

AGENCY FOR
INTERNATIONAL DEVELOPMENT



**Congressional Presentation
Fiscal Year 1993**

AGENCY FOR INTERNATIONAL DEVELOPMENT

320 TWENTY FIRST STREET, N.W.
WASHINGTON, D.C. 20523

February 3, 1992

The Administrator

TO THE CONGRESS OF THE UNITED STATES

On behalf of the Agency for International Development (A.I.D.), I am pleased to transmit the Agency's request for authorization and appropriation for fiscal year 1993.

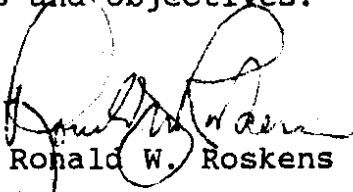
The U.S. foreign economic assistance program, a vital component of American foreign policy, must adjust to a dramatically altered international environment. Our national interest is best served by a world in which the promises of justice and improved standards of living are being realized by rich and poor nations alike. The nineties provide new opportunities and challenges for the United States around the world. This budget reflects our plans to meet the development challenges abroad while recognizing economic demands here at home.

The Agency will focus its overall efforts and resources on the Administration's five major foreign policy challenges:

- o promoting and consolidating democratic values;
- o promoting market principles;
- o promoting peace to achieve the stability essential for economic growth and political freedom;
- o protecting against transnational threats; and
- o meeting urgent humanitarian needs.

A.I.D. will continue to concentrate much of its efforts on areas of special interest and concern -- AIDS prevention and control, child survival, population planning, basic education, the environment, agriculture, counter-narcotics, private sector development, and women in development.

The following material and accompanying volumes describe in detail A.I.D.'s programs and objectives.


Ronald W. Roskens

**AGENCY FOR INTERNATIONAL DEVELOPMENT
FY 1993 CONGRESSIONAL PRESENTATION**

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Introduction

The Agency for International Development's (A.I.D.'s) FY 1993 Congressional Presentation (CP) reflects the Administration's program and budget justification for the bilateral foreign assistance program.

The CP document summarizes the budget request and discusses the programs and activities implemented through its centrally funded programs and through the five geographic regions (Africa, Asia, Europe, Near East, and Latin America and the Caribbean). Project-level details for the programs appear in the Statistical Annex.

Because the planning for programs and projects described in this presentation takes place so far in advance of the actual obligation of funds, some of these projects do not go forward as planned, new ones are added, and some undergo minor or substantial funding and program changes before agreements are reached with the recipient countries. In each instance, however, the appropriate Congressional committees will be given 15 days notice before such changes are effected, as required by section 634A of the Foreign Assistance Act of 1961, as amended.

Included as a separate annex, Part II, is additional information on selected economic and social data for aid and non-aid recipient countries as well as a report on all aid and non-aid recipients broken out by region and by gross national product (GNP) rank.

Separate volumes contain the budget justification for the International Organizations and Programs and the Trade and Development Program.

A separate set of Summary Tables is also included, which contains tables and graphs illustrating the foreign assistance budget request. These tables provide a detailed tabular breakout of the foreign assistance budget for FY 1991 (actual), FY 1992 (request, since no FY 1992 appropriation has been enacted) and FY 1993 (request), including the entire International Affairs (Function 150) account.

STATEMENT OF THE ADMINISTRATOR

We will only succeed in this interconnected world by continuing to lead the fight for free people and free and fair trade. A free and prosperous global economy is essential for America's prosperity; that means jobs and economic growth right here at home. ... Our enemies have become our partners, committed to building democratic and civil societies. They ask for our support, and we will give it to them. We will do it because as Americans we can do no less.

-- George Bush

Introduction

America faces a radically changed world in which new opportunities have replaced old challenges. The Cold War, bitterly fought for almost half a century, is over. America and the world are facing a hopeful new era in which opportunities for economic and social progress for both advanced countries and the developing world can be achieved more rapidly than ever before. The growing interdependence of national economies, the global reach of changing technologies, and common threats of environmental degradation and disease demonstrate that our own safety, prosperity and freedom cannot be pursued in isolation.

We now have the opportunity to help shape a new international system providing expanded opportunity and justice for all peoples. The United States will continue to champion the principles of political and economic freedom as the best guarantors of human progress and global peace. Within the U.S. foreign affairs community, the Agency for International Development (A.I.D.) reaffirms its commitment to its core mission of economic development, helping our global neighbors to become active and constructive partners in the new world community.

Why Foreign Aid?

Our national interest is best served by a world in which the promises of justice and improved standards of living are being realized by rich and poor nations alike. This is only possible if developing countries, as well as those who are struggling to create a new democratic society, share with us the benefits of expanding trade, dynamic market economies, democracy and justice within nations, and fairness between nations. This will help remove the occasion for armed conflict within and between nations, strengthen international cooperation, and provide expanding markets for U.S. products and services.

Economic assistance alone cannot create this new world, but it is a valuable instrument which manifests one of the finest traditions of our nation. Americans have long believed strongly that we should share our talents and wealth with others less fortunate than we in order to build a community in which all can prosper. A.I.D. embodies this commitment to help overcome the most oppressive human conditions -- poverty, disease and ignorance -- and to help create partners who enjoy sustained growth and expanding opportunities.

Expanding U.S. Markets. The U.S. interest in the sustained expansion of the global economy is large and growing. Exports now account for 15% of our gross national product (GNP), compared to only 10% as recently as 1985. Our fastest growing markets are in the developing world, particularly in countries undertaking sustained policy reforms. The United States now exports about \$130 billion of American goods and services annually to developing countries. The potential for continued expansion of trade with these countries is enormous. By the year 2000, four out of five consumers will reside in the developing world. But poor people make poor markets. For these markets to expand, the incomes of all citizens in the developing world must increase. A.I.D. programs are intended to be an important contribution to this objective.

Expanding U.S. Employment. Exports to developing countries (many of them current or past recipients of A.I.D. funding) now account for over 2.8 million U.S. jobs. The impact of not exporting to these developing countries would be equivalent to abolishing all the jobs now provided by General Motors, Ford, Chrysler, Sears, IBM, K-Mart, and Walmart.

Increasing Global Security. Poverty, disease and ignorance respect no international boundaries in their search for victims. Increasing the participation of the poor in their governance and their economic progress will reduce their willingness to engage in armed struggle internally and across borders.

Maintaining Humanitarian Traditions. Less than ten years after achieving its independence, the United States sent relief assistance to refugees from oppression in the Caribbean, thereby establishing a proud tradition of reaching out to help people in need. Together with private assistance programs, our foreign assistance program responds to the noblest moral imperatives of the American people to help our neighbors throughout the world.

The Objectives of Foreign Aid

Although only one-fifth of one-percent of our total GNP, foreign assistance is, and will continue to be, a vital instrument for forging a new pattern of global partnership within which America's political, economic and humanitarian interests can flourish. In general, the Administration will focus its overall efforts and resources on five major challenges:

1. promoting and consolidating democratic values;
2. promoting market principles;
3. promoting peace to achieve the stability essential for economic growth and political freedom;
4. protecting against transnational threats; and
5. meeting urgent human needs.

Within these priorities of the Administration, A.I.D. will emphasize bringing American resources and know-how to the developing world.

A.I.D.'s Experience

For 30 years, the Agency for International Development has supported developing countries in expanding opportunities and fostering broad-based growth. It has helped over 100 countries save the lives of millions of people, supporting programs to eradicate smallpox worldwide, combat the acquired immunodeficiency syndrome (AIDS) pandemic, immunize 316 million children since 1985 against communicable childhood diseases, dramatically increase the use of life-saving oral rehydration therapy, and enable millions of couples to plan the size and timing of their families.

A.I.D. has played a leading role in the "Green Revolution," made important contributions to environmental sustainability in the developing world, trained over 300,000 participants in the United States for leadership roles in their countries, assisted the emergence of democracy and respect for human rights throughout the world, and delivered more than 320 million tons of American agricultural commodities to more than two billion people.

One key lesson to emerge from these three decades is that economic policies and institutions are crucial determinants of development -- not just economic growth, but social and economic progress as well. Development investments are most productive when economic policies foster both domestic

and international competition. There is a strong and growing consensus, embracing both donors and recipients, that competitive markets are the best way to organize the production and distribution of goods and services, reducing costs to consumers and increasing incomes to producers. Competitive markets improve the efficient use of scarce resources, provide higher standards of living for all citizens, increase entrepreneurship, and accelerate technological progress.

Competition and efficiency do not occur spontaneously, however. They are fostered by the legal and regulatory frameworks established and enforced by the state. Efficiency also requires that the governments invest in human resources and infrastructure, as well as provide essential services to those who cannot yet participate fully in the market process--the poor. Our experience clearly shows that when markets and governments work in tandem, the results have been spectacular. When they are opposed, the results have been disastrous.

A constructive and complementary partnership between governments and markets is most likely to be achieved in democratic societies. Democratic institutions and values help prevent abuses of power and the emergence of political systems which retard broad-based economic growth and social development. Governments which respect basic human rights, abide by the rule of law, and are accountable to their citizens are more likely to address the basic needs of society and improve the lives of all citizens.

What We Have Done

Over the past two years, A.I.D. has worked steadily to improve internal management and accountability. We have improved management control mechanisms by establishing an audit tracking system and a management control review committee. We are designing a new primary accounting system. We are strengthening the programming system, improving the evaluation function, concentrating program resources between and within countries, and establishing principles for focusing on results by initiating objective-based strategies and programs. We also have improved accountability for host country contributions, local currencies and cash grants and have strengthened workforce planning. And we will continue to seek and implement further programmatic and management improvements.

What We Need

Program Flexibility. Our economic assistance program can play a key role in fostering a world order consistent with our country's fundamental values and our national interests. To fulfill this potential, however, our resources must be adequate, our programs well-defined, and we must have the flexibility to respond to unexpected opportunities and challenges. The Administration's proposed changes in the Foreign Assistance Act would eliminate obsolete and inconsistent provisions and set a solid foundation for cooperation between the Executive and Legislative Branches on a program that can respond to fast-moving events in a rapidly changing world.

Program Focus. Fundamental to the success of A.I.D. is agreement on reducing the number of priorities to which foreign assistance is directed. When the priorities have been set by Congress alone, they often have been accompanied with earmarks that restrict our ability to respond to pressing development needs in specific countries. Over the past year, rapidly changing political events have demanded that we expand our own activities in new program areas or countries, such as the new Independent States of the former Soviet Union, Central and Eastern Europe, Cambodia or Ethiopia. Yet there has been no agreement either to augment our human and financial resources or to reduce other activities. The result is an increasingly frantic dash to do more and more with fewer and fewer resources. Ultimately our ability to perform well and complete even essential tasks is severely threatened.

Congress and A.I.D. must work together to focus our activities. There is substantial consensus now on what is needed for development, A.I.D. has extensive field experience and the strength of long-established relationships in developing countries, and conditions are favorable for rapid progress. We

should not squander the opportunity before us by trying to make A.I.D. be too many things to too many people. The scope of A.I.D.'s programs must be slimmed down and focused, both between and within countries.

We have already begun this process. Over the past six months, our regional bureaus have reviewed country programs to reduce the number of areas within each country program. We also have reduced, adjusted or terminated assistance levels where the performance of the host government has been disappointing and economic reforms have not moved forward (the Philippines, for example) or human and political rights have been violated (Kenya, Zaire and Haiti, for example). At the same time, however, these actions have been offset by the major new programs in Central and Eastern Europe, the Baltics and now the Commonwealth of Independent States. More needs to be done to weigh new needs against old commitments, and to arrive at a better balance between emerging demands and our resources and capacities to discharge our mandate effectively and responsibly.

What We Will Do

A.I.D. will continue to serve as the coordinator of the best bilateral development assistance program in the world, and exercise leadership within the international development community. A.I.D. will continue to improve its management and accountability. And we will continue to enlist the special talents and energies of other official agencies and private sector institutions, including American businesses, for their unique inputs into the development process.

While significant U.S. resources will be dedicated through multiple channels to the five foreign policy challenges listed earlier, A.I.D. will concentrate on its assigned responsibility of economic development. We will:

- o **support economic and political reforms that will generate employment, promote broad-based, sustainable and environmentally sound economic growth, and encourage political freedom and good governance;**
- o **invest in human resources development (such as child survival, health and education), reduce explosive population growth rates, and respond to natural and man-made disasters;**
- o **strengthen the institutions and developmentally sound and economically viable physical infrastructure necessary to expand the production of goods and services.**

Recognizing the need for focus and concentration, potential programs will be judged on the basis of how well they advance the long-term development of our partner countries and how well these programs improve the daily lives of poor people in these countries. Our aim is to increase their incomes and improve the quality of their lives.

A.I.D. will continue to work with the developing nations to open their markets to domestic and international competition, secure their cooperation on a broad range of international challenges, and coalesce donor support in pursuit of these same objectives. In so doing, we will help expand jobs in the United States and American trade and investment opportunities overseas.

We will continue to build on our experience and strengthened financial and program management structures to develop, implement, and evaluate focused activities to help developing countries committed to achieving rapid progress for their peoples.

Throughout the world, we will encourage a respect for human rights, the rule of law and accountable governance. And we will continue to make available this nation's unparalleled technical and institutional know-how to facilitate private capital flows in order to help build strong economies which benefit all peoples.

