication and modern medical equipment in 450 Peruvian health care facilities improving the medical services to over 225,000 people. In Barangay Saloy, located on the Philippine island of Mindanao, USAID contributed to the development of a microhydro power facility that provides electricity to 155 households, runs the corn and coffee mill, and provides power for a computer learning center. In the words of the chair of the local farmers cooperative, "Everyone here is ecstatic with all the developments happening. The people are now busier with their livelihood activities."

PROGRAM GOAL: COASTAL AND MARINE RESOURCES		
Develop, negotiate, and implement initiatives, treaties, and agreements to better protect both living and non-living marine resources and promote sustainable development.		
Performance Indicator #1: Number of Coastal and Marine Policies, Laws, or Regulations Developed, Adopted, and Implemented		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	◆ First Year Data Reported: 49. Estimate is based on a total of 49 improved policies).
FY 2004 Data	2004 Preliminary or Provisional Results	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Target	Cumulative since FY 2003: 7 (expected to be gained in 2004) + 49 = 56 total.
	Rating	 Below Target
	Impact	Conservation policies, laws, and regulations provide a crucial foundation for securing both the commitment to, and enforcement of, conservation of natural resources.

PROGRAM GOAL: CONSERVATION OF BIOLOGICAL DIVERSITY, PROTECTED AREAS, FORESTS, AND OTHER NATURAL RESOURCES		
Promote economic development, alleviate poverty, and improve local governance by improving conservation and management of the world's natural protected areas.		
Performance Indicator #1: Biodiversity Conservation and Natural Resource Management		
FY RESULTS HISTORY	2001	80,534,878 hectares under improved management
	2002	40,900,997 hectares under improved management
	2003	1. 26,655,591 hectares under improved management for biodiversity conservation. 2. 197,888,892 hectares under sustainable forest management.
FY 2004 Data	2004 Preliminary or Provisional Results	1. 27,258,000 hectares under improved management (biodiverse landscapes, forests, watersheds, agricultural and natural landscapes) (LAC: 13,817,089 (2003 Annual Report) 2. 203,600,000 hectares under increased conservation and sustainable management of forest ecosystems (LAC: 17,298,045 (2003 Annual Report) 3. TBD – Number of targeted conservation areas implementing approved management plans as a result of USAID assistance.
	Target	27,000,000 hectares under improved management. 220,000,000 hectares under sustainable forest management.
	Rating	1. ■ Exceeds Target 2. ■ Below Target
	Impact	Biodiversity conservation and sound natural resource management promote improved human well-being by protecting valuable genetic resources and ecosystems, and expanding enterprise and employment opportunities from the sustainable production of natural products and environmental services. In addition they contribute to equitable natural resources governance, and mitigate conflict over resources.

PROGRAM GOAL: GLOBAL CLIMATE CHANGE		
Implement the President's new approach to climate change and energy technologies.		
Performance Indicator #1: Status of Bilateral Regional and Global Climate Change Partnerships and Initiatives		
FY RESULTS HISTORY	2001	<ul style="list-style-type: none"> ◆ New partnerships with Central American countries. ◆ The Agency implemented climate-related activities with a total budget of \$157 million in 47 bilateral country missions, regional programs, and central offices. 5.8 million metric tons of carbon dioxide (CO₂) equivalent emissions were avoided and 27 million hectares/year were involved in activities that promote carbon storage and/or protect carbon sinks.
	2002	<ul style="list-style-type: none"> ◆ Partnership announced with India. ◆ The Agency implemented climate-related activities with a total budget of \$174 million in 55 bilateral country missions, regional programs, and central offices. 3.8 million metric tons of CO₂ equivalent emissions were avoided and 27 million hectares/year were involved in activities that promote carbon storage and/or protect carbon sinks.
	2003	<ul style="list-style-type: none"> ◆ Initiated partnerships with Russia, Mexico, and South Africa. Continued exploratory discussions with Kazakhstan and Brazil. Results were consistent with 2002 timelines, and existing partnerships were reviewed. ◆ The Agency implemented climate-related activities with a total budget of \$207 million in 55 bilateral country missions, regional programs, and central offices. Four million metric tons of CO₂ equivalent emissions were avoided and 27 million hectares/year were involved in activities that promote carbon storage and/or protect carbon sinks.
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ Built support among developing countries for U.S. positions on science, technology, and adaptation under the UN Framework Convention on Climate Change. ◆ Established new additional bilateral climate change partnerships (Brazil and Egypt). ◆ Advanced joint projects and activities under 6 existing developing country climate change partnerships, and reviewed and adjusted engagement with these partners. ◆ Additional results are not yet available at this time.
	Target	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	The Global Climate Change team has been successful in ensuring USAID mission priorities and strategic objectives were incorporated into at least six U.S. government bilateral agreements on climate change, thus furthering U.S. climate change policy.

PERFORMANCE GOAL #3

Broader Access to Quality Education with Emphasis on Primary School Completion

FY 2004 NET PROGRAM COSTS - \$588,819,803

PROGRAM GOAL: IMPROVED ACCESS TO QUALITY EDUCATION

Including early childhood, primary, secondary, adult, higher education and workforce development programs.

Performance Indicator #1: Number of Learners Completing Basic Education in Programs Sponsored by USAID

FY RESULTS HISTORY	2001	13,210,610 children enrolled in primary education programs supported by USAID
	2002	14,163,038 children enrolled in primary education programs supported by USAID
	2003	22,317,204 children enrolled in primary education programs supported by USAID 1,799,066 children enrolled in primary school (LAC 2003 Annual Report) 101,756 children completing primary school (LAC 2003 Annual Report)
FY 2004 Data	2004 Preliminary or Provisional Results	1. TBD – children enrolled in primary school. 2. TBD – children completing primary school. 3. TBD – Number of adult learners completing basic education.
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	USAID has increased the number of countries with basic education programs from 20 to 43 in the last three years. USAID programs increase access to basic education, particularly for girls and underserved populations, including orphans and vulnerable children. USAID is also improving the quality of education through teacher training, curriculum enhancement, policy reform, increased parental participation, and increased transparency and accountability of education resources. Improving the quality of education decreases student repetition and drop-out rates.

Performance Indicator #2: Capabilities in Higher Education and Workforce Development Programs Sponsored by USAID

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	First Year Data Reported: ◆ 528 host country institutions gain increased management capacity through partnership programs ◆ 207 higher education institutional programs, policies, and curricula adapted to the needs of sustainable development. ◆ 7,857 persons trained through workforce development programs (LAC 2003 Annual Report)
FY 2004 Data	2004 Preliminary or Provisional Results	◆ 550 host country institutions gain increased management capacity through partnership programs. ◆ 220 higher education institutional programs, policies, and curricula adapted to the needs of sustainable development. ◆ TBA – Number of persons trained through workforce development programs
	Target	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	USAID, through its partners, has established over 275 higher education partnerships working in 59 developing countries over the past 4-5 years. These partnerships have promoted sustainable development in the following sectors: agriculture, agribusiness, animal science, community development, democracy and governance, public policy, law, journalism, economic growth and trade, education, environment, natural resource management, distance education, internet and communication technology, population, health, nutrition, and workforce and entrepreneurial development.

VI. PROGRAM EVALUATIONS AND PART REVIEWS

Four program evaluations were conducted in FY 2004 that pertained to this Strategic Goal.

- 1) Evaluation of the Leadership Development Program for the Ministry of Health, Nicaragua (2001 – 2003)
(link: http://www.dec.org/pdf_docs/PDACA372.pdf)
- 2) Evaluation of REDSALUD and USAID/DR strategic support to reform of the Dominican health sector
(link: http://www.dec.org/pdf_docs/PDACA459.pdf)
- 3) Djibouti Workforce Development and Competitiveness Study, USAID/EDC, March 2004.
- 4) "Generations of Quiet Progress: The Development Impact of U.S. Long-Term University Training on Africa from 1963 to 2003," EGAT/ED and Aguirre International, September 2004.

Sustainable Forest Products Global Alliance



Woman develops sustainable tree product for export to the U.S.

An alliance that is achieving USAID's social and environmental goals is the nearly \$15 million Sustainable Forest Products Global Alliance. In this alliance, partners are working to increase the supply of and demand for legally-sourced, certified timber by connecting producers of responsible forest products in the developing world to retailers across the United States. At least one-half of all logging activities in regions such as the Amazon Basin, Central Africa, and the Russian Federation are estimated to be illegal. As part of this alliance, a new forest management training center is being built in Brazil, and in Mexico the alliance is helping communities improve their resource management, forest product quality, and access to markets. USAID's alliance partners include Forest Trends, Home Depot, Metafore and World Wildlife Fund.

Netmark

The Netmark Alliance is an eight-year, \$65.4 million dollar project designed to reduce the impact of malaria in sub-Saharan Africa through the increased use and sustainable supply of insecticide treated mosquito nets (ITN). With over 40 international and local commercial partners, including the Academy for Educational Development, A-Z Textiles, BASF, Bayer AG, Siamdutch Mosquito Netting Co., Ltd, and Vestergaard Frandsen A/S, the alliance aims to increase both the supply of and demand for mosquito nets. Data continue to show the effectiveness of the NetMark approach through joint investment with the private sector. NetMark partners have sold over two million retreatment kits and over three million ITNs through September 2004, and are expected to reach total ITN sales of 20 million, preventing an estimated 250,000 to 500,000 deaths from malaria annually.



Insecticide-treated mosquito nets save lives and are sold along the side of the road

STRATEGIC GOAL 7: HUMANITARIAN RESPONSE

Minimize the Human Costs of Displacement, Conflicts, and Natural Disasters

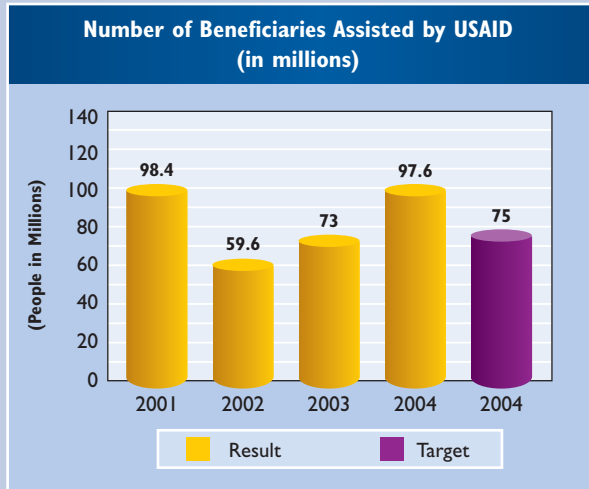
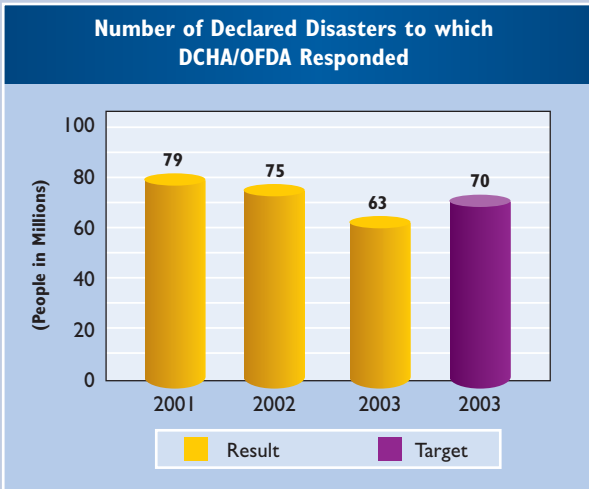
I. PUBLIC BENEFIT

The United States' commitment to humanitarian response demonstrates America's compassion for victims of armed conflict, landmines, forced migration, human rights violations, widespread health and food insecurity, and other threats. The strength of this commitment derives from both the United States' common humanity and responsibility as a global leader. In addition to saving lives and alleviating human suffering, humanitarian programs support the objectives of the U.S. National Security Strategy by addressing crises with potential regional (or even global) implications, fostering peace and stability, and promoting sustainable development and infrastructure revitalization.

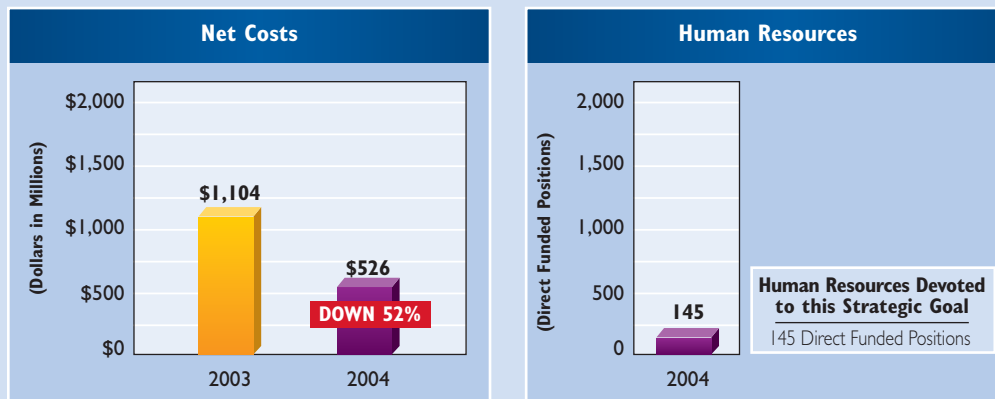
Through USAID efforts, the United States is the leader in international efforts to prevent and respond to humanitarian crises.

It provides substantial resources and guidance through international and non-governmental organizations for worldwide humanitarian programs, with the objective of increasing access to protection, promoting burden-sharing, and coordinating funding and implementation strategies. USAID's leadership and humanitarian support to disasters and complex emergencies provides a positive standard for the donor community and hope for a better future for the people suffering as a result of natural or human-made disasters.

II. SELECTED PERFORMANCE TRENDS



III. RESOURCES INVESTED



IV. ILLUSTRATIVE EXAMPLE OF SIGNIFICANT ACHIEVEMENT

USAID Sets Policy for Internally Displaced Persons (IDPs)

25 million internally displaced persons (IDPs) are getting a formal offer of assistance and protection under a new USAID policy adopted in September 2004. USAID will lead U.S. Government response to IDP situations and develop comprehensive, durable strategies that address all phases of displacement. As the first donor government to articulate a policy on this issue, the work has received the endorsement of the international community that considers this “path-breaking work that provides a real model for other donors to follow.”

Humanitarian Demining

In FY 2003, more than 30 mine-affected countries in the U.S. Humanitarian Demining Program benefited from the clearance of land suitable for agriculture, pastoral use, and potential for restoring economic infrastructure. These countries also witnessed the safe return of tens of thousands of refugees and internally displaced persons (IDP), who were able to travel on formerly mine-affected roads. Also, several countries achieved Sustainment status—the ability to implement and manage their own humanitarian demining program—while others were able to declare themselves mine-safe.