AGENCY FOR INTERNATIONAL DEVELOPMENT
 FY 1993 AUTHORIZATION AND BUDGET AUTHORITY REQUESTS
 AND FY 1993 PROPOSED PROGRAM
 (in thousands of dollars)

	FOR. ASSIST. AUTHORIZATION REQUEST	BUDGET AUTHORITY REQUEST	REIMBURE- MENTS AND CARRYOVER	PROPOSED A. I. D. PROGRAM
Development Programs.....	1,265,500	1,265,500	--	1,265,500
Deob/Reob	N/A	21,500	--	21,500
Development Fund for Africa.....	775,600	775,600	--	775,600
Capital Projects Program.....	100,000	100,000	--	100,000
American Schools & Hospitals Abroad.....	30,000	30,000	--	30,000
Disaster Assistance.....	40,000	40,000	--	40,000
Housing Guaranty Liquidating Account.....	N/A	N/A	--	49,637
Housing Guaranties Limitation.....	N/A	[95,000]	--	[95,000]
Housing Guaranty Subsidy	16,407	16,407	--	16,407
Housing Guaranty Administration.....	7,000	7,000	--	7,000
Private Sector Investment Program (PSIP)...	N/A	[114,000]	--	[114,000]
Private Sector Investment Subsidy.....	5,346	5,346	--	5,346
Private Sector Direct Loan Subsidy.....	319	319	--	319
PSIP Administrative Expenses.....	1,447	1,447	--	1,447
Advanced Acquisition of Property.....	N/A	N/A	--	--
SUBTOTAL, DA Program Funds.....	2,241,619	2,263,119	0	2,312,756
Operating Expenses.....	531,000	531,000	7,400	538,400
Oper. Exp. - Inspector General.....	41,456	41,456	--	41,456
Foreign Service Retirement and Disability Fund.....	N/A	42,677	--	42,677
TOTAL A.I.D. Development Assistance	2,814,075	2,878,252	7,400	2,935,289
Economic Support Fund.....	3,112,000	3,112,000	--	3,112,000
Deob/Reob	N/A	11,000	--	11,000
TOTAL, Economic Support Fund	3,112,000	3,123,000	--	3,123,000
Special Assistance Initiatives.....	530,000	530,000	--	530,000
Humanitarian Aid to New Independent Republics (former Soviet Union).....	350,000	350,000	--	350,000
TOTAL, A.I.D. ECONOMIC ASSISTANCE	6,806,075	6,881,252	7,400	6,938,289

INTERNATIONAL AFFAIRS (\$ Thousands) BUDGET AUTHORITY	FY 1991 ACTUAL	FY 1992 ESTIMATE	FY 1993 REQUEST

MULTILATERAL ASSISTANCE			
Inter-American Dev. Bank	57,449	57,313	57,313
Fund for Special Operations	20,850	20,576	20,576
Inter-American Investment Corp	13,000	12,500	---
Subtotal: IADB	91,299	90,389	77,889
World Bank (IBRD)	110,592	70,126	70,126
International Finance Corp.	40,331	50,000	50,000
International Development Association	1,064,150	1,060,000	1,060,000
Asian Development Fund/Bank	126,854	200,481	195,514
African Development Fund	105,452	135,000	135,000
African Development Bank	10,136	8,987	---
European Development Bank	70,021	70,021	70,021
MDB Other	---	---	---
Subtotal: MDBs	1,618,835	1,685,004	1,658,550
IO & P (Voluntary Contrib.)	284,730	250,212	256,650
Int'l Fund for Agricultural Dev.	[30,000]	[18,362]	---
	-----	-----	-----
TOTAL: MULTILATERAL ASSISTANCE	1,903,565	1,935,216	1,915,200

INTERNATIONAL AFFAIRS (\$ Thousands) BUDGET AUTHORITY	FY 1991 ACTUAL	FY 1992 ESTIMATE	FY 1993 REQUEST

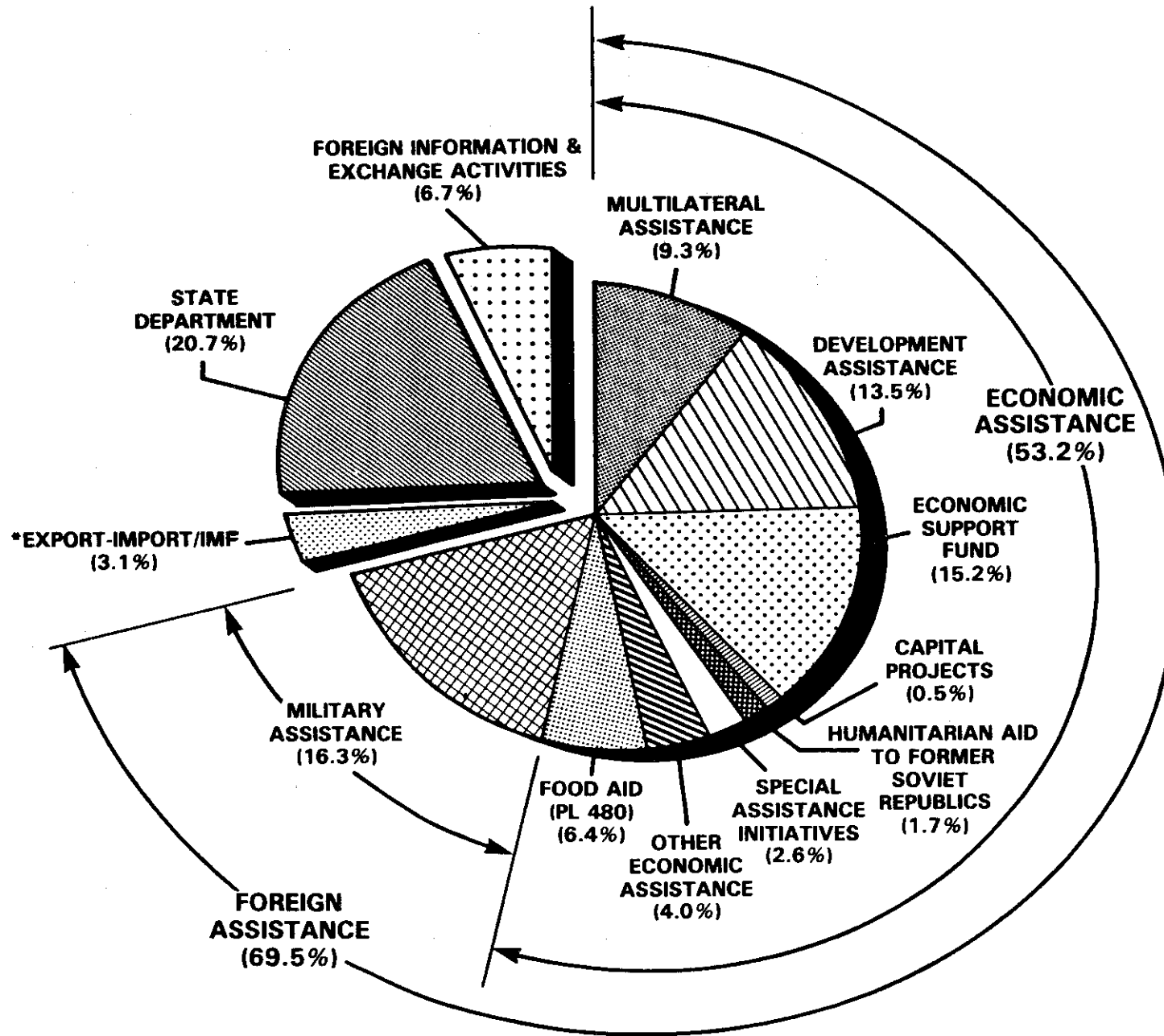
BILATERAL ASSISTANCE - A.I.D.			
Development Programs	---	1,277,000	1,265,500
Ag., Rural Dev. & Nutrition	463,063		
Population	244,253		
Health	131,897		
Child Survival Fund	97,701		
AIDS Prevention & Control	50,805		
Education & Human Resources	115,716		
Private Sector, Env. & Energy	146,074		
Science & Technology	8,624		
Deob/Reob Authority	56,574	36,000	21,500
Total: Functional Development Asst.	1,314,707	1,313,000	1,287,000
Development Fund for Africa	800,000	800,000	775,600
Capital Projects	---	---	100,000
Sahel	---	---	---
Private Sector Investment Limitation	[114,000]	[114,000]	[114,000]
Private Sector Direct Loan Limitation	[15,000]	---	[5,000]
Private Sector Investment Subsidy	---	5,336	5,346
Private Sector Direct Loan Subsidy	---	---	319
Private Sector Investment Admin	---	1,367	1,447
American Sch. & Hosp. Abroad	29,583	30,000	30,000
International Disaster Assistance	107,990	40,000	40,000
Humanit. Relief (McCollum Amdt)	[990]	---	---
Housing Guaranties Limitation	[547,150]	[100,000]	[95,000]
Housing Guaranty Borrowing Auth.	48,000	---	---
Housing Guaranty Liquidating Account	---	[43,009]	[49,637]
Housing Guaranty Loan Subsidy	---	16,660	16,407
Housing Guaranty Administration	---	7,000	7,000
Foreign Service Retirement & Dis.	40,341	41,351	42,677
Trade Credit Insurance Program	[200,000]	---	---
TCIP for Poland	[200,000]	---	---
Operating Expenses	441,000	483,300	531,000
Operating Expenses - IG	33,884	37,739	41,456
Subtotal: Development Assistance	2,815,505	2,775,753	2,878,252
Economic Support Fund	3,980,800	3,228,000	3,112,000
International Fund for Ireland	[20,000]	---	---
Deob/Reob Authority	55,691	12,000	11,000
-----	-----	-----	-----
Economic Support Fund Total	4,036,491	3,240,000	3,123,000
Special Assistance Initiatives	529,675	560,000	530,000
MAI for the Philippines	[160,000]	[160,000]	[80,000]
Eastern Europe	[369,675]	[400,000]	[450,000]
Humanitarian Aid to Former Soviet Uni	---	150,000	350,000
Demobilization & Transition Fund	13,000	---	---
Central Am. Reconciliation Asst.	---	---	---
Subtotal: A.I.D.	7,394,671	6,725,753	6,881,252

INTERNATIONAL AFFAIRS (\$ Thousands) BUDGET AUTHORITY	FY 1991 ACTUAL	FY 1992 ESTIMATE	FY 1993 REQUEST
Trade & Development Program	35,000	35,000	40,000
Peacekeeping Operations	32,800	378,000	27,166
International Narcotics Control	150,000	171,500	173,000
Inter-American Foundation	25,000	28,794	30,960
African Development Foundation	13,000	14,950	16,905
Peace Corps	186,000	200,000	218,146
Migration & Refugee Assistance	560,638	490,557	550,000
Emergency Refugee & Migration Fund	103,000	20,000	20,000
Anti-Terrorism Assistance	12,026	15,000	15,555
Overseas Priv. Invest. Corp (OPIC)			
Loan Subsidy & Admin Expenses	---	17,330	20,438
(Limitation on direct loans)	[40,000]	[25,000]	[30,000]
(Limitation on Guar. Loans)	[250,000]	[375,000]	[500,000]
	-----	-----	-----
TOTAL: BILATERAL ASSISTANCE	8,512,135	8,096,884	7,993,422
MILITARY ASSISTANCE			
Int'l Military Education & Training	47,196	52,500	47,500
Special Defense Acquisition Fund	[289,342]	[240,000]	[280,390]
Foreign Military Financing	4,703,128	4,667,490	4,162,557
Grants and Administration	4,249,628	4,610,000	4,099,225
Loan Subsidy and Admin Expenses	453,500	57,490	63,332
FFB principal prepayments (pre-92)	---	---	---
FFB principal prepayments (pre-92)	[-490,183]	---	---
Relocation of Facilities, Israel	(1,000)	(4,419)	---
	-----	-----	-----
TOTAL: MILITARY ASSISTANCE BA	4,749,324	4,715,571	4,210,057
EXPORT-IMPORT BANK			
Subsidy BA and Grants	---	567,013	682,000
Limitation on Direct Loans	750,000	n/a	n/a
(Limitation on Guaranteed Loans)	[10,599,064]	[9,525,000]	[11,385,000]
IMF, U.S. Quota	---	12,313,857	---
IMF Enhanced Structural Adj Fac.	10,602	---	---
Enterprise for the Americas Initiative			
Debt Restructuring	[39,669]	309,681	286,000
Multilateral Investment Fund	---	100,000	100,000
Transfer adjustment	---	---	---
Deficit Reduction	---	---	---
Presidential Contingency Fund (155)	---	---	---
Prior year outlays-discretionary	---	---	---
Scorekeeping adjustment	---	---	---
	=====	=====	=====
TOTAL: FOREIGN OPERATIONS SUBCOMMITTEE	15,925,626	28,038,222	15,186,679

INTERNATIONAL AFFAIRS (\$ Thousands)	FY 1991	FY 1992	FY 1993
BUDGET AUTHORITY	ACTUAL	ESTIMATE	REQUEST

AGRICULTURE SUBCOMMITTEE			
P.L. 480			
Title II & III Grants	1,092,590	1,043,681	966,500
Title I Loan subsidy & admin	(88,647)	440,504	356,013
	-----	-----	-----
Total Food Assistance (BA)	1,003,943	1,484,185	1,322,513
	-----	-----	-----
TOTAL: AGRICULTURE SUBCOMMITTEE	1,003,943	1,484,185	1,322,513
CONDUCT OF FOREIGN AFFAIRS (153)	3,201,038	3,647,737	4,252,479
(Unassigned to Approp Committee)	---	(151,160)	(159,091)
FOREIGN INFO & EXCHANGE ACT. (154)	1,243,300	1,307,880	1,384,062
(Unassigned to Approp Committee)	---	1,723	1,755
TOTAL: APPROPRIATIONS COMMITTEE	21,373,907	34,627,461	22,303,069
SUBFUNCTIONS 151,152,155 MANDATORIES	1,318,568	(1,178,213)	(1,573,588)
Economic Asst Loan Liquidating Acct	---	(508,014)	(266,194)
Misc. Trust Funds - A.I.D.	13,270	5,000	5,000
Misc. Trust Funds - Peace Corps	763	1,596	1,458
Misc. Trust Funds - DOT	5,271	5,630	5,630
Housing Guaranty Liquidating Account	---	43,009	49,637
Private Sector Invst Liquidating Acct	---	---	---
OPIC liquidating acct	---	---	---
IAF gifts and contributions	---	---	---
Misc. Trust Funds Receipts - DOT	(38)	(1,371)	(830)
Misc. Trust Funds Receipts - A.I.D.	(13,503)	(5,000)	(5,000)
A.I.D. Loan Repayments	(491,564)	(327,645)	(330,147)
Advance Aquisition of Property	---	---	---
Foreign Currency Loan Repayments	(21,682)	(21,680)	(21,680)
PL 480 Liquidating Acct	---	---	---
FMF Receipts	(237,156)	(424,379)	(528,684)
FMF liquidating account (pre-92, GRF)	454,795	(272,989)	(204,690)
FMF - Contract Authority	14,424,527	11,871,000	11,072,000
FMF - Liquidation of contract auth.	(12,533,982)	(11,418,747)	(11,201,653)
Ex-Im Liquidating Account	(580,000)	(92,713)	(48,581)
Treasury Exchange Stabilization Fund	---	---	---
Treasury Loan Repayment (U.K.)	(95,977)	(97,896)	(99,854)
Kuwait Civil Recon., contract auth.	255,930	93,386	---
Trust Fund, liquid, of contract auth	(321,916)	(27,400)	---
IMF, Maintenance of Value Adjustment	459,830	---	---
	=====	=====	=====
TOTAL INTERNATIONAL AFFAIRS	22,692,475	33,299,811	20,572,145

INTERNATIONAL AFFAIRS APPROPRIATIONS REQUEST FY 1993



AGENCY FOR INTERNATIONAL DEVELOPMENT
PROGRAM TRENDS: FY 1990 - FY 1993 1/
(obligations in thousands of dollars)