Response to Humanitarian Crisis in Chad and Darfur

The U.S. government has led the international response to the humanitarian emergency resulting from the ongoing conflict in Darfur, Sudan. Working closely together, the Department of State and USAID have provided over \$200 million in FY 2004 to meet the urgent humanitarian needs of 200,000 Sudanese refugees in Chad and 1.2 million IDPs in Darfur. The Department and USAID are actively engaged with multilateral and non-governmental

(continued on next page)

organizations to ensure strong management of assistance programs under challenging conditions. The U.S. government is also a leading advocate for the protection of civilians affected by the conflict. To strengthen their response, the Department and USAID continue to deploy staff to the region—on diplomatic missions, extended monitoring missions, and a Disaster Assistance Response Team.

In response to the crisis in Darfur, Sudan, and Eastern Chad, OFDA has deployed a Disaster Assistance Response Team and has worked tirelessly to help suffering populations. OFDA assistance to Darfur and Eastern Chad in FY 2004 exceeded \$71 million, and included efforts to provide water and sanitation, shelter, nutrition, agricultural inputs, and other important support.

V. PERFORMANCE RESULTS

SUMMARY OF PROVISIONAL OR PRELIMINARY RESULTS — STRATEGIC GOAL 7			
Total Goals and Indicators		Performance Summary	
Number of Performance Goals	2	Number of Targets Met	3
Number of Program Goals	2	Number with Data Lags	3
Number of Indicators	6		

PROGRAM GOAL: HUMANITARIAN ASSISTANCE	
Address the humanitarian needs of refugees, victims of conflict and natural disasters, and internally displaced persons (IDP).	
Performance Indicator #1: Crude Mortality Rates (CMR)	
FY RESULTS HISTORY	2001 USAID/PPC funded Nutrition Information Crisis Situations (UN Standing Committee on Nutrition) and WHO/Emergency and Humanitarian Action (EHA) to undertake trend analysis. As a pilot, CMR was monitored in selected sites to ensure that the situation improved over time. CMR was reported from sites in Angola, Balkans, Burundi, Kenya, Nepal, Sierra Leone, Sudan, Tanzania, Uganda.
	2002 USAID convened an international workshop which led to the adoption of CMR as a common indicator for all relief organizations and agreement to develop a standardized assessment methodology. This led to international agreement to establish comprehensive shared systems to undertake global monitoring of CMR status in emergency sites.
	2003 Complex Emergencies Database (CE-DAT) was funded by State/PRM to compile data on CMR, nutrition and other indicators. Pre-conflict baseline data was collected and established for 89 mortality survey populations in 26 countries.
FY 2004 Data	2004 Preliminary or Provisional Results CE-DAT was officially launched as an online, publicly accessible data source for mortality, morbidity, and nutrition information. In this first phase, CE-DAT focuses on eight priority countries: Afghanistan, Angola, Congo, R.D., Ivory Coast, Ethiopia, Iraq, Sierra Leone, Sudan. Detailed human indicator database has been established for Sudan as a priority because of the Darfur crisis.
	Target No target was set while systems and baselines are still being established.
	Rating Baseline being established. Target will be set for FY 2005 and follow-on years.
	Impact Since CE-DAT was launched only in FY 2004, global impact reporting is not available for FY 2004. Initial CMR is available only for five of the eight focus countries. Of the 62 emergency sites in these five countries, 30 (or 48 percent) are above the emergency threshold.

PROGRAM GOAL: HUMANITARIAN ASSISTANCE <i>(continued)</i>		
Indicator #2: Nutritional Status of Children Under Five Years of Age		
FY RESULTS HISTORY	2001	USAID/PPC funded Nutrition Information Crisis Situations (UN Standing Committee on Nutrition) and WHO/EHA to undertake trend analysis. As a pilot, acute malnutrition in children was monitored in selected sites to ensure that nutritional status improved over time. Nutritional status was reported from sites in Angola, Balkans, Burundi, Kenya, Nepal, Sierra Leone, Sudan, Tanzania, and Uganda.
	2002	USAID convened an international workshop which led to the adoption of nutritional status as a common indicator for all relief organizations and agreement to develop a standardized assessment methodology. This led to international agreement to establish comprehensive shared systems to undertake global monitoring of nutritional status in emergency sites.
	2003	Nutrition data compiled for 67 percent of selected conflict sites with CMR data, mostly in the Africa region and countries with protracted emergencies, and Iraq and Afghanistan.
FY 2004 Data	2004 Preliminary or Provisional Results	198 emergency sites surveyed in 22 countries (16 in Africa, four in Asia, one in Middle East, and one in South America).
	Target	No target was set while systems and baselines are still being established.
	Rating	Baseline being established. Target will be set for FY 2005 and FY 2006.
	Impact	Where data was available (57 emergency sites), comparison of FY 2003 with FY 2004 data shows that the nutrition situation improved in 18 percent of sites, remained stable in 68 percent of sites, and deteriorated in 23 percent of sites.
Performance Indicator #3: Number of Beneficiaries Assisted by USAID (in millions)		
FY RESULTS HISTORY	2001	98.4 Million Beneficiaries
	2002	59.6 Million Beneficiaries
	2003	73 Million Beneficiaries. 16,530 Beneficiaries who were torture survivors.
FY 2004 Data	2004 Preliminary or Provisional Results	<ul style="list-style-type: none"> ◆ 97.6 Million Beneficiaries (estimate as of October 2004) ◆ 17,000 beneficiaries who were torture survivors.
	Target	◆ 75 Million beneficiaries
	Rating	■ Exceeds Target
	Impact	DCHA/OFDA relief programs reached nearly 100 million beneficiaries, providing a wide range of life-saving and preparedness services.

PERFORMANCE GOAL #2


Improve Disaster Prevention and Response Through Capacity Building in Crisis-Prone Countries

FY 2004 NET PROGRAM COSTS - \$109,071,755

PROGRAM GOAL: PARTNER ACCOUNTABILITY

Ensure that partners have the appropriate training and support to build local capacity in disaster preparedness and mitigation.

Performance Indicator #1: Number of People and Number/Percent of Partner Institutions That Received Training and Technical Support

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	Final Data Pending
FY 2004 Data	2004 Preliminary or Provisional Results	Nearly 100 percent of DCHA/OFDA grantees received technical consideration, feedback, and inputs into their proposal
	Target	100 percent
	Rating	 On Target
	Impact	DCHA/OFDA grantees obtained valuable guidance from OFDA field staff and technical experts through the grant application review process. This resulted in improved NGO program design capacity and more refined future submissions.

Indicator #2: Number/Percent of Crisis-Prone Countries That Have Systems to Warn about Shocks and Their Effects on Food Availability/Access by Vulnerable People

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	◆ The results specified above, which were collected on an Agency-wide basis, are considered the targets for FY 2004 for this indicator. Since it is a new Indicator for FY 2004, the process of assigning targets and reporting on their results is still in an early stage of maturity, and will improve as targets are formally established and tracked in FY 2005 and beyond.
	Target	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Rating	This information is not available at this time, but will be updated in the FY 2004 USAID PAR Addendum in March 2005.
	Impact	This is an important first step and good indicator towards reducing vulnerabilities to disasters and building capacity to anticipate and respond appropriately.