	FY 1990 ACTUAL	FY 1991 ACTUAL	FY 1992 ESTIMATE	FY 1993 REQUEST
Development Programs.....	--	--	1,277,000	1,265,500
Functional Development Assistance:				
Agriculture, Rural Dev. & Nut.....	542,752	521,750	--	--
Population Planning.....	225,649	249,319	--	--
Health.....	147,919	148,703	--	--
Child Survival Fund.....	72,679	98,152	--	--
AIDS.....	41,313	50,803	--	--
Education & Human Resources Dev.....	142,801	122,231	--	--
Private Sector, Environment & Energy Science and Technology.....	157,555	164,226	--	--
Private Enterprise Revolv. Fund.....	8,625	--	--	--
Deob/Reob.....	[74,241]	--	36,000	21,500
SUBTOTAL	1,339,293	1,355,184	1,313,000	1,287,000
Grants, included above.....	1,334,542	1,355,184	1,313,000	1,287,000
Loans, included above.....	4,751	--	--	--
Sahel Development Program	1,916	1,770	--	--
Development Fund for Africa.....	570,643	811,171	800,000	775,600
Capital Assistance Project.....	--	--	--	100,000
SUBTOTAL, Geographic & Central Programs	1,911,852	2,168,125	2,113,000	2,162,600
American Schools & Hospitals Abroad...	35,350	27,833	30,000	30,000
International Disaster Assistance.....	32,960	66,688	40,000	40,000
Humanitarian Relief (McCollum Amdt.)..	[2,845]	[990]	--	--
Private Sector Revolving Fund	3,400 2/	8,542 2/	--	[5,000]
Private Sector Investment Prg (PSIP)..	[91,833]	[69,500]	[114,000]	[114,000]
PSIP Subsidy/Admin Expenses.....	--	--	6,703	7,112
Housing Guaranties Subsidy/Admin.....	--	--	23,660	23,407
Housing Guaranties Loan Limitation....	[499,570]	[480,000]	[100,000]	[95,000]
Housing Borrowing Authority.....	24,000	[48,000]	--	--
Housing Guaranties Liquidating Account	--	--	[43,009]	[49,637]
Advanced Acq. of Property.....	79	96	--	--
SUBTOTAL, DA Program Funds.....	2,007,641	2,271,284	2,213,363	2,263,119
Operating Expenses.....	438,728 3/	443,027	483,300	531,000
Oper. Exp. - Inspector General.....	30,351	32,875	37,739	41,456
Foreign Service Retirement & Dis.....	40,147	40,341	41,351	42,677
Trade Credit Insurance Prg (Cent Am.)..	[200,000]	--	--	--
TCIP Poland.....	[200,000]	--	--	--
TOTAL, A.I.D. Development Assistance	2,516,867	2,787,527	2,775,753	2,878,252
Economic Support Fund.....	4,010,857	4,117,453	3,240,000	3,112,000
ESF Deob/Reob.....	[40,169]	[14,000]	[12,000]	11,000
Total ESF	4,010,857	4,117,453	3,240,000	3,123,000
Special Assistance Initiatives.....	119,484	448,711	560,000	530,000
Philippines.....	[119,484]	[159,828]	[160,000]	[80,000]
Eastern Europe.....	--	[286,258]	[400,000]	[450,000]
Humanitarian Aid to the former Soviet Republics.....	--	--	150,000	350,000
Central American Reconciliation Asst..	37,140	--	--	--
TOTAL, A.I.D. ECONOMIC ASSISTANCE.....	6,684,348	7,353,691	6,725,753	6,881,252

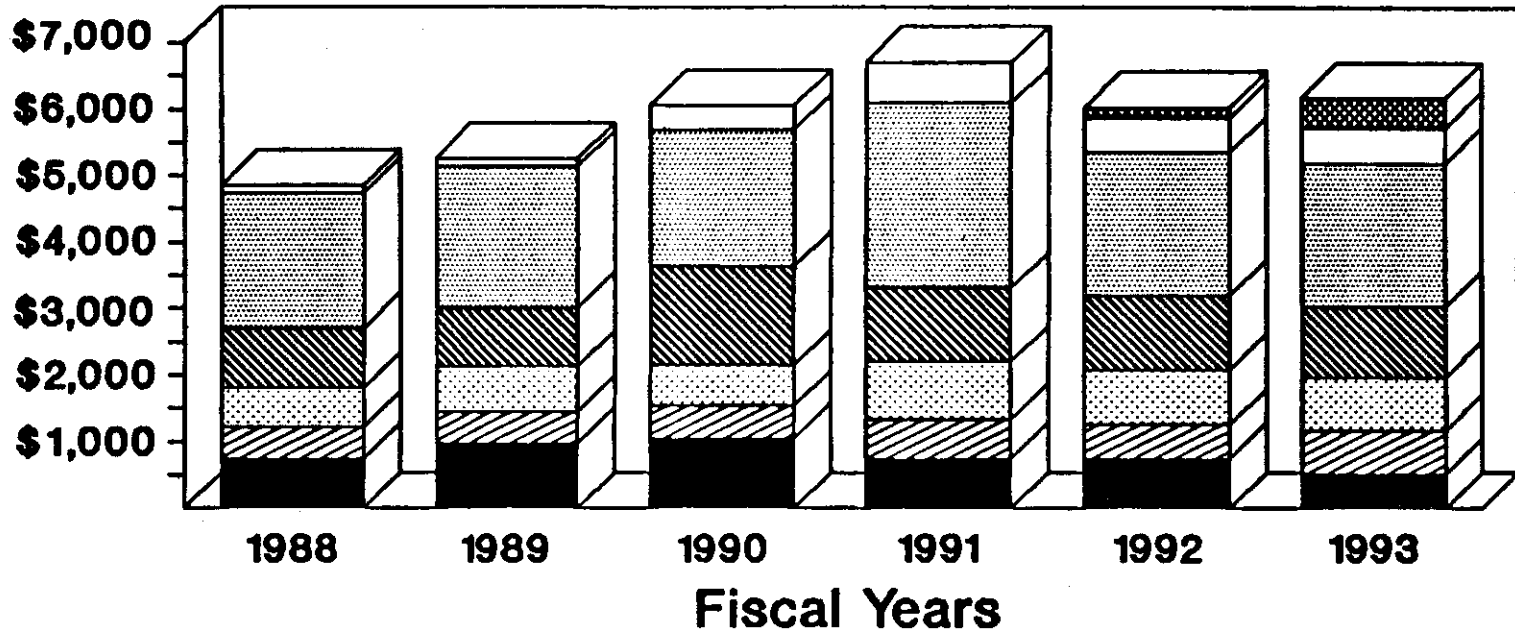
1/ Excludes Section 517 reappropriation.

2/ Funded from Private Sector Revolving Fund reflows.

3/ Includes offsetting collections of \$5.509 million in FY 1990

PROGRAM ALLOCATIONS

DA, ESF & SAI
(Millions)



DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUND COUNTRIES
ASSISTED IN FY 1992 AND FY 1993

AFGHANISTAN
ANGOLA
BANGLADESH
BELIZE
BENIN
BOLIVIA
BOTSWANA
BURKINA FASO
BURUNDI
CAMBODIA
CAMEROON
CAPE VERDE
CENTRAL AFRICAN REPUBLIC
CHAD
COMOROS
CONGO, REP. OF
COSTA RICA
COTE D'IVOIRE
CYPRUS
DJIBOUTI
DOMINICAN REPUBLIC
ECUADOR
EGYPT
EL SALVADOR
ETHIOPIA
FIJI
GAMBIA, THE
GHANA
GUATEMALA
GUINEA
GUINEA-BISSAU
GUYANA
HAITI
HONDURAS
INDIA
INDONESIA
ISRAEL
JAMAICA
JORDAN
KENYA

LEBANON
LESOTHO
MADAGASCAR
MALAWI
MALI
MAURITIUS
MONGOLIA
MOROCCO
MOZAMBIQUE
NAMIBIA
NEPAL
NICARAGUA
NIGER
NIGERIA
OMAN
PAKISTAN
PANAMA
PERU
PHILIPPINES
PORTUGAL
PANAMA
RWANDA
SAO TOME AND PRINCIPE
SENEGAL
SEYCHELLES
SIERRA LEONE
SOUTH AFRICA
SRI LANKA
SWAZILAND
TANZANIA
THAILAND
TOGO
TUNISIA
TURKEY
UGANDA
WEST BANK\GAZA
YEMEN ARAB REPUBLIC
ZAMBIA
ZIMBABWE

PROGRAM OVERVIEW

I. INTRODUCTION

The Agency for International Development (A.I.D.) has a special charge among U.S. foreign affairs agencies: to advance America's interests by helping cooperating countries expand their economies and the opportunities they offer their people. How successful we are will influence whether countries adopt values regarding democracy, human rights and governance that more broadly reflect America's own values; if the developing world will share with us and the rest of the world the benefits of market-based economic growth and flourishing trade; and if ordinary citizens in these countries will enjoy improved health and education and greater employment opportunities.

A.I.D. has to respond to new demands being placed; to new foreign policy challenges; and to new development opportunities. A year ago, no one would have predicted that the USSR would be replaced on the world scene by 15 independent republics. Today, no one knows whether world commodity markets will be vibrant a year from now, if the transition to majority rule in South Africa will have progressed to the point of stopping racial violence, or whether any given country's rice crop will fail.

If we are to advance America's enduring national interests with vigor, we have to be prepared not just to react to changes in the world but also to provide international leadership. The world will not stop to wait for our response. We must be in a position to influence for the better what happens around the world because, faster than ever before, what happens elsewhere affects us right here at home.

Why Support Foreign Aid?

1. The foreign assistance program helps the growth of our economy. The developing world provides the fastest-growing markets for American goods and services. Exports to developing countries in the first nine months of 1991 increased 14% over the same period in 1990, accounting for most of the improvement in our overall trade balance and creating 280,000 new jobs. Over 30% of American exports overall and half of our agricultural exports are already purchased by these countries--employing three million Americans in the process.

Thus, our assistance is an investment in our own future prosperity. This works two ways: our inputs can help spur economic growth in the countries we assist, which enables them to buy more from us; and the research we support can be applied at home to help us. Regarding foreign economic growth: 43 of the 50 largest buyers of American farm goods are countries that used to get food aid. Our assistance has helped improve markets for our goods and services as these countries progressed. It has happened among the Asian "tigers," it is happening in Latin America, and it could happen in Eastern Europe and elsewhere. Since countries with good economic policies grow faster, we should support the adoption of good economic policies. Regarding research: A.I.D.-funded agricultural research overseas has helped make available wheat varieties, with dwarfing genes, now grown on almost two-thirds of U.S. wheat land, as well as sorghum varieties which have saved U.S. cattle producers almost \$400 million. Other A.I.D.-assisted agricultural research has helped U.S. rice, potatoes, peanuts, sheep, beans, sorghum and other farm products in the recent past. While our programs help farmers overseas, they also boost the productivity and production of U.S. farmers.

In addition, increased incomes and living standards around the world will reduce the likelihood of internal wars and regional conflicts, allowing more U.S. resources to be used for growth-inducing investment at home.

2. Foreign aid responds to the American tradition of international concern and generosity. Americans have long responded to the human tragedy that is characterized by hunger, ignorance, disease and oppression. Just ten years after the Republic was established, we sent aid to the victims of oppression in the Caribbean--thereby establishing a tradition that endures as a bedrock American trait of extending help to neighbors in need--through a host of private charities and with tax dollars.

And still the needs are pervasive and palpable. Four out of nine people in the world today--more than 2.4 billion people--live in countries where gross national product (GNP) per capita is less than one dollar a day. Every day, 40,000 children--well over ten million a year--die from disease and malnutrition. Some countries have achieved remarkable progress in raising incomes and life expectancy, but many are seriously lagging, and a few have even seen living standards decay in the last 30 years. And the gap between developed and developing nations is growing. For example, sub-Saharan Africa's per capita income in 1950 was 11% of the industrial countries' average; now it is 5%. The United States annually produces 5 times as much in total as the 3 billion people living in the low-income countries in the world. The United States traditionally has been the largest donor of bilateral economic assistance in total. But official development assistance from the United States comes to only one-fifth of one percent (0.2%) of our GNP--the third lowest among member countries of the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD) and just over half the average.

3. Foreign economic assistance helps the United States deal with transnational problems. Several key problems affecting the United States must be addressed internationally. Among those addressed through A.I.D. programs are environmental degradation and diseases such as human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS), malaria and cholera. Our activities also help stem the disruptions caused by migration by providing assistance to the victims of man-made and natural disasters as close to their homes as possible and by spearheading the quest for natural resource management practices that conserve the productivity of the often fragile natural resource base. Our programs also support the economic growth that averts economic refugees and the respect for human rights that avoids political refugees. As countries become more democratic, public pressure for good environmental practices increases dramatically; and as countries grow, they gain the resources to purchase the U.S. goods and services that have made the United States a leader in environmental technology. Our programs support these trends.

* * * * *

The program presented herein builds on the evolving consensus among donor and recipient countries about the importance of developing country policies in fostering broad-based economic and social progress. It proposes an expansion of U. S. efforts to support the rapid evolution of Eastern European and ex-Soviet republics toward market economies and democratic forms of government. It also includes maintaining our programs in Latin America, Africa, Asia, and the Near East, which means it is critical that management and program reforms go forward in order to sustain cost-effective, well-performing programs within an essentially straight-lined budget. This means making choices on where we focus our programs on a country-by-country basis.

II. MANAGEMENT

A critical element of U.S. success in capitalizing on the opportunities we now face is completion of the revitalization of A.I.D.'s management capacity, which must include Congressional action on essential reforms as proposed by the Administration.

Last year's Congressional Presentation stressed the importance of strategic management. Since that time, A.I.D. has taken significant steps to improve the management of its programs: reorganization of the A.I.D. Washington structure; development of a standardized approach to field staffing; development of a systematic approach toward internal controls; designing a system to establish program objectives and measure progress against them; improvement of program impact by beginning to focus and concentrate programs in fewer sectors in individual countries; and management improvements.

Reorganization

The U.S. foreign economic assistance program, a vital component of American foreign policy, must adjust to a dramatically altered international environment. A major A.I.D. reorganization has been undertaken to revitalize management of the U.S. foreign economic assistance program to respond to the rapidly changing international challenges of the 1990s.

Reorganization has followed two separate but interdependent tracks: (1) changes in the headquarters organizational structure and (2) management reforms. All organizational structure changes were completed on the target date, October 1, 1991. Proposed recommendations for management reforms (both program systems and incentives systems) were completed as scheduled in November 1991 and were recently approved. A Management Reforms Council has been established to oversee implementation of the reforms.

Accomplishments include: establishing three directorates--Operations, Policy, and Finance and Administration--to coordinate these major functions; establishing five regional bureaus to better address the special needs of each region, as well as transnational issues; instituting processes for program reforms, paperwork reduction, increased focus on results and improved accountability; developing new contracting modes that reduce the number of contracting actions and focus contract performance on results; and undertaking a process that will produce employees incentive reforms to reward a results-oriented programming system.

Workforce Allocation

As part of the Agency's effort to further integrate its program, operating expense and workforce review processes, an overseas workforce allocation model is being utilized which relates mission staffing levels to program size and configuration. Further refinements in the workforce allocation model will be made based on the findings of an evaluation of A.I.D.'s overseas presence to be completed in the spring. This evaluation will further define the factors determining mission workforce requirements and the most cost efficient and effective mission organization approaches. Also contributing to more effective staffing of A.I.D. programs is the newly created A.I.D. workforce planning process, which will help ensure that the talent necessary for proper management and oversight of Agency programs is available in a timely fashion.