PROGRAM GOAL: PARTNER ACCOUNTABILITY <i>(continued)</i>		
Indicator #3: Number of Institutions Reconstructed and Rehabilitated (Homes, Water/Sanitation Facilities, Schools, Markets, etc.)		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	500 institutions rehabilitated (expert opinion)
	Target	500
	Rating	■ On Target
	Impact	DCHA/OFDA met the critical shelter needs of many people displaced by conflict or natural disasters around the world.

VI. PROGRAM EVALUATIONS AND PART REVIEWS

Two program evaluations were conducted in FY 2004 that pertained to this Strategic Goal.

- 1) Evaluation: USAID/OFDA Humanitarian Assistance Program in Angola 2000-2003
- 2) World Health Organization Child Health Data 2004.pdf

Angola Enterprise Development Alliance

Public-private alliances have allowed USAID and its partners to adopt an approach that deepens the impact of joint interventions in the countries where USAID works. For example, the Angola Enterprise Development Alliance with ChevronTexaco is an unprecedented public-private alliance in which the parties work together on program design, while USAID takes the lead on programming, solicitation, obligation, and implementation. Through a commitment of \$10 million fully matched by a USAID investment of \$10 million, the alliance targets agribusiness development; small, medium, and micro enterprise development; financial sector capacity-building for expanded access to credit services; and financial and technical support services to agribusiness activities, such as seed multiplication and crop diversification. One immediate impact of these efforts will be to help reintegrate 100,000 ex-combatants, whose dependents exceed 350,000, into the formal economy. This flagship alliance has nearly doubled the mission's programming budget while advancing ChevronTexaco's Corporate Social Responsibility (CSR) goals to develop Angola's workforce and cultivate local business support services along its in-country supply chain.



The Enterprise Development Alliance provides farm extension agents to help formerly displaced families in Angola.

HUMANITARIAN ASSISTANCE — BENCHMARK INDICATORS

USAID adopted two benchmark indicators for Humanitarian Assistance in 1999. These are Crude Mortality Rate (CMR) and Nutritional Status of Children Under-Five. These indicators are useful for monitoring the extent the entire relief system is meeting the needs of populations in crisis, and thus the overall impact of humanitarian effort. They are appropriate for complex humanitarian emergencies, because the response is necessarily system wide with various partners and other donors of the humanitarian community providing relief. As such, USAID uses these indicators as an overall global monitoring of the situation with its partners including UN organizations and PVO/NGOs. The Nutrition Information Crisis Situations (NICS) of the United Nations Standing Committee on Nutrition (UN SCN) compiled and analysed nutrition data from all partners and emergency sites, supported by USAID and other donors (see trend analysis below). The Complex-Emergencies Database (CE-DAT) at the Centre for Research on the Epidemiology for Disasters (CRED) has just been established which will enable similar reporting on CMR next year.

Nutritional Status of Children Under-Five

NUTRITION TREND ANALYSIS SHOWS THAT COMPARED WITH LAST YEAR, THE SITUATION IMPROVED IN 18 PERCENT OF EMERGENCY SITES, REMAINED STABLE IN 68 PERCENT OF SITES, AND DETERIORATED IN 23 PERCENT OF SITES.

Results:

Results of anthropometric nutrition surveys between January 2003 and June 2004 were analyzed. One hundred ninety-eight emergency sites were surveyed in 22 countries (16 African countries, four Asian countries, one country in Middle East, and one country in South America).

No target was set for FY 2004 while consultations were underway with technical partners to establish baselines and systems to support this analysis. Once the CMR data is available, USAID will set its target for these indicators by the *incremental number of emergency sites being monitored, defined as the availability of reliable, updated current year data*. Achieving this target will take effort and resources since there is a dearth of reliable data. As a first critical necessary step, USAID will continue its effort to standardize assessment methodologies and establish supporting comprehensive systems to ensure that all emergency sites are monitored.

For 57 emergency sites, data was available to compare current or FY 2004 prevalence levels with the previous year. This analysis shows that the nutrition situation improved in 18 percent of the sites, remained stable in 68 percent of the sites and deteriorated in 23 percent of the sites. Although the situation appears to be stable or improving in most cases, the FY 2004 prevalence level of acute malnutrition (wasting) was acceptable in only 18 percent of the sites, according to the WHO classification of nutrition status. The rest was poor (33 percent), serious (20 percent) or critical (29 percent). The most critical situations were found among Sudanese refugees in Chad, Sudanese and Somali refugees in Kenya, resident population of Rift valley in Kenya, among displaced and resident populations in Sudan, especially in Darfur and South Sudan, among displaced and resident populations in Somalia and among resident populations in Eritrea and Pakistan. USAID will monitor these critical situations closely so that situations will improve, particularly in emergency sites where it provides funding.

SUMMARY TABLE: NUTRITION SITUATION IN EMERGING SITES (according to surveys conducted between January 2003 and June 2004)			
Number of emergency sites surveyed	Severity of the nutrition situation % (no. of sites)	Trends in the prevalence of malnutrition compared to the previous year % (no. of sites)	Comparison with a Comparative Reference Point (CRP)
AFRICA			
ANGOLA			
11	Acceptable: 45% (5) Poor: 55% (6)	Stable: 83% (5) Decrease: 17% (1)	Possible for 1 IDP camp; CRP: surrounding resident population Equal to CRP: 100%
BURUNDI			
3	Acceptable: 33% (1) Poor: 66% (2)	No data available	No data available
CHAD (REFUGEES FROM DARFUR-SUDAN)			
3	Critical: 100% (3) (acute Malnutrition > 25%)	No data available	Possible for 2 sites CRP: surrounding resident population Equal to CRP: 100%
DEMOCRATIC REPUBLIC OF CONGO			
12	Acceptable: 8% (1) Poor: 50% (6) Serious: 25% (3) Critical: 16% (2)	Stable: 100% (1)	No data available
ERITREA			
6	Serious: 50% (3) Critical: 50% (3)	Stable: 100% (1)	No data available
ETHIOPIA			
35	Acceptable: 9% (3) Poor: 43% (15) Serious: 34% (12) Critical: 14% (5)	Decrease: 75% (3) Increase: 25% (1)	No data available
IVORY COAST			
16	Acceptable: 12.5% (2) Poor: 69% (11) Serious: 12.5% (2) Critical: 6% (1)	No data available	CRP= DHS survey 1998/99, rural/urban Below CRP: 50% Above CRP: 50%

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SUMMARY TABLE: NUTRITION SITUATION IN EMERGING SITES <i>(continued)</i> <i>(according to surveys conducted between January 2003 and June 2004)</i>			
Number of emergency sites surveyed	Severity of the nutrition situation % (no. of sites)	Trends in the prevalence of malnutrition compared to the previous year % (no. of sites)	Comparison with a Comparative Reference Point (CRP)
AFRICA <i>(continued)</i>			
KENYA			
Refugees from Somalia and Sudan			
2	Critical: 100% (2)	Increase: 100% (2)	Possible for 1 site CRP: surrounding resident population Equal to CRP: 100%
Residents			
2	Critical: 100% (2)	No data available	CRP: MICS 2000 by region Above CRP: 100%
LIBERIA			
9	Acceptable: 33% (3) Poor: 66% (6)	No data available	No data available
REPUBLIC OF CONGO			
2	Serious: 100% (2)	No data available	No data available
SIERRA LEONE (REFUGEES FROM LIBERIA)			
8	Acceptable: 12.5% (1) Poor: 50% (4) Serious: 25% (2) Critical: 12.5% (1)	Decrease: 67% (4) Stable: 33% (2)	No data available
SOMALIA			
13	Poor: 8% (1) Serious: 38% (5) Critical: 54% (7)	Stable: 100% (3)	No data available
SUDAN			
39	Poor: 5% (2) Serious: 20% (8) Critical: 75% (29)	Decrease: 36% (5) Stable: 43% (6) Increase: 21% (3)	Possible for 8 IDP camps. CRP: surrounding resident populations Equal to CRP: 37% Above CRP: 63%
TANZANIA (REFUGEES FROM BURUNDI/DRC)			
11	Acceptable: 55% (6) Poor: 45% (5)	Stable: 82% (9) Increase: 18% (2)	No data available

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SUMMARY TABLE: NUTRITION SITUATION IN EMERGING SITES *(continued)*
(according to surveys conducted between January 2003 and June 2004)

Number of emergency sites surveyed	Severity of the nutrition situation % (no. of sites)	Trends in the prevalence of malnutrition compared to the previous year % (no. of sites)	Comparison with a Comparative Reference Point (CRP)
AFRICA <i>(continued)</i>			
UGANDA			
7	Acceptable: 43% (3) Poor: 43% (3) Serious: 14% (1)	Stable: 100% (2)	No data available
ZAMBIA (REFUGEES FROM ANGOLA)			
1	Acceptable: 100% (1)	No data available	DHS 2001/2002 by region Equal to CRP: 100%
ASIA			
AFGHANISTAN			
7	Acceptable: 57% (4) Poor: 14% (1) Serious: 14% (1) Critical: 14% (1)	Stable: 100% (2)	No data available
BANGLADESH (REFUGEES FROM MYANMAR)			
1	Serious: 100% (1)	No data available	CRP: DHS 1999/2000, rural areas Equal to CRP: 100%
NEPAL (REFUGEES FROM BHUTAN)			
2	Poor: 100% (2)	Stable: 100% (2)	CRP: DHS 2001, eastern Nepal Equal to CRP: 100%
PAKISTAN			
Refugees from Afghanistan			
4	Acceptable: 75% (3) Poor: 25% (1)	Stable: 100% (2)	No data available
Residents			
2	Poor: 50% (1) Critical: 50% (1)	No data available	No data available
MIDDLE EAST			
OCCUPIED PALESTINIAN TERRITORIES			
1	Acceptable: 100% (1)	Stable: 100% (1)	CRP: national PCBS survey 2000 Equal to CRP: 100%
SOUTH AMERICA			
COLOMBIA			
1	Acceptable: 100% (1)	No data available	

Theoretical Background on the Use of Nutritional Status of Children Under-Five

Physical growth in childhood is a proxy indicator of the nutritional well-being of a population. Typically, weight and height are measured and compared with the average values for the international reference population of well-nourished North American children (the NCHS population). Deviations from the reference population are usually expressed either as standard deviations (also called Z scores) from the reference median, or as a percentage of the reference median. Classification according to Z-scores is recommended by WHO as the more statistically valid method¹. It should be noted that the Z score and percentage of median methods are not statistically equivalent, and therefore results obtained using the different methods are not comparable. Acute malnutrition is defined as weight/height <-2Z scores and/or the presence of oedema. Severe acute malnutrition is defined as weight/height <-3Z scores and/or oedema.

Selection of the Nutrition Data

Nutrition data were taken from surveys, which used a probabilistic sampling methodology, complying with internationally agreed standards. The following studies were not taken into account:

- ◆ those for which the methodology was impossible to check
- ◆ those for which rely on data collected using convenience sample methodologies
- ◆ those for whose methodology was not in agreement with WHO/international standard

Nutrition data were taken from surveys, which assessed children aged between six to 59 months (65 to 110 cm).

Severity of the nutrition situation compared to standard

The WHO definition was used (WHO, 2000, the management of severe malnutrition in major emergencies, WHO: Geneva)

Severity of the nutrition situation	Prevalence of wasting (acute malnutrition)
Acceptable	< 5%
Poor	5-9%
Serious	10-14%
Critical	>= 15%

Comparison with the previous year

Where available, data of the emergency sites were compared to data recorded in the same area in the previous year.

Comparison with a Comparative Reference Point (CRP)

Were defined as comparative reference points:

RESIDENT POPULATIONS

Data of representative surveys at emergency site, regional or national level, carried out at a time when political and climate situation was estimated "normal".

REFUGEE/DISPLACED POPULATION

Data of representative surveys of surrounding resident populations in the same environmental conditions.

CRP could be determined mostly for refugees and displaced populations and for "new crises", e.g. second intifada in Occupied Palestinian Territories or crisis in Ivory Coast.

¹ WHO (2002) The management of Nutrition in Major Emergencies. Geneva:WHO

² SMART (2002) www.smartindicators.org

³ Médecins sans Frontières (1995) Nutritional guidelines. Paris: Médecins sans Frontières

STRATEGIC OBJECTIVE #3: STRENGTHEN DIPLOMATIC AND PROGRAM CAPABILITIES

The fulfillment of the Agency's mission and the achievement of its policy goals are inextricably linked to a foundation of sound management and organizational excellence required by the President's Management Agenda (PMA). This foundation is essential to support the work of USAID's Missions and Programs. The Agency is committed to maintaining a well-qualified workforce, supported by modern infrastructure that provides the tools to achieve its development goals worldwide. Building this foundation will require significant investments in people, systems, and facilities.

The following strategic goal falls under this strategic objective:

- ◆ Strategic Goal 8: Management and Organizational Excellence

STRATEGIC GOAL 8: MANAGEMENT AND ORGANIZATIONAL EXCELLENCE

Ensure a High Quality Workforce Supported by Modern and Secure Infrastructure and Operational Capacities

I. PUBLIC BENEFIT

The context of foreign assistance has changed dramatically since USAID's origin in the Marshall Plan and establishment as an independent agency in 1961. Rapid technological change, the end of the Cold War, the growing menace of global terrorism, and the surge of HIV/AIDS and other life-threatening diseases have combined to alter the 21st century landscape. The security of the United States now depends on freedom and opportunity beyond the nation's borders. President Bush has recognized foreign assistance as a vital cornerstone of national security. The President's September 2002 National Security Strategy, issued shortly after the 9/11 attacks on the United States, emphasizes development as one of the three essential components of U.S. foreign policy alongside defense and diplomacy.

Building on the National Security Strategy, USAID and the State Department have created a Joint Strategic Plan, a Joint Policy Council, and a Joint Management Council to strengthen their collaboration when and where it makes sense. They are working together to review their policies, programs, and administrative services and continuously improve coordination, eliminate redundancies, and ensure intended results.