Management Controls

In August 1990, A.I.D. established a senior-level Management Control Review Committee (MCRC) to oversee both the internal control and audit management processes in A.I.D. Since its inception, the MCRC has met quarterly to discuss and take action on problems identified through the A.I.D. Inspector General (IG) and General Accounting Office (GAO) audit reports and through internal control assessments. In addition, as a result of the recent reorganization, a Management Control Staff has been established to provide direct staff support to the MCRC.

Among the most notable planned improvements will be implementation of a systematic, aggressive audit management program to ensure effective accountability. With the full participation of the A.I.D. Inspector General, A.I.D. has embarked on an approach that will ensure that all recipients of A.I.D. funds receive appropriate audit coverage. In line with this approach, the A.I.D. Inspector General has developed a strategy to perform systems audits of A.I.D.'s internal controls and is undertaking a program to perform quality control reviews of recipient audits.

Another area where A.I.D. is making improvements is financial management. Work is under way to replace A.I.D.'s primary accounting system. The new system will provide increased efficiency, security, and reliability. Along with the new accounting system, there is increased emphasis on staff training, and regular assessments of overseas controller operations are being conducted.

Program Performance Measurements

A.I.D. continues to be a leader among donor organizations in evaluating the results of its investments. Planned staffing of the A.I.D. Center for Development Information and Evaluation (CDIE) has been doubled over the past year to enhance oversight of program results. Increasingly, we know what works and why. Some A.I.D. investments have produced results that are truly impressive. Examples include:

1. **Child Survival program.** Launched in 1985 and funded at over \$1.1 billion to date, the program focused on 25 "emphasis" countries with very high infant mortality rates. The objective was to reduce infant mortality rates in those countries to 75 per thousand live births or under in five years. The Agency extended the time for achieving the targets by two years in 1990. By 1990, nine countries had fully met the target. In the rest--those with the lowest child survival rates in the group--infant mortality dropped an average of 10%. Average infant mortality rates in all A.I.D.-assisted countries have declined by 10% since 1985. Polio has all but been eliminated in the Western Hemisphere. The World Health Organization estimates that immunization programs today prevent some 3.2 million deaths each year, and oral rehydration therapy saves an additional million lives annually.

2. **El Salvador Structural Adjustment Program.** In 1989, the newly elected government in El Salvador undertook a thoroughgoing reform of its macroeconomic policies. A.I.D. provided essential balance-of-payments support and complementary technical assistance to facilitate the initiative. As a result, economic growth more than tripled since 1989. Inflation is down to 9.8% from a high of 31% in 1989. Nontraditional exports have grown by over 31%. An increase of 100,000 urban jobs provided enough employment to totally absorb the high growth in the urban labor force during this period.

3. **The Power of Ideas - Institute for Liberty and Democracy and global policy dialogue.** Begun in 1982, a series of A.I.D. grants to a then-unknown research institute in Peru led to the publication of a book, "The Other Path," and a body of investigation into the informal sector of developing countries. The results highlighted, for developing countries and donors alike, the need for improved efficiency in government. The A.I.D.-supported work reinforced both donor attention on the utility of empowering entrepreneurial energy in the informal sector through such programs as small enterprise lending and on making the regulatory climate "market friendly" even for small entrepreneurs.

As should be expected, not all A.I.D. programs have been successful. One of the strengths of the organization is its ability to identify those areas where programs are failing and make the necessary adjustments. Examples of programs that have not been successful and lessons learned from them include:

1. **Development Finance Institutions (DFIs).** For several decades, the DFIs have been important intermediaries for donors seeking to increase credit to small and medium farmers and entrepreneurs. Most donors, including A.I.D., intended that their support for DFIs would lead to viable programs and financial markets development. In practice, these twin goals were not achieved. DFIs generally were unable to mobilize domestic savings, generate enough income to cover operating costs, or meet the needs of the intended borrowers. A.I.D. has concluded that financial policy reform may be more critical to solving the long-term credit needs of small and medium entrepreneurs and farmers than providing credit resources to DFIs.

2. **University Support.** During the 1960s and 1970s, A.I.D. provided support for three newly established universities in one recipient country via three cooperating U.S. land-grant universities. Most of this aid was directed at building up the agricultural faculties at these institutions. While active, these projects yielded substantial results in expanding the capacities of these institutions, but once A.I.D. departed all of the universities entered a period of continued decline. This decline was attributed to: (1) the reluctance of the central government to transfer important research and extension functions to the universities; (2) lack of sustained financial support from the government; and (3) the lack of university promotion and incentive systems to reward faculty research and outreach. A.I.D. planning guidelines for institution-building projects have been strengthened.

3. Agriculture Policy Analysis Projects. A.I.D. helped establish agricultural policy analysis units in many countries in an attempt to develop and utilize local resources to consider which agricultural policy changes would most benefit agricultural production and incomes. In over 30 countries, our investments failed, often because host country agricultural policy leaders thought the units would expose flaws in existing policies; they therefore used the units to fight short-term problems rather than work on long-term solutions. The units also rarely considered the influence of macroeconomic policies (such as exchange rates) on agriculture and could not generate public interest in the long-term policy research they were able to accomplish. A.I.D. continues to investigate the most effective ways to support policy dialogue efforts with developing countries.

A.I.D.'s continuing management challenge is to identify, as early as possible, programs which are not achieving their expected objectives and to redirect those resources to areas demonstrating prospects for higher returns. Program planning guidance will be influenced increasingly by the results of the Agency's expanded evaluation capacity.

A key input to this management improvement is the installation of a new system, Program Performance Indicators for Strategic Management (PRISM), which is designed to collect and analyze data from field missions and central offices Agency-wide to measure program impact. Installation of the PRISM system is well underway. About two dozen field missions have already developed performance measurement plans. It is expected that about 20 additional field missions will develop PRISM systems during FY 1992.

Focus and Concentrate Programs

Over the years, A.I.D. has taken on a large and expanding set of priorities, goals and objectives, including unfunded initiatives and cross-cutting themes. Some of these were Congressionally mandated and others were of our own making. In addition, layers of directives, earmarks, restrictions, conditions and prohibitions have further fragmented the A.I.D. program and, with it, stretched our ability to manage effectively and efficiently. The result is a long list of concerns which, in the aggregate, lack coherence and restrict our ability to redirect resources as needed.

Improving the management of the A.I.D. program as a whole requires establishing fewer, well-defined objectives and priorities and improving the management of individual activities. To assure proper control, the Agency must focus and concentrate its resources--both financial and workforce--so that each project, program or activity will be managed effectively. As described in the regional program narratives, each of A.I.D.'s bureaus is working to narrow the scope of our involvement in the countries that we assist in ways that are likely to have greater positive results. We are thus limiting the number of sectors or objectives in each recipient country to assure that the activities we undertake will receive the attention they require to produce the desired impact. This does not mean that the Agency will cease activity worldwide for any of the sectors in which it is currently involved; rather, it means that, on a case by case basis, country programs will be revised to ensure that their objectives can be addressed effectively with the program and management resources available. This also will mean focusing on fewer (but still key) development problems and on fewer sectors in some countries. It will also mean fewer projects, as we pare back those that are not fully consistent with the revised country strategies and objectives.

We have made a good start at focusing and concentrating our portfolios; more needs to be done to improve the effectiveness of A.I.D.'s programs. It will be essential that we get Congressional cooperation to further this process, since it will entail hard choices and trade-offs. For example, we will need to work with Congress as we make the following program decisions:

- Performing countries will tend to get larger shares of economic assistance and nonperformers less.
- New, emerging priorities, especially in newly reforming countries, will mean cuts in other, lower priority bilateral programs and some central programs.

- As we concentrate efforts, we will need to terminate or phase out some activities in some countries.
- To achieve greater results, we will need to focus efforts more on priority, country-specific development problems for which there is country commitment and less on meeting special interests or targets.

The Agency is committed to improving the focus, management and effectiveness of its programs. Indeed, if we are to meet the new challenges before us, we must continue this process, guided by a new management framework of well-defined strategic objectives, programming of resources for results, and better monitoring of program performance.

Additional Management Improvements

New contracting options have been developed to streamline the project design and implementation process and to ensure that contractors meet performance standards which are related to development objectives. These new "design and performance" contracts also will support A.I.D. efforts to concentrate programs and to reduce the number of individual projects.

* * * * *

These efforts are being made at a pivotal time in the Agency's history, a time when we are called upon to maintain traditional development programs in the countries of Africa, Asia and Latin America, while participating in major new undertakings in Eastern Europe and the former Soviet Union. Changing needs for economic assistance also move A.I.D. to expand its efforts in capital assistance. A.I.D. is confident it can successfully meet these new challenges; however, the operating expense and staffing levels described in this budget request, plus the requested authority to use a portion of the new Humanitarian and Technical Assistance to the Former Republics of the Soviet Union account for administrative costs, are the minimum required if programs are to be adequately planned, managed and controlled.

III. FUNDING SUMMARY

For FY 1993, A.I.D. is requesting an appropriation of \$6,881,252,000, which compares to the FY 1992 request level of \$6,725,753,000. The FY 1993 request includes funding for Development Assistance (DA), the Economic Support Fund (ESF) and the Special Assistance Initiative (SAI), as well as Humanitarian and Technical Assistance funds for the New Independent States (former republics of the Soviet Union), and a new Capital Projects account. It excludes P.L. 480 Titles II and III resources, which are requested by the U.S. Department of Agriculture but administered overseas by A.I.D.

A. Development Assistance

For Development Assistance, the FY 1993 request totals \$2,878,252,000, which compares to \$2,775,753,000 requested for FY 1992. Development Assistance includes funding for Development Programs, the Development Fund for Africa (DFA), the new Capital Projects Fund, American Schools and Hospitals Abroad, International Disaster Assistance, Operating Expenses and the Foreign Service Retirement and Disability Fund.

Guaranty authority is requested for additional programs, including the Private Sector Investment Program and the Housing Guaranty Program.

1. Development Programs

The Agency's FY 1993 request for Development Programs is \$1,265,500,000, 1/ compared to an FY 1992 request of \$1,277,000,000 2/. This request covers funding previously appropriated under the following (Functional Development Assistance) accounts: Agriculture, Rural Development and Nutrition; Population Planning; Health; Child Survival Fund; AIDS Prevention and Control; Education and Human Resources; Private Sector, Environment and Energy; and Science and Technology.

The proposal for a single Development Programs account has been requested in Administration-proposed foreign assistance legislation currently before Congress.

2. Development Fund for Africa

The FY 1993 DA request includes \$775,600,000 for the Development Fund for Africa (DFA), which includes \$50,000,000 for activities supported by the Southern Africa Development Coordination Conference (SADCC). This compares to the FY 1992 request of \$800,000,000, which also includes \$50,000,000 for the SADCC.

The DFA, as a single development account for Africa, has proven to be an invaluable tool in further focusing and concentrating resources in a limited number of countries where they will be used most effectively and allows use of management resources as efficiently as possible. This past year, a new assistance model was initiated for small African countries. Within the context of this performance-based budgeting, A.I.D. has been able to meet the three 10% targets in health, population and natural resources management through a combination of DFA and central program funds.

3. Capital Projects Fund

A.I.D. is requesting \$100,000,000 for a new Capital Projects Fund in FY 1993, to be used for investments in developmentally sound capital projects to expand opportunities for more economic activity and job creation. Activities under this fund would include technical services in such areas as engineering, training and institutional support; procurement and construction support; and other high priority projects in areas of special U.S. expertise, such as environmental, telecommunications and power projects.

4. Other Development Assistance Programs (Programs mentioned under this section are more fully covered under separate narratives in this volume.)

o Agency Guarantee Programs include the Private Sector Investment Program and the Housing Guaranty Program.

-- In FY 1993, A.I.D. is proposing investment limitation authority of \$114,000,000 (the same as in FY 1992) and \$5,000,000 in direct loan authority under the Private Sector Investment Program, in addition to \$5,665,000 for subsidy costs and \$1,447,000 for administrative costs components now required to be budgeted separately under the new credit reform legislation.

-- Under the Housing Guaranty Program, A.I.D. is requesting \$95,000,000 under the guaranties limitation, compared to \$100,000,000 in FY 1992. Also requested is \$16,407,000 in budget authority for loan subsidy costs, and \$7,000,000 in administrative costs, as required by credit reform. Use of permanent appropriation authority to pay claims costs is estimated at \$49,637,000 in FY 1993.

1/ Excludes \$21.5 million in deobligation/reobligation estimates.

2/ Excludes \$36.0 million in deobligation/reobligation estimates.

- o International Disaster Assistance funds are being requested at a level of \$40,000,000 for FY 1993 for emergency relief efforts and improving foreign countries' own mitigation techniques and internal response capabilities. The FY 1992 request was also \$40,000,000.
- o The American Schools and Hospitals Abroad (ASHA) program assists private, non-profit, American-sponsored overseas schools and hospitals that serve citizens of other countries and demonstrate American ideas and practices in education and medicine. For FY 1993, A.I.D. is requesting \$30,000,000 for this program, the same as the FY 1992 request.
- o Operating Expenses (OE) cover salaries and other support costs of A.I.D. operations in Washington and at overseas locations, except for the Office of the Inspector General and the costs of administering the Agency's credit programs, which are budgeted separately. It also excludes costs for operating a program in the New Independent States (former republics of the Soviet Union). The OE request of \$531,000,000 for FY 1993 compares to an FY 1992 request of \$483,300,000. This requested level will allow A.I.D. to maintain its current overall personnel level, with a small shift in staffing from Washington to field missions to permit more adequate coverage in ongoing activities and to cover new programs in Eastern Europe and the Baltics.
- o The Foreign Service Retirement and Disability Fund, set at \$42,677,000 for FY 1993, covers mandatory costs associated with the inclusion of A.I.D. career foreign service employees in the Fund, beginning in FY 1974. This compares to \$41,351,000 required for FY 1992.
- o Inspector General (IG) Operating Expenses cover the cost of domestic and overseas operations of A.I.D.'s Inspector General. A.I.D. is requesting \$41,456,000 for IG Operating Expenses in FY 1993, which compares to \$37,739,000 requested for FY 1992.

B. Economic Support Fund

The Economic Support Fund (ESF) addresses economic and political foreign policy interests of the United States, in some cases related to military base rights or access rights agreements. To the extent feasible, the use of ESF conforms to the basic policy directions underlying development assistance. ESF can finance balance of payments and economic stabilization programs, frequently in a multi-donor context. Major ESF programs continue to be in Israel, Egypt, Central America and Turkey. In addition, the ESF request also includes \$250,000,000 to fund a key part of the Andean Counterdrug Initiative and \$100,000,000 for the New Independent States (former republics of the Soviet Union).