In FY 2004, USAID published a white paper listing five major foreign assistance goals: promoting transformation or sustainable development, strengthening fragile states, providing humanitarian relief, promoting U.S. geostrategic interests, and mitigating global and transnational ills. The Agency's Business Transformation plan is helping USAID achieve these core missions. In addition, reflecting USAID's business improvements in the Management Bureau, it has shown consistently improving scores on the Administrator's annual Agency-wide survey of employee satisfaction with management services. The Agency has demonstrated financial accountability; USAID received its second unqualified ("clean") audit opinion from the Office of Inspector General (OIG) for its FY 2004 annual financial statements. USAID has launched the Development Readiness Initiative (DRI) to recruit and train

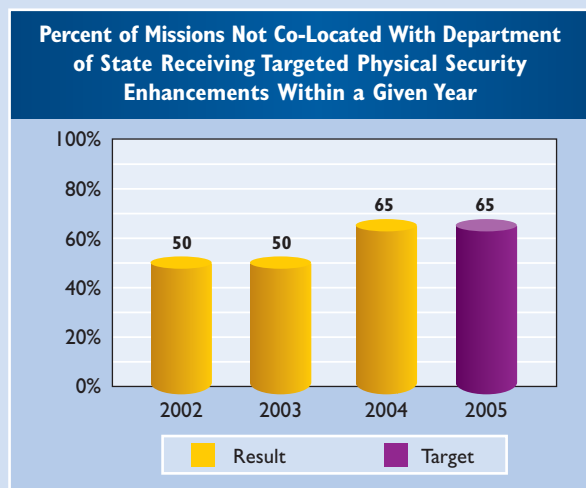
the Agency's 21st century workforce in the skills needed to meet future challenges. Its streamlined employee performance evaluation process promises to boost employee morale and motivation, and USAID has launched an automated human resource (HR) tool to simplify and quicken USAID's job recruitment procedures.

The Agency has laid the groundwork for an Agency-wide Enterprise Architecture (EA) (an information technology (IT) blueprint) and developed a new Capital Planning and Investment Control (CPIC) process that are helping USAID get the most value out of its IT investments. USAID's CPIC process has been recognized as among the best in the federal government. USAID has established a Program Management Office (PMO) to apply best practices in IT project management and risk mitigation to its IT and e-Government initiatives, and to make sure new systems work and are delivered on time and within budget. The Agency has implemented knowledge management tools to bring development professionals together "virtually" to share experiences and best practices for improved program performance. USAID has developed a strategic budgeting model to enable it to link performance and resource allocation more efficiently. USAID is additionally making good progress in modernizing its financial and procurement systems to enable greater speed, transparency, and accountability in its business transactions. The Agency is also showing steadily improving scores in all five initiatives of the PMA: Strategic Management of Human Capital, Improved Financial Management, Expanded e-Government, Competitive Sourcing, and Budget and Performance Integration.

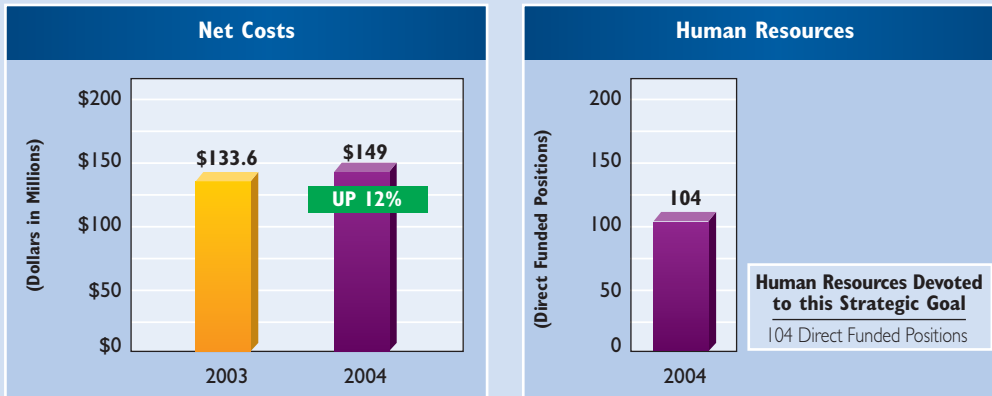
USAID's next steps will include overseas implementation of its new financial system, Phoenix, along with new procurement software that will integrate with State's financial platform. These systems will standardize and Web-enable the two entities' core business processes to reduce costs, make systems easier to use, and enhance their ability to respond to emerging program needs. USAID will also begin to implement reforms of its new overseas business model, and it will continue to expand and mainstream the highly successful Global Development Alliance into the Agency's day-to-day business activities.

There are three underlying purposes to all the activities described above: 1) to establish a customer service culture making the Agency's own business systems as cost effective and user friendly as possible; 2) to increase transparency in program and business decision-making, assuring that decisions are fast, results-driven, and clearly understandable to large and small partners; and 3) to ensure accountability and compliance with the letter and spirit of the law and to achieve a clean audit opinion, deter legal disputes, and acquire a sterling reputation for sound management.

II. SELECTED PERFORMANCE TRENDS



III. RESOURCES INVESTED



IV. ILLUSTRATIVE EXAMPLE OF SIGNIFICANT ACHIEVEMENT

Development Readiness Initiative (DRI)

The Development Readiness Initiative, modeled after the Department of State's successful Diplomatic Readiness Initiative, was launched by Administrator Natsios in FY 2004. The DRI is the most aggressive recruitment effort to rebuild and revitalize the Agency's workforce in more than a decade. This initiative, the cornerstone of the Agency's succession planning efforts, provides surge capacity to respond quickly to emerging program priorities. Over the next three years, the Agency plans to hire a total of 250 additional employees, thereby increasing the direct hire workforce from 2,000 in FY 2004 to 2,250 by FY 2006 (assuming full funding). These new employees are being recruited through several hiring mechanisms. Entry-level Foreign Service Officers are being recruited and trained through the International Development Intern (IDI) program. The Agency is reinstating a Contract Specialist Intern Program (CSIP) and expanding the use of Presidential Management Fellows (PMF) to fill critical skill gaps in its procurement staff and other Washington-based Civil Service positions. The additional employees provided by the DRI enable USAID to immediately fill important, longstanding vacant positions; increase the levels of oversight and accountability of organizations receiving taxpayer funds by U.S. direct hire employees; allow more employees to attend training without creating coverage gaps; and respond to new and emerging program requirements without reassigning employees.

Strategic Budgeting Model

The Agency developed a formal strategic budgeting model to help decide how to allocate resources to bilateral country programs. The model is based on the following criteria: development need, country commitment, foreign policy importance, and program performance. The Agency first applied this model to the formulation of its FY 2004 budget request, which resulted in reallocation of some funds from lower performing to higher performing programs. The model was expanded during the formulation of the FY 2005 budget to categorize countries based on Millennium Challenge Account (MCA) criteria of commitment to economic freedom, governing justly, and investing in people. The countries were divided into four categories: Top Performers (based on MCA criteria), Good Performers (including near misses and other high performers who do not meet the per capita income threshold for MCA consideration), Fragile or Failing States, and Other Foreign Policy Priority Countries (those which are rated low on country commitment, as measured by MCA criteria, or which are important for U.S. foreign policy reasons). This more sophisticated model was used to inform the budget allocations to USAID country programs across the four categories. The Agency has several appropriation accounts that finance country programs around the world.

Phoenix Accounting System Deployment

Over the past several years, USAID has made significant progress in modernizing its business systems by: implementing a new core accounting system, Phoenix, in Washington, D.C.; planning for the integration of Phoenix with the State Department's accounting system through the Joint Financial Management System (JFMS) project; planning to deploy Phoenix overseas along with a new State-USAID Joint Acquisition and Assistance Management System (JAAMS); and by participating in numerous cross-agency e-Government initiatives through the PMA.

Phoenix has been successfully implemented in Washington and now supports Washington-based accounting transactions. The Agency ran pilot programs of the system in five overseas missions during the summer of 2004 and will fully replace the Mission Accounting and Control System (MACS) with Phoenix in up to 40 overseas missions by December 2005.