The request level for ESF for FY 1993 is \$3,112,000, excluding deobligation and reobligation operations estimated to be \$11,000,000. These proposals compare to the FY 1992 request level of \$3,228,000, excluding \$12,000,000 for deobligation/reobligation activities.

C. Special Assistance Initiatives

The Special Assistance Initiatives (SAI) program, established in legislation in FY 1990, provides funding for extraordinary economic assistance in developing countries. These funds have been used to finance the U.S. contributions to the Philippines Multilateral Assistance Initiative (MAI) and to support the democratic evolution in Eastern Europe. For FY 1993, A.I.D. is requesting a total of \$530,000,000 - \$80,000,000 for the MAI and \$450,000,000 for Eastern Europe. The FY 1992 request included \$160,000,000 for the MAI and \$400,000,000 for Eastern Europe.

D. Humanitarian Aid to the Former Soviet Union

In addition to the \$100,000,000 requested under ESF, \$350,000,000 is requested in FY 1993 for Humanitarian and Technical Assistance to the New Independent States (the former republics of the Soviet Union), including authority to use a portion of the funds for related administrative expenses.

The Administration is also requesting legislative authority to provide \$150,000,000 in humanitarian assistance to the New Independent States in FY 1992.

E. P.L. 480 Food for Peace and Other Food Programs

Under the 1990 revision of the Agricultural Development and Trade Act, A.I.D. is charged with implementing the revised Title II and Title III grant Food for Peace programs, although funding for both programs is appropriated through the U.S. Department of Agriculture (USDA). In addition, A.I.D. is responsible for implementing the Farmer-to-Farmer program, a grant program to provide cash support to private voluntary organizations (PVOs) and cooperatives implementing food aid programs, and for establishing a Food Aid Consultative Group with participation of PVOs.

Title II provides grant food aid for emergency programs, as well as regular programs sponsored by PVOs or the World Food Program to benefit needy people -- either by the direct distribution of the food or the use of local currencies generated by sale of the food in the recipient country. Budget authority requested for Title II in FY 1993 is \$639,800,000, which compares to \$710,087,000 appropriated in FY 1992.

The new Title III grant program entails planning, resource allocation and implementation processes much like those for other A.I.D.-managed development programs. As with other development programs, substantial forward planning is required to assure total integration into A.I.D. country strategies and portfolios and achievement of measurable developmental results. Under this program food assistance is provided through governments of least developed countries which meet specific eligibility criteria established in the 1990 legislation. The FY 1993 budget authority requested is \$326,700,000, which includes both commodity and transport costs. This compares to \$335,594,000 appropriated for FY 1992.

IV. A.I.D.'S FY 1993 PROGRAM FOCUS

As noted in the Introduction, our programs must adapt to changing requirements. However, at the same time, A.I.D. will continue to focus much of its efforts on five areas of special concern--AIDS, child survival, population planning, basic education and the environment--along with other special interests, which are discussed below.

A. Special Concerns

1. AIDS Prevention and Control

A.I.D. plans to provide some \$101 million for AIDS activities worldwide in FY 1993. Funding sources for these funds will include DA and DFA accounts.

Since 1986, A.I.D. has been in the forefront as a provider of funds, management skills and technical expertise to HIV/AIDS prevention and control programs in the developing world. The Agency's AIDS program has logged a large number of accomplishments both in establishing AIDS prevention programs and in getting concrete results from those programs. The largest accomplishments have been seen as a result of efforts to promote condom use for those who practice high-risk sexual behavior.

In Africa, condom shipments by the Agency for AIDS prevention in response to demand have increased five-fold, from 33 million in 1987 to 174 million in 1990.

In spite of these accomplishments, however, all evidence points to uncontrolled growth of the AIDS pandemic in developing countries. While the human toll from the growing epidemic is staggering in itself, more and more policy makers are becoming concerned about the effects of the loss of millions of educated young adults on economic growth and political stability.

In 1991, therefore, A.I.D. undertook a review of its AIDS program to identify lessons learned that would help increase the impact of the program. As a result of this review, A.I.D.'s program will

continue its focus on prevention rather than treatment but will focus further on prevention of sexual transmission of HIV through three key strategies: reducing numbers of sexual partners; improving diagnosis and treatment of sexually transmitted diseases; and increasing access to and use of condoms.

To implement these strategies as effectively as possible, A.I.D. is: designing comprehensive programs in 15 priority countries worldwide so that these programs will be large enough to slow the spread of HIV; making AIDS-related policy dialogue aimed at increasing action by policy makers an explicit component of the program; supporting research into behaviors that facilitate or reduce HIV transmission and the social or cultural traditions that encourage or inhibit behavior change; and emphasizing the roles of PVOs and nongovernmental organizations.

To evaluate the progress of AIDS control programs, a set of standardized country-level indicators is being proposed. Further field testing and refinement will take place during the next six months.

2. Child Survival

In FY 1993, A.I.D. expects to provide approximately \$231 million for child survival activities from DA, DFA, ESF and SAI funding sources.

The child survival strategy focuses on a limited, manageable mix of low-cost interventions proven to have a direct impact on reducing mortality, including: immunization against common childhood diseases, oral rehydration therapy (ORT) to prevent death from dehydrating diarrhea, improved nutrition among young children, and improved birth spacing and maternal health.

The program has concentrated on 25 "emphasis" countries with particularly high mortality rates. In addition, A.I.D. has supported child survival activities in at least 40 other countries.

Last fall, the World Health Organization (WHO) and the United Nations Children's Fund (UNICEF) announced that 80% of the world's children were immunized against all six major vaccine-preventable childhood diseases. By contrast, in 1984, barely 25% of children in the developing world were protected against these diseases. WHO estimates that immunization programs today prevent some 3.2 million deaths each year.

Another million lives are being saved each year through the use of oral rehydration therapy.

Infant mortality has declined from 106 deaths per 1,000 live births at the beginning of the 1980s to 84 deaths per 1,000 births in 1990.

In A.I.D.-assisted countries, infant mortality rates have declined on average by 10% since 1985, and in some countries the decline has been over 50%.

The ability to reach up to four out of five infants and their families with child survival interventions represents a quiet revolution in health delivery. In many if not most of these countries, strengthened vaccine services and ORT have been integrated into existing health systems, both in the public and private sectors, and are fast becoming both technically and managerially sustainable. As a result, the health systems in these countries are becoming more prevention-oriented, as well as incrementally more efficient and effective. Although it would be premature to claim that child survival has become financially sustainable, important steps have been taken in health financing in virtually every A.I.D.-assisted country in Latin America, for example. The vaccine program in Latin America carried out in collaboration with the Pan American Health Organization has been funded largely by the countries themselves. Although A.I.D. has made substantial contributions, nearly 90% of the recurrent costs are funded by the countries themselves.

3. Population

For FY 1993 A.I.D. expects to fund at least \$250 million for population activities from DA. Funding from all funding sources (DA, DFA and ESF) will be approximately \$343 million.

A.I.D.'s population assistance still accounts for approximately 45% of all donor population assistance, and A.I.D. has consistently been the dominant international donor. Since its inception in 1965, A.I.D.'s population program has been based on the premise that the provision of high-quality, voluntary family planning is essential in solving the world's population problem. Curbing high rates of population growth is critical if the Agency and our cooperating countries are to achieve their other development goals, since rapid population growth and high rates of fertility have far-reaching consequences for socioeconomic development. Rapid population growth affects development in the health, education, labor and environment sectors.

The objectives of A.I.D.'s population program initiated more than 25 years ago remain in place: encouraging a balance between population growth rates and available natural resources; improving the health and survival of mothers and offspring by promoting adequate birth intervals and childbearing during the safest years for women; and safeguarding the rights of individuals to choose the number and spacing of their children. At the same time, A.I.D. maintains its firm opposition to abortion as a method of family planning, as well as coercion of any sort within family planning programs.

While A.I.D. programs will continue to follow these objectives, A.I.D. continues to examine ways to improve the management and effectiveness of its population programs and to make greater efforts to concentrate programs where they will have the greatest impact.

4. Basic Education

In FY 1993, A.I.D. plans to provide \$108 million in Development Assistance (including DA and DFA). In addition, about \$32 million of ESF funds are expected to be used for basic education activities in FY 1993, for a total from all accounts of \$140 million.

Since the World Conference on Education for All (March 1990), A.I.D. has taken significant steps to help developing countries improve basic learning and achieve greater and more equitable access to the means of permanent literacy and numeracy. A.I.D. has started new country programs in Benin, Guinea, Malawi, Namibia, and Nicaragua. New programs are being developed for South Africa, Uganda and other countries.

The Agency has formulated a comprehensive approach for its work in basic education, with associated regional strategies for Latin America and Africa. Connected with these, both bureaus have given special attention to the development of progress indicators. Design is underway of central projects to guide the Agency's assistance for adult literacy and early childhood care and development programs, integrally related to basic education in the terms adopted by the World Conference.

5. Environment

The economic, social and political consequences of environmental degradation provide sufficient evidence for the tight linkage between environment and development. A.I.D.'s environmental experience over the past 15 years has demonstrated that environmental problems which most directly affect A.I.D.'s developmental goals and objectives include: (1) loss of tropical forests and other critical habitats for biological diversity; (2) unsustainable agricultural practices; (3) environmentally unsound energy production and use; (4) urban and industrial pollution; and (5) degradation and depletion of water and coastal resources.

A.I.D. uses two parallel approaches to these problems: ensuring through appropriate environmental review that all A.I.D.-funded activities are environmentally sound; and (2) supporting activities designed primarily to enhance the environment and promote the wise use of natural resources.

Environmental problems are addressed through three broad categories of activities: (1) strengthening human and institutional capacity and building public awareness; (2) reforming unsustainable economic and environmental policies and procedures; and (3) encouraging private sector participation in promoting environmentally sound development activities. Public participation and local empowerment are critical to all three.

A.I.D. will continue to provide the U.S. contribution to the World Bank's Global Environmental Facility, a three-year pilot facility. A.I.D. is working in concert with the Bank in the following areas: tropical forest conservation, biodiversity, energy efficiency and conservation, and pollution control of international waters.

A.I.D.'s response to environmental problems in Asia includes the United States-Asia Environmental Partnership, which President Bush announced in January 1992. The purpose of the partnership is to mobilize U.S. public and private sector expertise and technology to join forces with the developing countries of Asia to restore, protect, and preserve their fragile and rapidly deteriorating ecosystems.

In Latin America, local currencies generated through debt relief under the Enterprise for the Americas Initiative are provided for environmental protection and natural resources. The Parks in Peril program continues to ensure adequate, on-site protection for threatened national parks and reserves in the Latin America region that have global biological significance. Up to 30 parks will be receiving support under this project.

In Eastern Europe there are several environmental activities providing a variety of support to environmental concerns, including: strengthening government and non-governmental institutions and promoting environmental education; technical assistance and training for mitigation, natural resources management and conservation, and regional cooperation; financing a loan fund for small and medium-sized business for environmental improvements in the Czech and Slovak Federal Republic; financing Krakow air and water quality monitoring activities, among others.

In Africa, the Agency is focusing on two areas: sustainable agriculture (in nine countries in west and southern Africa); and tropical forestry and biodiversity (in seven countries). Global climate change programs are targeted in Central Africa. Activities emphasizing conservation of biodiversity are focused in several Eastern and Central African countries and include the conservation of elephants.

In the Near East, the greatest environmental problems are associated with water resources; therefore, water resources activities are of the highest priority. The second priority concern is urban and industrial pollution. A.I.D. programs in Egypt, particularly, deal with this concern.

A.I.D. plans a program of \$196 million for FY 1993 in Development Assistance funds; planned programs to be funded under the DFA, ESF and SAI should increase this level to about \$400 million. While environmental activities obviously constitute a large part of A.I.D.'s development portfolio, the FY 1993 level reflects somewhat of a decrease from recent years. This is due to the complete withdrawal of assistance programs from Pakistan and the partial cutback in funding for the Philippines, both of which have had large environmental programs.

B. Other Sectors

1. Agriculture

A.I.D.'s long-term goal for its agricultural programs is to promote agricultural sector development that over time enhances environmental quality and the resource base on which agriculture depends. This effort includes providing for basic human food and fiber needs, selecting economically viable approaches, and enhancing the quality of life for farmers and society as a whole.

In FY 1993 A.I.D. plans to obligate an estimated \$884 million to fund agricultural activities. (This figure includes related environmental activities.) These DA, DFA, ESF and SAI resources will be allocated to support key program objectives that are essential to successful agricultural development.

The six objectives are: agricultural services (including agribusiness services typically provided by the private sector); technology development (much of which is undertaken by the U.S. university community as well as the international agricultural research centers); agricultural policy reform (including structural adjustment activities necessary to stabilize the agricultural sector in recipient countries and to improve agricultural performance); rural infrastructure (including rural roads which permit private entrepreneurs to distribute essential agricultural inputs and to market agricultural outputs); natural resources development (especially soil and water conservation); and activities designed to encourage more efficient land use and land productivity (including improved land, water, and tree tenure practices).

The Agency is increasingly focused on how to promote sustainable agriculture and research is an important part of this focus. A new centrally funded Collaborative Research Support Program (CRSP) should begin in FY 1992 and will support interdisciplinary research and integrated approaches to increasing productivity, while at the same time enhancing the future production potential of the land. In the meantime, existing CRSPs are collaborating with each other, with the international agricultural research centers, with host countries and, increasingly, with the private sector to develop new technologies.

2. Counter-Narcotics Programs

For FY 1993, A.I.D. expects to fund approximately \$260 million in DA and ESF resources for drug-related economic assistance worldwide. The preponderance of this assistance, \$250 million in ESF, is planned for the Andean Counterdrug Initiative, contingent on effective counter-narcotics performance and sound economic programs.

A.I.D. plays a major role in the U.S. Government's international drug control strategy. A.I.D. has been involved with international narcotics activities since the late 1960s, and has financed counter-narcotics activities in more than 25 developing countries. However, in the 1990s A.I.D. has increased significantly its funding for narcotics programs, primarily as a result of the President's Andean Initiative.

Counter-narcotics activities have evolved significantly over the last two decades from crop substitution to more recent comprehensive alternative development programs and economic policy reform such as those in Colombia, Peru, and Bolivia. Where A.I.D. programs are a part of the National Drug Control Strategy, A.I.D. works in concert with the State Department, the U.S. Information Agency and other concerned agencies.

A.I.D. also provides grants to developing countries for drug awareness programs and education through the Worldwide Narcotics Awareness and Education (NAE) project which began in 1990. Focusing on demand reduction through public awareness and education, the NAE project is currently providing assistance in Bolivia, Brazil, the Dominican Republic, Ecuador, El Salvador, Guatemala, Mexico, Panama and Paraguay. NAE activities will continue to be funded in FY 1992 and FY 1993, as part of a ten-year effort.

The Andean counterdrug strategy calls for a major part of the ESF set aside for this purpose to be used for quick-disbursing, balance-of-payments support to cushion the effects of a reduction of illicit foreign exchange inflows, to generate jobs and income, and to support economic stabilization programs, with some DA funds being applied to alternative development programs, particularly in Bolivia.

3. Private Sector

There are many ways in which A.I.D. contributes to private sector development. One of the most prominent programs is the microenterprise program, which assists the poor through four primary means: credit assistance, support for local organizations that assist microenterprise, training for microentrepreneurs and policy and regulatory reform. Other A.I.D. programs are located throughout the agency's portfolio and include policy reform to encourage open economies, borders and markets; technical assistance and training to ensure investments can be sustained and built upon with indigenous resources and expertise; infrastructure projects that expand the private sector;

development assistance to build a human resource base; and loans or guarantees to encourage private sector lending on the part of local financial institutions.

The Agency continues to place major emphasis on strengthening local private sectors as a means of achieving sound, sustainable development. One of the Agency's initiatives, the Partnership for Business and Development, re-emphasizes this point. Specifically, the initiative is composed of six discrete activities, as follows:

- o the Capital Projects Fund which addresses the vital need for capital and infrastructure projects in the developing world;
- o the Business and Development Network which will provide information and services to facilitate the investment of U.S. resources in commercial opportunities in developing countries. The key mechanism of this nation-wide network is a newly created Center for Trade and Investment Services;
- o the Business Advisory Council, a group of 17 senior members of corporate America, who will advise A.I.D. on implementation of the Partnership Initiative;
- o the Emerging Sectors in Development program which will focus on forging partnerships in emerging economic sectors such as energy, telecommunications and the environment;
- o the Competitiveness Through Universities program which will focus on a more competitive world in the future through linkages of U.S. and developing country universities; and
- o the Business Internship Program for Emerging Economies which will provide an opportunity for U.S. business students to work in the developing world.

In recognition of the importance of family income growth, equity and empowerment of the poor in the developing world, A.I.D. has a new antipoverty lending project whose purpose is to channel more resources into programs which direct loans to the poor. A \$10 million central fund will be established and used to finance antipoverty lending programs to be carried out by local organizations. Participating A.I.D. missions will provide funds on a one-to-one matching basis.

4. Women in Development

Today, the involvement of women in the development process is recognized as a critical factor in achieving broad-based, sustainable economic growth. In most countries women constitute a majority of the population and, to a large degree, contribute to the overall development. Thus, orienting foreign assistance to include women at all stages in the development process, as well as the consideration of women as beneficiaries of development, remains a high priority of A.I.D.

Institutionalizing gender considerations throughout A.I.D.'s development work is well underway, as evidenced by a growing demand by field missions and headquarters bureaus for WID training and technical assistance, including the use of matching funds. Three long-term Women in Development (WID) advisors have been placed in Western, Eastern and Southern Africa recently, and the hope is to expand this effort in other regions.

Innovative efforts are being implemented to integrate WID concerns into A.I.D.'s five initiatives. A strategy is underway for making sure that women are included in the democratic process. Efforts are in process to look at ways to include women in private sector development, development of entrepreneurship and furthering women's access to credit. Experience has shown that the true engine of growth remains the small businessperson in developing countries. Decisive efforts are being made in the area of environment and natural resources as well as the family. Research proves that the inclusion of girls in primary education and educating women have a dramatic impact on development indicators.

New strategy efforts include working with international and local PVOs, private sector companies, women's organizations and host country non-government organizations. Improvements in the agency's performance monitoring and evaluating system to track gender-specific information are being developed.

5. Assistance Through Private and Voluntary Organizations

In FY 1993, A.I.D. plans to provide about \$545 million in support of PVO and cooperative development organization activities overseas. A.I.D. recognizes the significant role these organizations play in improving the quality of life for people in developing countries. Their people-to-people focus often gives these organizations the flexibility to operate in areas and countries not always open to other means of assistance. Traditional American values of voluntary action, pluralism and concern for others embodied in PVO efforts are particularly important as many newly independent societies forge new national identities and institutions. PVOs can be especially instrumental in influencing the way nascent indigenous voluntary organizations approach development tasks. PVOs not only generate significant private American resources but also help to stimulate an awareness by the American people of the difficulties facing developing countries and the U.S. Government's role in helping to respond.

In addition, recent legislation has increased the use of local currencies, generated by Public Law 480 Title III commodity sales, by indigenous non-governmental organizations (NGOs) to help increase their effectiveness. We aim to have at least 10% of such currencies targeted for this purpose. For instance, in Honduras it is anticipated that approximately two-thirds of the local currency generated under the FY 1991 agreement will be used to support two NGOs managing an export development project and an agricultural research foundation.

Central Program
Overview

CENTRAL PROGRAM OVERVIEW

INTRODUCTION

Central Bureaus are responsible for mobilizing the research, field support and leadership capabilities of U.S. institutions: the technical and scientific community, universities, the private sector, and private voluntary organizations (PVOs), in addressing critical problems of the developing world.

In FY 1991, A.I.D. carried out a major reorganization to reinforce these roles:

-- A new Bureau for Research and Development was established to provide scientific and technical support requested by A.I.D.'s field missions and to administer the Agency's central research and development programs. A Center for University Cooperation in Development was created to broaden and deepen the involvement of U.S. colleges and universities in international development. U.S. colleges and universities are "an extraordinary national asset which can be of significant benefit to the developing world." The growing internationalization focus of U.S. colleges and universities presents an important opportunity for development collaboration. The University Center was established to realize the full potential of this opportunity.

-- A new Bureau for Food and Humanitarian Assistance was formed to focus the Agency's efforts to meet the humanitarian needs of vulnerable populations in developing countries by providing disaster assistance, food aid and other resources. FHA's Office of Private and Voluntary Cooperation (PVC) provides grant funding to strengthen the capacity of private voluntary organizations and cooperative development organizations (PVOs/CDOs), as well as their indigenous counterparts, to conduct development assistance activities and to support PVO/CDO child survival activities, public outreach development education programs and PVO/CDO shipment of donated commodities overseas. PVC supports a public/private partnership with U.S. PVOs and CDOs to promote and strengthen grass roots pluralistic non-governmental institutions capable of furthering development. In addition, A.I.D.'s Development Education grant program supports U.S. non-governmental organizations (NGOs) in their efforts to explain to the U.S. public the social and economic needs of developing countries.

-- A Bureau for Private Enterprise was re-established to develop closer and more effective partnerships between A.I.D. and the private sectors of the United States and the developing countries. This partnership will facilitate their participation in A.I.D.-financed transactions, and in privately financed projects and activities which can accelerate the development process in developing countries.

-- Also, a new Policy Directorate was established to develop policy and program strategy options for the Agency and support program and management evaluations. Its Center for Development Information and Evaluation spreads modern evaluation techniques in support of A.I.D.'s evaluation initiative and provides library and research reference services to all operating bureaus for their use in designing new projects and programs. The Policy Directorate also undertakes a small program of research and analysis related to the formulation of Agency program policies and strategies, provides coordination with other U.S. Government agencies and other donors and coordinates support to Peace Corps programs.

To assist the Central Bureaus and Offices in reaching their contracting goals under the Section 8(a), Gray Amendment, and small business programs, the Office of Small and Disadvantaged Business Utilization (OSDBU) oversees the Agency's efforts to contract with small, minority and women-owned firms. In FY 1991, A.I.D. reached a level of \$163.5 million in Gray Amendment contracting, the highest such level ever attained. Contracting with minority entities from all funding sources exceeded \$200 million for the second consecutive year. OSDBU conducts a number of efforts to ensure that small and minority businesses can successfully market their capabilities to A.I.D. OSDBU sponsors two outreach conferences annually outside of Washington, maintains the A.I.D. Contractor Registry Information System, conducts seminars for selected firms to increase their knowledge of A.I.D. and better match their capabilities to Agency needs, coordinates the operation of, and updates, the new

Procurement Information Access System electronic bulletin board; maintains the Procurement Information Bulletin mailing list, reviews and clears all procurement actions in excess of \$100,000, publishes the "Guide to Doing Business with the Agency for International Development," and produces A.I.D.'s "Handbook of Gray Amendment and Related Sources," distributed to all missions and Bureaus.

A.I.D.'s Office of Women in Development (WID) is continuing its efforts to institutionalize gender considerations at all stages of A.I.D.'s development processes. The success of these efforts is evidenced by the growing demand of missions and bureaus for WID-related technical assistance and training. In fact, the demand for WID services from the field has continued to increase even through central program contributions to any program or project have been reduced from 75% to 50%. The WID office is also focusing a major effort on the integration of gender into the Agency-wide performance monitoring and evaluation system. This should have a far-reaching impact on the quality of the evaluations A.I.D. conducts. Long term WID advisors are being placed in the field in Africa to assist the Africa Bureau to carry out its WID Action Plan and to develop and implement WID activities. The WID office will work increasingly with women's organizations, PVOs and private sector organizations as well as host country institutions and individuals to expand developing countries' capacity to address gender issues. The office is working closely with development banks and international financial institutions to advance women's access to credit and participates in an inter-agency task force to explore trade issues.

For FY 1993, the proposed level for central programs and offices is \$530,080,000. This consists of:

- \$422,900,000 for the Bureau for Research and Development, of which \$8,700,000 is for the programs of the Science Advisor;
- \$41,080,000 for the Bureau for Private Enterprise;
- \$56,000,000 for the Bureau for Food and Humanitarian Assistance, excluding those programs discussed separately, as noted below.
- \$10,100,000 for the Policy Directorate.

Other central programs discussed separately are P.L. 480 Food for Peace, International Disaster Assistance, American Schools and Hospitals Abroad, and the Private Sector Investment and Housing Guaranty Programs.

PROMOTING MARKET PRINCIPLES AND STRENGTHENING COMPETITIVENESS

The promotion of free markets and increased competitiveness are critical elements in achieving broadly based economic growth in developing countries. They generate increased income, productive employment opportunities and scarce foreign exchange. Centrally funded programs supportive of this effort focus on private sector development, agriculture and energy development and increased private sector involvement in the social sectors.

Private Sector Development. In furtherance of A.I.D.'s Partnership for Business and Development Initiative, centrally funded private sector activities are designed to promote market principles and improve competitiveness in developing countries and to engage the U.S. private sector in that effort.

The Financial Sector Development project has assisted the Government of Indonesia to strengthen stock market supervision, regulation, and operations; assisted Honduras in a multi-phased effort to strengthen the Honduran banking sector; and assessed the feasibility of venture capital and other non-asset based lending mechanisms in Tunisia. In a complementary effort, A.I.D. has supported the Financial Services Volunteer Corps in providing advisory services on securities markets, commercial banking, and privatization of state-owned enterprises for several countries in Eastern Europe and in Mongolia.

The worldwide Institutional Reform and the Informal Sector (IRIS) project will continue to provide technical support to help local groups in developing countries--and, increasingly, in Central/Eastern Europe--to analyze and promote improvements in the laws governing property rights, copyrights, bankruptcy, taxes, insurance, court systems, licensing procedures and democratic rule-making

processes. For example, IRIS-sponsored research and a symposium with small business groups in Nepal revealed that it takes about two years to register businesses in that country. As a result of these findings, the Government of Nepal has introduced reforms to significantly simplify the business registration process. Complementing IRIS are the worldwide activities of the Institute for Contemporary Studies through its affiliates, the International Center for Economic Growth and the International Center for Self-Governance. These organizations will increase the ability of local economic research institutions to inform political leaders about modern economic policies, promote widespread participation in governmental decision-making, disseminate new research and develop training materials on the techniques and benefits of decentralization, institution building and popular participation. In collaboration with the International Center for Economic Growth and the Independent Technological Institute of Mexico, the International Center for Self-Governance participated in an analysis of monopoly practices in Mexico's trucking industry which has resulted in the liberalization of regulations and substantial economic savings.

Privatization is one of the instruments utilized by A.I.D. to improve the well being of people in developing countries. Towards this end, A.I.D.'s Privatization and Development project has provided technical assistance to selected enterprises in Morocco and the Philippines, is exploring a broad privatization program for small and medium-sized industries in Poland, and is assisting Hungary and Poland in the privatization of publicly-owned housing and the development of private real estate and related industries.

The Growth and Equity Through Microenterprise Investment and Institutions project continues to test and improve methods to help develop sustainable and cost-effective institutions assist the poor in carrying out small-scale productive activities, particularly those that overcome gender constraints which limit women's opportunities in self-employment and business development. This project will also carry out research at the microentrepreneur level.

Under a Participating Agency Service Agreement (PASA) with the U.S. Peace Corps, A.I.D. will continue its joint sponsorship of microenterprise skill training for volunteers and their counterparts.

The Microenterprise Monitoring System project responds to Congressional requests for more detailed information on the beneficiaries and performance of A.I.D. microenterprise projects. It will be fully operational in FY 1992 and will provide a steady stream of data on loan sizes, numbers of persons affected and extent of benefits going to women. The new Microenterprise Impact Evaluation System project will strengthen the capacity of local institutions to assess the social and economic impact of A.I.D. assistance to microenterprises and microentrepreneurs. The new project will also enhance A.I.D.'s ability to assure that women and other poor have access to microenterprise services and credit. Information from both these projects will be instrumental in improving overall A.I.D. management of its worldwide microenterprise development program. To complement these efforts, the new Commercial Banks in Microenterprise Finance project will increase the access of microenterprises to financial services provided by commercial banks and, the new Anti-Poverty Lending For Enterprise project will support the provision of more small loans to the smallest and poorest producers, especially women, for microenterprise development in order to assure maximum achievement of broad-based and sustainable growth. Currently, such support is being provided through matching and outreach grants to eight U.S. PVOs and the credit union movement. This support has enabled ACCION to establish a bank for microenterprises in Bolivia and the World Council of Credit Unions to incorporate informal lending groups in Thailand into the country's formal financial system.

The focal point of A.I.D.'s efforts to meet the business and economic data needs of U.S. and developing country firms in encouraging trade and investment abroad is the new Center for Trade and Investment Services (CTIS). CTIS serves as a full-service, comprehensive, "one-stop" information center for U.S. companies and business organizations on programs and activities that support international private enterprise in developing countries.

In addition, A.I.D. supports the Citizens Network for Foreign Affairs and the National Agriculture Forum on Trade and Investment to promote business linkages between U.S. agribusinesses, member-owned and investor-owned cooperatives, and commodity groups with counterpart organizations overseas.

A.I.D.'s assistance to U.S. cooperatives has resulted in the establishment of the National Cooperative Business Association Business and Trade Center in Czechoslovakia and the establishment of a rural telephone network in Poland using U.S. equipment and expertise.

The International Executive Service Corps (IESC), which sends retired U.S. business executives to more than 90 developing countries, is supporting a range of industry-specific trade and investment services. These are designed to link U.S. and developing country firms and improve the competitiveness of both in the emerging global economy. Through the IESC A.I.D. facilitates the development of mutually-beneficial joint and co-ventures, channels coordinated business development services to industry-related firms through local private sector organizations or directly to groups of individual firms; and, assists foreign chambers of commerce establish investment promotion offices and to locate U.S. firms and organizations which can provide technology, management, marketing and financial "know-how." A proposed follow-on effort will strengthen these efforts.