USAID is coordinating the implementation of Phoenix overseas with the State Department through a project referred to as the JFMS. This project began in 2002 when it was recognized that State and USAID were independently implementing the same financial software package, and they could achieve savings by working together to produce a single system to serve both agencies. Deployment of Phoenix overseas will extend the headquarters core accounting system to USAID's worldwide missions and when fully implemented will be the central component of the Agency's global business platform. The overseas deployment of a Web-based, financial management system will provide an affordable and standardized agency-wide system for budget execution, accounting, and financial management.

CPIC Process Implementation

USAID established new CPIC procedures that are streamlined and compliant with federal regulations. The new procedures were designed to implement investment practices required by the Clinger-Cohen Act of 1996. This legislation requires that major IT investments be supported by comprehensive business cases, evaluation and control mechanisms, and be approved by a high level executive body representing agency-wide business interests. The Business Transformation Executive Committee (BTEC) services as the CPIC authority for USAID. To ensure that approved projects are meeting the objectives described in business cases, quarterly progress reports are required.

Increased HR Capacity to Support USAID's Mission

Based on comments from the Administrator's annual Employee Survey, the Agency is developing a strategy to improve personnel services and streamline HR processes. To enhance services, an automated recruitment tool, AVUE, was introduced to accelerate processing of HR transactions. AVUE reduces the amount of time required to fill vacancies, streamlines the job application process, and provides timely information to applicants. As a result, the internal recruitment cycle has been reduced from 229 days to less than 45 days from job announcement to employee selection in conformance with Office of Personnel Management (OPM) standards. An internal study revealed that AVUE has saved the Agency the equivalent of seven full-time positions due to the streamlining of processes as a result of the Web-based and automated features. These features enable filling out and submitting applications online, notifying applicants of the status of their application by e-mail, and automating the rating and ranking process. These increased efficiencies enable the Agency's HR professionals to devote more time to serving as consultants to their customers.

Joint State Department/USAID Collaboration

USAID and the Department of State formed a Joint Management Council to oversee and implement collaborative management activities to which the agencies had committed in the Joint State-USAID Strategic Plan for FY 2004-FY 2009. The Council established eight working groups to collaborate on joint activities in the following areas:

- ◆ Resource Management
- ◆ Management Processes and Systems
- ◆ Management Services and Planning
- ◆ Information and Communications Technology
- ◆ E-Government
- ◆ Facilities
- ◆ Security
- ◆ Human Capital

As a result, USAID and the Department of State achieved such accomplishments as the following in FY2004:

- ◆ Implemented shared services pilots at four overseas posts to improve administrative services and eliminate wasteful and/or unnecessary duplication.
- ◆ Developed a pilot exchange program of domestic and foreign assignment opportunities for mid-level Foreign Service Officers from both the Department of State and USAID in order to increase understanding in the two agencies of each other's role in the foreign affairs process and help fill respective program needs with trained officers.
- ◆ Aligned both State Department and USAID budget and planning cycles to ensure policy and program decisions are made with full input from both State and USAID.
- ◆ Established direct connections between the Department of State and USAID's intranets, making both networks available to domestic and overseas staff from each agency.

KEY ACHIEVEMENTS

USAID's important achievements on the policy front and in the delivery of its foreign aid program have been greatly facilitated by the management improvements and reforms of the Agency's business system begun several years ago. These reforms have made USAID a more efficient and effective agency. Among this year's management accomplishments, USAID has:

- ◆ Demonstrated financial accountability, receiving the Agency's second unqualified ("clean") audit opinion from the Office of Inspector General (OIG) for its FY 2004 annual financial statements.
- ◆ Begun deploying the Agency's new financial management system (Phoenix) overseas to enhance decision-making and enable fast and accountable transactions.
- ◆ Reduced late payment penalties to vendors by \$127 thousand as a result of financial management improvements.
- ◆ Developed the comprehensive Human Capital Strategic Plan to cover FY 2004-2008 and identified short-term priorities in order to improve the Agency's ability to build, sustain, and effectively deploy a high-performing workforce and ultimately achieve program results.
- ◆ Completed the first year of the Development Readiness Initiative (DRI) to recruit and train the Agency's 21st century workforce in the skills needed to meet future challenges.
- ◆ Streamlined and automated the Agency's recruitment process, reducing the hiring cycle from 229 days to less than 45 days from job announcement to employee selection, in conformance with Office of Personnel Management (OPM) standards.
- ◆ Hired 85 new limited-term Foreign Service employees per year for three years (FY 2004 through FY 2006) for overseas assignments.
- ◆ Streamlined the employee performance evaluation process to boost employee morale and motivation.
- ◆ Shown consistently improving scores on the Administrator's annual Agency-wide survey of employee satisfaction with management services.
- ◆ Laid the groundwork for a joint Enterprise Architecture (EA) (an IT blueprint) with the Department of State and upgraded USAID's new Capital Planning and Investment Control (CPIC) process to get the most business value out of its IT investments.
- ◆ Established a Program Management Office (PMO) to apply best practices in IT project management and risk mitigation to USAID's IT and e-Government initiatives, and to make sure new systems work and are delivered on time and within budget.
- ◆ Implemented knowledge management systems and methods to capture and share development expertise and new ideas.
- ◆ Established a Knowledge Inventory, an online catalogue of Agency provided or supported development databases, communities of practice, training resources, and other knowledge assets in order to enhance awareness and access.
- ◆ Developed a strategic budgeting model to enable the Agency to link performance and resource allocation more efficiently. Use of it is now focused on key sectors such as population and HIV/AIDS.
- ◆ Begun reform of the Agency's strategic management system to better link programs to foreign policy, to improve performance management and reporting, and to generally streamline what had become a very cumbersome, rigid, and time-consuming process.
- ◆ Completed an Office of Management and Budget (OMB) Program Assessment Rating Tool (PART) review of USAID's operating expense (OE) and Capital Investment Fund (CIF) functions, ranking in the top one-third of all federal programs reviewed under the PART. The high score was due in large part to recently implemented management reforms, such as the use of performance information to make process improvements, and the use of CPIC processes to improve the selection and oversight of IT investments.
- ◆ Approved reduction in the number of formats for Indefinite Quantity contracts, a frequently used contracting mechanism, in order to reduce the amount of time contracting officers spend to create and award contracts.
- ◆ Established the USAID Office of Faith-based and Community Initiatives to encourage new partners.

V. PERFORMANCE RESULTS


SUMMARY OF PROVISIONAL OR PRELIMINARY RESULTS — STRATEGIC GOAL 8			
Total Goals and Indicators		Performance Summary	
Number of Performance Goals	4	Number of Targets Met	5
Number of Program Goals	4	Number with Data Lags	0
Number of Indicators	5		

PERFORMANCE GOAL #1

Modernized, Secure, and High Quality Information Technology Management and Infrastructure that Meet Critical Business Requirements

FY 2004 NET PROGRAM COSTS – \$41,352,992


PROGRAM GOAL : SECURE GLOBAL NETWORK AND INFRASTRUCTURE		
Achieve the Agency’s IT goals by establishing a reliable and secure global telecommunications and processing infrastructure.		
Performance Indicator #1: Percentage of IT Systems Certified & Accredited (PART)		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	100
	Target	60
	Rating	■ Exceeds Target
	Impact	The 100% Certification and Accreditation (C&A) of USAID’s nine mission critical information technology (IT) systems and applications will enable the Agency to perform its mission critical financial and inspection functions for development and humanitarian relief at reduced risk. The mission critical systems include the Agency’s internal communications network (Aidnet), office-specific information systems of the Inspector General (IG) and the Office of Foreign Disaster Assistance (OFDA), the New Management Systems (NMS) Acquisition and Assistance Module, and the Phoenix and related financial systems.