A.I.D. is currently developing a Business Internship program to assist the American private sector and business schools to develop a cadre of young people with Masters in Business Administration degrees and overseas experience. These candidates will work in businesses in developing countries around the world.

The newly-proposed Capital Projects Fund is the centerpiece of A.I.D.'s Partnership of Business and Development Initiative. It will finance investments in services and facilities which encourage economic growth and development by creating, replacing, or rehabilitating productive physical assets in developing countries. Infrastructure shortages, even in countries that have sound macroeconomic policies, increase production costs. These, in turn, can be serious impediments to the growth of production, job creation and the further extension of critical social services. Where capital improvements make good economic and developmental sense, U.S. industry will participate competitively in the investment opportunities. Stronger developing country economies and U.S. industry involvement in the development process will generate streams of mutual benefits for the United States and recipient countries.

Agricultural Development - Technology development in support of agriculture is an integral part of the Collaborative Research Support Programs (CRSP). A.I.D. will continue its long-term support for U.S. land grant institutions collaborating with national and international organizations in research and development activities. These include genetic improvements in animals and food crops. The CRSPs are increasingly collaborating with U.S. and developing country private sectors in developing and transferring new technologies. The Bean/Cowpea CRSP has enlisted the W.R. Grace Company in joint efforts which provide researchers with access to proprietary equipment and knowledge. In Costa Rica, CRSPs and Gerber Foods are collaborating to improve baby foods, especially beans. In Thailand, peanut flour, from a process developed by the peanut CRSP, is being used by a private firm to fortify and improve its products. The Soils Management CRSP is helping to develop and adapt technologies to allow ten developing countries to obtain low cost nitrogen for farmers with very limited resources. Increased emphasis is also being placed on sustainability through the existing CRSPs and through the introduction of a new ten-year Sustainable Agriculture and Natural Resource Management CRSP in FY 1992. The new CRSP will stimulate and support innovative integrated systems-based research that will lead to the identification and development of production systems that benefit producers and consumers. Finally, efforts are underway to consolidate activities under one project in both the postharvest and pest management areas to improve management efficiency, ease access to U.S. institutions which specialize in these areas and further promote collaboration between U.S. and developing country institutions.

In cooperation with some 40 other donors, A.I.D. provides substantial funding to the Consultative Group on International Agricultural Research (CGIAR), a network of 16 agricultural centers around the world. During the past year, the centers have made significant technological breakthroughs of benefit to poor farmers and to the advancement of sustainable agriculture. For example, the International Potato Center developed a new potato in collaboration with Cornell University which provides natural resistance to all major insects, thereby reducing the need for insecticide applications by 80%. Another center, the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), which is located

in India, has developed the world's first hybrid pigeonpea, which yields 40% more than conventional varieties. ICRISAT scientists also developed millet varieties that doubled the production of this crop in Namibia last year. Responding to women's needs, who traditionally transplant rice, the International Rice Research Institute developed a lightweight rice transplanter which can be manufactured locally.

The Program in Science and Technology Cooperation applies biotechnology and chemistry to develop new and improved agricultural technologies and the U.S.-Israel Cooperative Development Program supports Israeli research, technical support, and training to address a range of priority developing country needs in such areas as arid lands cropping, water management, and rural development for which Israel expertise is particularly well-suited.

A.I.D. is fostering a favorable economic environment through the provision of technical assistance and training for policy planning and evaluation under the Agricultural Policy Analysis project. The project has analyzed rice markets in Indonesia, assessed irrigation policies on the Indian subcontinent and completed studies on agricultural commodities in Malaysia, Thailand, the Philippines and Egypt. Its activities in Central America have assisted newly elected democratic governments to develop policy interventions to improve agricultural performance and expand trade. For example, in Honduras, the project's analysis and recommendations have resulted in the government's consideration of a new agricultural law. The project has also provided the necessary analysis of probable impacts of changing international agricultural trade and monetary policies on food security and agribusiness systems such as those proposed for free trade expansion under the General Agreements on Tariffs and Trade. With the advent of a new Eastern Europe and A.I.D. participation in the food security of the new (former Soviet republics), the project will provide technical assistance in the assessment of the changing agricultural trade environment. A follow-on project in FY 1993 will broaden the project's focus and train host country nationals in twenty countries to formulate agricultural policies which promote competitiveness in world markets while ensuring a nutritionally adequate domestic food supply and restoring/preserving the environment at the same time.

Other agricultural programs include those of the International Fertilizer Development Center. The Center has obtained changes in government policy in Egypt and Bangladesh to enable the private sector to supply plant nutrients through an open market system. As a result of such successes, similar changes are now being made in Egypt, Ghana, Kenya and Tanzania. The Agricultural Marketing Improvement Strategies project has developed a methodology for rapid assessments of key regulatory, policy and related constraints which hinder national marketing system development in over 20 countries. The project is also studying the roles and functions of women in marketing systems and the impact of marketing system changes on women.

Energy Sector Development - A.I.D.'s energy strategy focuses on the problems of poor policies, capital shortages, poor institutional performance, and environmental degradation. The key to resolving these problems lies in tapping the resources and expertise of key partners in the private sector by promoting more autonomous and stronger utilities, better planning, more efficient and cleaner technologies, and new approaches to financing.

A.I.D. has found that the adaptation and diffusion of environmentally sound energy technologies is crucial to the resolution of developing country energy problems. A.I.D.'s energy programs promote trade and investment to help diffuse these technologies by training and providing technical assistance to developing countries so they may be fully capable of using state-of-the-art environmentally sound energy technologies. Specific activities include technical assistance to resolve energy and environmental economic, financial, regulatory, and problems; co-funding of preinvestment and feasibility studies; training courses; study tours; and reverse trade missions. Examples include the following U.S. and Mexico activities: an assessment of the business climate and market opportunities in the oil, gas, and electric power sectors; trade seminars to educate Mexicans on energy and related environmental issues and to educate U.S. businessmen on market opportunities in Mexico; and collaboration with the Environmental Protection Agency to develop Mexican capability to use U.S. technology. Other activities in Costa Rica and Thailand have resulted in the promotion of U.S. technology and equipment in using sugarcane wastes as fuel.

A.I.D.'s Private Sector Energy Development (PSED) effort has adopted a multi-faceted approach to accelerate the participation of the private sector in energy production in Bolivia, Colombia, Costa Rica, the Dominican Republic, Guatemala, Indonesia, Jamaica, Kenya, Morocco, Nigeria, Panama, and the Philippines. PSED, through its Feasibility Study Fund, is also assisting the private sector in investigating areas potentially suitable for privatization. In addition, a conference was funded to provide an opportunity for U.S. energy industry suppliers and investors to obtain information on potential projects in Latin America.

A.I.D.'s newly initiated Energy Technology Innovation Project is addressing the critical gap between energy supply and demand in many developing countries through the application of innovative clean energy technology approaches and related financing arrangements. A major focus is the adaptation of U.S. clean coal technology to developing countries' conditions to reduce both electricity costs and harmful environmental emissions (acid rain precursors, greenhouse gases, and other emissions). A seminar and trade mission will be held in the Southeast Asia region soon, providing the foundation for a demonstration effort. Other ongoing initiatives include the assessment of increased natural gas usage in several geographical areas - especially India, and assessing the potential of expanded electrical power supply in the Philippines. A recently completed effort identified the possibility of a potential increase in electrical power from existing plants in Manila. Increased efforts will also be undertaken to promote the cost-sharing of prefeasibility studies with private companies interested in investing in innovative clean energy technologies in developing countries.

A.I.D. is expanding its activities in renewable energy in FY 1993 with an innovative program to cost-share pre-feasibility studies with private companies interested in investing in environmentally preferable technologies. Cost-shared studies have been completed or are underway in Jamaica, the Dominican Republic, the Philippines, Costa Rica, and India. Assessments of the potential uses of biomass energy technologies have been completed in Honduras and Indonesia. Applied research in this area has been designed to improve the commercial adaptability of U.S. technologies, particularly on improving the prospects for bagasse-based co-generation. A.I.D. will also help identify site-specific bankable applications of the other renewable energy technologies, including photovoltaic for vaccine refrigeration, wind farms, and improved cookstoves. One preinvestment study fund is being administered in cooperation with the U.S. Export Council for Renewable Energy (a consortium of U.S. trade associations) and preinvestment study funds are also available under other A.I.D. financed projects.

A.I.D. has formed, in cooperation with Winrock International, a new nonprofit venture investment company called the Environmental Enterprise Assistance Fund to support the introduction of commercially feasible renewable energy and environmental management technologies.

A.I.D. and the World Bank are developing a pricing policy framework for natural gas development as a response to global climate change. Special efforts are being made in promoting the use of natural gas for power generation in places where it is being flared. Despite the high initial capital costs that have discouraged many developing countries from developing this resource, the long-term economic cost of gas for many countries may be lower than other fossil fuels. A.I.D. is also developing a project to evaluate possible alternatives to the present petroleum pricing mechanisms in the Philippines and identify options for regulatory and institutional reforms.

In FY 1993, A.I.D.'s Energy Training Program will establish new initiatives for individuals from developing countries to address the need for authoritative information on global climate change and other environmental problems as well as on policy responses and technological options to reduce the environmental impacts of energy-related emissions.

Social Sectors - Private sector involvement is also a strong part of A.I.D.'s nutrition, health, population and international training programs in the implementation of the Agency's Partnership for Business and Development initiative.

In nutrition, we are continuing to improve the capabilities of private local food processors in preservation, processing and marketing by providing technical assistance. Efforts focus on increasing

the quantity, nutritional quality, safety and affordability of foods consumed primarily by poor women and children. Sharing U.S. Technology to Aid in the Improvement of Nutrition (SUSTAIN), a collaborative voluntary effort between the U.S. private food industry and A.I.D., works with local industry to upgrade existing food processing technologies. Currently efforts are underway to develop weaning and specialty foods which are fortified with micronutrients.

In health, a private sector component of the Health Financing and Sustainability project is improving the health status of peri-urban residents by increasing access to efficient and high quality primary health care. The program identifies residents, assists management groups in local communities, and locates private providers willing to work in these areas. Particular emphasis has been placed on defining the roles and responsibilities of the public and private sectors in the regulation, provision and monitoring of health care.

In population, the Promoting Financial Investments and Transfers (PROFIT) project works with private sector partners in selected developing countries to expand family planning services. PROFIT is providing new opportunities for local population organizations to benefit from debt conversions, and other financial transfer mechanisms. It works with commercial partners to expand the funds, the commodities and the services provided in family planning by the private sector. Another important component of A.I.D.'s private sector efforts in population is the Contraceptive Social Marketing program. In FY 1992, A.I.D. is funding a study of the current state of art in contraceptive social marketing, which should provide information for the next stage of A.I.D. support in this area.

In international training, A.I.D. centrally manages the Entrepreneurs International Program, a private sector-to-private sector training and trade initiative. Designed to improve and expand indigenous private sectors, this program matches foreign entrepreneurs with American counterparts for practical training. Participants learn how to sustain viable enterprises and are exposed to American goods, services and technologies. These business linkages foster long-term professional and commercial relationships between the United States and host country private sectors.

MEETING HUMANITARIAN NEEDS

A new A.I.D. Family and Development Initiative will use the family as a starting point for analysis of what people need, how they use the resources they have, and as an organizing principle for mobilizing the energy of people to create progress. This initiative will enhance the effectiveness of our programs by recognizing the critical role that the family plays in the success or failure of social and economic development.

The role of private voluntary organizations in these efforts has been particularly important. Over 100 child survival-related projects in 28 countries at a funding level in excess of \$100 million have been implemented by 26 U.S. PVOs with the assistance of indigenous private sector and non-governmental organizations.

Alleviating Hunger and Malnutrition - An estimated 730 million people in developing countries receive less than 90 percent of their recommended caloric intake daily. Over two billion people are affected by some type of micronutrient deficiencies. Micronutrient deficiencies contribute to increased mortality, blindness, anemia, retardation of mental and physical development, and adverse pregnancy outcomes. The lost productivity and increased health and social welfare costs caused by inadequate diet are devastating to developing country economies. A.I.D. stresses the cross sectional relationship between agriculture, health, nutrition, education and other factors to alleviate hunger and malnutrition, with particular emphasis on children and women of child bearing age. The CRSPs, the International Agricultural Research Centers and other organizations collaborate closely to improve yields and nutrients of such basic food grains as corn, wheat, rice, beans, sorghum and millet. Furthermore, a new agricultural biotechnology effort will give developing country scientists unprecedented access to proprietary gene engineering technologies.

Through applied research, the Food Security in Africa project has assisted a number of African countries to identify cost effective ways to improve household as well as national access to food

supplies. It has also helped to identify strategies for targeting emergency food to the most vulnerable population sub-groups. This assistance will continue under a proposed follow-on project in FY 1992 and will expand current efforts. Other central programs will assist developing countries in establishing effective sustainable systems to monitor food consumption and nutritional status over time. This information can then be used for policy reform and the design of programs to improve food security.

A.I.D. has long supported diet quality interventions to reach the most vulnerable populations--women and children--and will continue to do so. Vitamin A, iron and iodine are viewed as key elements of a comprehensive approach in improving nutritional status. A.I.D. intends to develop a micronutrient strategy to complement other child survival interventions. Interventions will be targeted at countries of greatest risk, which have or are prepared to develop the institutional capacity necessary to carry out an effective program. These country specific activities will be complemented by selective priority research on micronutrient interventions.

A.I.D. leads the field in demonstrating vitamin A's contribution to improved nutrition and health. A.I.D. has played a pioneering role in demonstrating the impact of vitamin A supplementation in reducing childhood mortality and morbidity, reducing nutritional blindness and improving nutritional status. Research findings in India validate previous studies and confirm that supplementation with vitamin A in deficient communities can reduce child mortality by at least 30 percent. Fortification of commonly eaten foods can assure the delivery of the vitamin when it is absent in customary diets. A.I.D. support has resulted in a successful fortification program in Guatemala. Other fortification programs in Central America, the Caribbean, Africa and Asia are in process. Additionally, A.I.D. promotes the production, consumption and preservation of low-cost, carotene-containing vegetables and fruits, which are valuable sources of vitamin A.

A.I.D. will continue its efforts to improve women's nutritional status, especially those of child bearing age, to improve their productivity, health and well-being, reduce the number of low birth weight infants and enhance their potential to breastfeed. Research programs analyzing social, cultural and economic factors affecting adolescent girls' nutritional status have also been instituted. Targeting adolescent girls, especially in countries where chronic undernutrition occurs in early childhood, may be one of the most effective ways to achieve reduction of low birth weight babies. Breastfeeding is also an important nutrition intervention. A.I.D. programs will continue to educate teams of health care professionals from all geographic areas on breastfeeding. By 1993, 500 physicians, nurses and nutritionists will have attended lactation management education programs and begun implementing services in their respective countries.