PROGRAM GOAL : SECURE GLOBAL NETWORK AND INFRASTRUCTURE <i>(continued)</i>		
Performance Indicator #2: Number of Information Security Vulnerabilities Per Information Technology (IT) Hardware Item (e.g., printer, computer) (PART)		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2004)
	2002	N/A (new indicator in FY 2004)
	2003	N/A (new indicator in FY 2004)
FY 2004 Data	2004 Preliminary or Provisional Results	.09
	Target	1
	Rating	 Exceeds Target
	Impact	As a result of achieving low information security vulnerabilities per IT hardware item, the Agency operates in a more secure environment. This is important because it allows the Agency to carry out its day to day activities and accomplish its mission with minimal disruption.

PERFORMANCE GOAL #2

Secure, Safe, and Functional Facilities Serving Domestic and Overseas Staff

FY 2004 NET PROGRAM COSTS - \$208,278

PROGRAM GOAL: COMPOUND SECURITY PROGRAM		
Compound security provides technical security (e.g., alarms, cameras, lighting, CCTVs) and physical security (e.g., perimeter security, vaults, safe havens, escape hatches) installations and upgrades to Department overseas facilities to protect employees from terrorist and other security threats.		
Indicator #1: Percent of Missions Not Co-Located With Department of State Receiving Targeted Physical Security Enhancements Within a Given Year (PART)		
FY RESULTS HISTORY	2001	N/A (new indicator in FY 2002)
	2002	20%
	2003	33%
FY 2004 Data	2004 Preliminary or Provisional Results	31%
	Target	31%
	Rating	 On Target
	Impact	Providing the targeted physical security enhancements minimized potential vulnerabilities to the transnational terrorist threat, increasing security for USAID staff and enabling them to accomplish the Agency's development and humanitarian relief objectives.

PERFORMANCE GOAL #3


Integrated Budgeting, Planning, and Performance Management; Effective Financial Management; and Demonstrated Financial Accountability

FY 2004 NET PROGRAM COSTS - \$107,498,342

PROGRAM GOAL: IMPROVED FINANCIAL PERFORMANCE

Provide world-class financial services that support strategic decision-making, mission performance, the President's Management Agenda (PMA), and improved accountability to the American people.

Performance Indicator #1: Total Number of Federal Managers' Financial Integrity Act (FMFIA) and Auditor Identified Material Weaknesses Identified (PART)

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2002)
	2002	First Year Data Reported: 10
	2003	6
FY 2004 Data	2004 Preliminary or Provisional Results	3
	Target	6
	Rating	 Exceeds Target
	Impact	<p>The strong FY 2004 result is important because it indicates that the Agency is taking aggressive actions to implement financial and general management improvements. What will happen or what did happen because of the achieved results? Specifically, the Agency has reduced computer security vulnerabilities to a manageable level and it has continued to improve upon financial processes.</p> <p>How do the results move the Agency closer to a desired outcome? The ultimate result is an unqualified certification on management controls by USAID's Administrator (under the FMFIA) and a clean opinion from the Inspector General on the Agency's financial statements indicating that USAID's overall financial and management position has been strengthened.</p>

PERFORMANCE GOAL #4


Customer-Oriented, Innovative Delivery of Administrative and Information Services, and Assistance

FY 2004 NET PROGRAM COSTS – \$525,430

PROGRAM GOAL: CUSTOMER-ORIENTED MANAGEMENT SERVICES

Ensuring that USAID Management Services are directed at and generated by the staff that uses them.

Performance Indicator #1: Average "Margin of Victory" on Customer Service Survey for Management Offices

FY RESULTS HISTORY	2001	N/A (new indicator in FY 2003)
	2002	N/A (new indicator in FY 2003)
	2003	First Year Data Reported: 51.6
FY 2004 Data	2004 Preliminary or Provisional Results	54.3
	Target	54.6
	Rating	 On Target
	Impact	The average "Margin of Victory" on the Administrator's customer service survey in FY2004 indicates that USAID's management offices have improved customer service since FY2003. The higher score reflects increased satisfaction with management services, especially in such areas as Information Resources Management, Financial Management, Administrative Services, and procurement, and indicates increasingly effective support to Agency functions.

VI. PROGRAM EVALUATIONS AND PART REVIEWS

Three Program Evaluations and one PART Review for the FY 2004 budget process were conducted in FY 2004 that pertained to this Strategic Goal.

- 1) OMB/USAID Operating Expense/Capital Investment Fund Program Assessment Rating Tool (PART), July 2004
- 2) OIG Standards for Success Accomplishment Report Fiscal Year 2003, available on the Web at http://www.usaid.gov/oig/public/standards_success_report_fy2003.pdf
- 3) OIG Semi-Annual Reports to Congress, available on the Web at <http://www.usaid.gov/oig/public/semiann/semiannual1.htm>
- 4) Independent Auditor's Report on USAID's Consolidated Financial Statements, Internal Controls, and Compliance for Fiscal Years 2003 and 2002,; November 14, 2003; available on the web at <http://www.usaid.gov/oig/public/fy04rpts/0-000-04-001-c.pdf>.

USAID supports alliances that promote management and organizational excellence. One example of how alliances support management and organizational excellence is the Certified International Accounting Professional (CIPA) Examination Alliance in Russia.

The CIPA Examination Alliance will implement training, examination, and certification programs in Russia. This program has already been implemented successfully in Ukraine, Moldova, and Central Asia, and has resulted in the formation of the International Council of Certified Accountants and Auditors (ICCAA). This council brought together the 10 largest accounting associations of Russia, Ukraine, Moldova, and the Central Asian countries and now requires that its members be CIPA certified.

Its partners include The Center for Business Skills Development (CBSD), The American Institute of Certified Public Accountants (AICPA), Institute of Chartered Accountants of England and Wales (ICAEW), International Federation of Accountants (IFAC), Certified General Accountants of Canada (CGA), International Council of Certified Auditors and Accountants (ICCAA), and International Accounting Standards Committee Foundation.

This alliance will provide over three million accountants access to the Russian-language International Financial Reporting Standards (IFRS) certification and will train over 30,000 enterprise accountants. The program will also result in the certification of 10,000 Certified Accountant Practitioners (CAP) and 2,000 receiving the full CIPA certification. The adoption and implementation of IFRS to countries in the region will achieve several objectives. First, IFRS promotes economic growth through increased foreign investment, as potential investors are better able to value and assess firms. Second, IFRS advances the global integration of these countries since IFRS is required of all 25 EU countries by 2005. Third, through increased transparency and financial reporting standards, the adoption of IFRS can have an important impact in combating corruption and money laundering, enhancing corporate governance, and improving education. Finally, the program focuses on empowering women, since the role of accountant in the former Soviet Union is a traditionally female job, and 85 percent of CIPA participants to date have been women. It is estimated that it will take two years for the project to be fully sustainable.

USAID will support this alliance with \$500,000 of Global Development Alliance (GDA) Incentive Funds, including an expected \$1.5 million from within USAID's Europe & Eurasia Bureau and Missions. This GDA will additionally leverage in-kind and cash contributions from partners of approximately \$5 million.

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