Improving Primary Health Care - A.I.D.'s health strategy focuses on reduced infant and child mortality and morbidity through the development and delivery of health technologies and the strengthening of national primary health care systems. Poor health remains widespread in most developing countries, e.g., life expectancy does not exceed 55 years, 15 to 20 percent of children die before the age of five, millions suffer from chronic, debilitating illness, and undernutrition is a contributing factor in 60 percent of all child deaths. A.I.D. and other donor efforts to address these problems are succeeding, both in delivering current technologies and in developing new and improved technologies; for example, immunization coverage has reached 84 percent for the third dose of polio, 82 percent for the third dose of diphtheria, pertussis, and tetanus (DPT), 89 percent for tuberculosis (BCG), and 78 percent for measles in A.I.D.-assisted countries. Child survival investments designed to make national primary health care systems more preventive, decentralized and sustainable yield higher returns than do costly investments in subsidized, hospital-based curative care.

Central programs improve, adapt and lower the cost of basic health technologies. A.I.D. supports the development of non-reusable syringes to reduce the risk of infection in immunization programs. A.I.D. also supports the development and testing of new diagnostics for the diseases most common in the developing world, including malaria, diarrheal diseases, pneumonia and AIDS, with the hope that these diseases can be more simply and rapidly identified, leading to timely treatment.

Because dehydration from diarrhea remains a major killer of children (causing approximately 3.7 million deaths among children in 1991), A.I.D. collaborates with the World Health Organization (WHO) and

the United Nations Children's Fund (UNICEF) to support national programs in diarrheal disease control, promote the use of oral rehydration therapy, and encourage research on improved methods to prevent and reduce the impact of diarrhea. WHO estimates that since 1982, the incidence of deaths resulting from diarrhea in infants and children has been reduced by about 30 percent. Private physicians, pharmacists and other health care providers are becoming partners in the global effort to educate mothers on the correct management of diarrhea in the home.

Because 50 percent of all infant mortality occurs in the first month of life, A.I.D. promotes birth spacing, prenatal and postnatal care, exclusive breastfeeding, nutritional improvements for women, immunizations of women to prevent neonatal tetanus, and safe delivery practices to reduce neonatal mortality. Recent research findings show that few women practice exclusive breastfeeding, and that exclusive breastfeeding for infants through 4-6 months of age has a significant impact on child mortality and morbidity. A new breastfeeding initiative is providing technical support in the promotion of breastfeeding as a child survival intervention.

Current measles vaccination programs are preventing some 1.9 million deaths annually, but measles is still killing about 1 million children each year. Many of these deaths occur among infants under 9 months old--an age group not protected by currently used vaccines. However, new strains of measles vaccine are effective at six months, as shown in trials supported by A.I.D. in Mexico and other developing countries. WHO plans to include the new measles vaccine in its expanded immunization programs worldwide and A.I.D. plans to provide substantial funds over the next five years as part of a global effort to reduce measles deaths. A.I.D. is also consolidating its efforts to develop children's vaccines that are more heat stable and can be combined and administered in fewer doses earlier in infancy to protect children against a wide range of childhood diseases. Our initiative's increasing awareness and involvement of the private sector in research and vaccine production, is expanding a multi-donor vaccine revolving fund to enable countries to purchase new vaccines and related commodities, and is testing new and improved vaccines and related technologies.

A.I.D. is continuing its support for a major research effort to develop a malaria vaccine, an effort made more urgent by the resurgence of the disease. Under the joint sponsorship of the Department of Health and Human Services, the Department of Defense and A.I.D., the Institute of Medicine (IOM) recently reviewed the current status of malaria prevention and control activities worldwide. The IOM study's recommendations, which called for continued A.I.D. programs in this area, are being incorporated into A.I.D.'s malaria prevention and control efforts, assuming that we are at least ten years away from an effective malaria vaccine.

Improving hygiene and health practices in the general public is also a means to reduce the incidence of disease. A leader in the field, A.I.D. has mounted a large number of programs in health communication and marketing, using print and broadcast media as well as face-to-face communications.

As part of A.I.D.'s health sector approach, the new Workforce 2000 project in FY 1992 will address the major causes of morbidity and premature mortality affecting the family and work force in developing countries. It will support policy and institutional analysis, strategy development and work place based research by U.S. and developing country researchers in priority areas of preventable adult mortality, such as tuberculosis and hepatitis.

A.I.D. continues to be active in supporting efforts in close collaboration with other donors, such as WHO, to address health problems such as vector-borne diseases resulting from environmental conditions associated with water sanitation and related areas. The new Environmental Health project in FY 1992 is consolidating many of the efforts highlighted above and will assess environmental risks and provide technical assistance in the management and prevention of problems in water and sanitation, solid waste hazardous materials, air pollution control, and food hygiene.

The Demographic and Health Surveys program continues to strengthen global and country level monitoring of child survival indicators as well as gather data on the impact of our health programs. Through this program A.I.D. is involved in the collection and analysis of national survey data,

maintenance and dissemination of key health statistics, development of methodologies for data collection and indicator tracking, and support for country-level analysis and use of data, especially by non-government organizations.

In FY 1992, A.I.D. will continue to provide support to displaced children and orphans, including street children. Ongoing efforts are taking place in eleven countries including Ethiopia, Mozambique, Uganda, Indonesia and Guatemala, while a new project is expected to start in Liberia. Many of the activities are being administered by local non-governmental organizations and provide food, shelter, clothing and education to permit the children to become productive integrated members of their societies. In addition, A.I.D. will continue to support the rehabilitation of civilian victims of civil strife including the provision of prosthetic devices, an essential element of such programs. To date nine projects have been developed under the War Victims Fund. Broad efforts to develop national rehabilitation services are underway in Uganda, Mozambique, Laos and Lebanon, while more specific projects focusing on prostheses and other aids are ongoing in Vietnam, Sri Lanka, Ethiopia, Afghanistan and Angola. Examples of the latter include training of technicians to set up small independent rehabilitation clinics attached to rural hospitals in Afghanistan and improvement in the quality and quantity of prostheses produced by a non-governmental organization in Sri Lanka. Finally, A.I.D. will expand its program to encourage U.S. junior health professionals to work in developing countries in primary health care programs, continue to provide U.S. experts to help implement A.I.D.'s child survival programs, and continue to train African health professionals in key child survival areas under the newly established Mickey Leland Fund, a joint activity of the Government of Japan, UNICEF and A.I.D.

Reducing Population Pressure - Surveys have shown that many couples want to space or limit their children and that they would use family planning services if such services were accessible. A.I.D.'s population assistance program emphasizes the right of every couple to choose the number and spacing of their children, and supports efforts to reduce abortion. The basic strategy of the A.I.D. program is to ensure the availability of quality voluntary family planning services. Most developing countries now support the provision of voluntary family planning services for health and/or economic reasons and recognize the importance of population growth consistent with the growth of economic resources and productivity.

Use of family planning has led to unprecedented reductions in fertility. In Colombia, the total fertility rate declined from an average of six children per woman in the early 1980s to 2.9 in 1990. In Thailand the average completed family size declined from about seven children in 1965 to 2.1 children in 1987. There have also been dramatic increases in the use of family planning. In Egypt, contraceptive prevalence doubled in a decade, from 24% in 1980 to 48% in 1991. In Zimbabwe, use of modern methods of contraception increased from 26% in 1984 to 36% in 1988.

The central focus for A.I.D.'s population assistance in FY 1992 - 1993 and beyond will be the efforts to concentrate resources to maximize program impact. Over the past twenty years, the number of countries seeking population assistance has grown tremendously, from a dozen or so at the outset to over 100 today. Newly-adopted population policies in Africa and newly emerging democracies, particularly in Eastern Europe, promise further increases in the number of countries seeking assistance. At the same time, populations continue to grow throughout the developing world, further stretching limited donor resources.

Expanding the availability, use and quality of family planning services continues to be the cornerstone of A.I.D.'s population program. During FY 1991, A.I.D.'s central program launched three important new programs. A new evaluation effort was introduced to strengthen the capacity of A.I.D. and host-country institutions to evaluate the impact of population programs on fertility, a new innovative private sector project was initiated, and an agreement was signed with CARE, the largest private non-sectarian development and relief agency in the world. Furthermore, following FDA approval of the use of NORPLANT®, a new subdermal contraceptive implant, a comprehensive strategy for introducing NORPLANT® was developed setting guidelines and identifying priority countries, and A.I.D. began to incorporate NORPLANT® into its family planning service delivery programs.

During FY 1992 and FY 1993, service delivery expansion will also continue. Under its five year cooperative agreement with A.I.D., CARE will integrate family planning into its programs worldwide. A.I.D.'s investment is leveraged; the total funding for population under the agreement will be increased by matching funds from CARE, its ten international members and other donors. CARE will implement a number of projects with major family planning components in the first five years of the program using such channels as its existing network of extension agents, its system of local cooperatives and user groups, and CARE's in-country logistics and transportation capabilities.

An important element of A.I.D.'s population program will be evaluating and monitoring its impact. To accomplish this, the Demographic and Health Surveys project will be expanded to insure regular surveys are completed for all target countries, as well as continuing surveys in other countries. The new Evaluation project will focus on developing improved measures of performance of family planning programs, including establishing consistent definitions of performance and impact indicators, outlining a typology of appropriate evaluation strategies and developing a conceptual framework of family planning program dynamics.

A.I.D. has initiated a new research effort focusing on the impact that family planning has on women's lives. Until now, the majority of research on women and family planning has concentrated on the role of women in family planning programs. However, the impact of family planning on women's lives has been less well understood. Given the number of women using contraceptive methods and the number of women working in family planning programs worldwide, the impact of family planning programs is far-reaching. A draft conceptual framework to establish the relationship between family planning and women has been prepared, and several research proposals are being reviewed for possible funding. A.I.D. has also signed a new cooperative agreement with the Center for Population and Development Activities (CEDPA), a Gray Amendment organization, which uses a unique woman-to-woman approach for establishing family planning programs and building on its network of women managers trained through CEDPA's programs.

As part of the management improvements undertaken in the last year, the Population Projects Database effort has been expanded to include all bilateral and regional population projects and their expenditures by country, whether funded by Development Assistance, the Economic Support Fund or the Development Fund for Africa. This information has now been added to the database for fiscal years 1988 through 1990, and henceforth will be added for each subsequent fiscal year. In FY 1991, A.I.D.'s population program was authorized to use program funds for installing a computer system, which has permitted population program staff to be much more efficient, thus facilitating analysis and management of the population program. Moreover, these funds have allowed for greater program oversight through increased travel to project sites and enabled A.I.D.'s staff in Washington and the field to participate to a greater degree in developing and evaluating A.I.D.'s population programs.

Expanding Basic Education - Along with improved nutrition, primary health care and voluntary family planning practices, an acceptable standard of basic education for all is fundamental to greater individual well-being and to sustained, broad-based economic growth in any society. Indeed, the interdependence in developing countries between improvements in basic education (especially for girls and women which are receiving little or no education) and other A.I.D. objectives--lower child mortality, greater longevity, reduced fertility levels, and higher economic productivity--is now recognized universally.

Since 1986, A.I.D. has concentrated virtually all of its assistance to basic education in the effort to improve primary school education as the surest means to achieve permanent literacy and numeracy. Over the past decade, A.I.D. has done more than any other donor to adapt modern technologies (especially radio) to primary schools. By 1991, more than a half million children on four continents were using a radio-based curriculum to learn math, science, and languages. A.I.D. has also provided major support for the adaptation of a comprehensive, data-based systems approach to the reform of primary school policy formulation and management in over two dozen countries on three continents.

Lessons learned from A.I.D.'s experience helped to build the remarkable consensus achieved at the World Conference on Education for All (WCEFA), held in Thailand in March 1990. There, delegates

from 150 nations and major development organizations agreed on the need--and the ways--to expand basic education dramatically in this decade, worldwide. The WCEFA, reinforced by the World Summit on Children held in September 1990, gave powerful impetus to the subsequent deepening and broadening of A.I.D.'s program in basic education.

Following the World Conference, A.I.D. has supported the creation of the U.S. Coalition for Education for All, which brings together public and private sector organizations with a shared interest in improving basic education in the United States and abroad. Nearly 300 persons attended its first conference in November 1991. Since the World Conference, A.I.D. has started new country programs in Guinea, Namibia, Malawi, and Benin, and it will continue to expand basic education in the future.

The Improving Educational Quality project, inaugurated in September 1991, directly addresses the problem of low learning achievement in the primary schools of developing countries. For the first time, this project will draw upon the skills of selected U.S. educational research centers and laboratories. A.I.D. is also exploring the feasibility of a centrally-funded intersectoral effort in early childhood development covering health, education, nutrition and WID aspects. Such a program could work through private groups and community organizations to help families provide children with a well-rounded preparation for primary school. An effort in non-formal education is also being explored.

In addition to its work in basic education, A.I.D.'s central program is the locus within the Agency for the design and initiation of activities which apply methods derived from the U.S. experience in development communication to help achieve A.I.D.'s objectives. A.I.D.'s comparative advantage over other donors in this field is derived from years of work in child survival, nutrition, family planning, education and agriculture.

Higher Education - A.I.D.'s newly created University Center will strengthen A.I.D.'s existing efforts under its University Development Linkages Program, which was started to support and encourage long term linkages between U.S. and developing country institutions. Thirteen matching grants totaling \$1.4 million were initiated. These will be continued and an additional 15 grants will be initiated in FY 1992 and again in FY 1993. The Center will continue its grant program with historically black colleges and universities, which encourages collaborative research in developing countries and increased involvement in A.I.D.'s program. New university activities planned for FY 1993 under the new Higher Education and Development project include advancing the development contribution of institutions in the developing world by networking with U.S. institutions, providing external examiners to assure quality, and increasing the availability of U.S. professors; strengthening the development side of university and college moves toward internationalization of their research, teaching and service programs; and expanding and accessing university competence related to development through fellowships, the Joint Career Corps, and targeted use of university resources centers.

International Training - Complementing the above efforts, and assuring sustainability of our development investments, A.I.D.'s International Training Program represents one of our most effective tools addressing priority needs identified by specific country development strategies. In FY 1991, the Agency recognized the 300,000th foreign citizen to receive A.I.D. sponsored training in one of 1,400 U.S. education institutions. We currently train over 16,000 persons per year in the United States, which represents an investment of over \$300 million annually.

The number of fellows in the United States has grown dramatically under the recently renamed Thomas Jefferson Fellowship Program. In FY 1991, some 16,400 fellows were in training in the United States, a twofold increase over the past ten years, of which one-fourth were women. Approximately 11% of all fellows were enrolled in Ph.D programs, 20% in masters programs, around 20% in undergraduate programs, and nearly half in technical training programs.

Among those that we have trained over the past 46 years are several current heads of state, key government ministers, and tens of thousands of individuals at all levels in the public and private sectors ranging from mid-level professionals and managers to senior professionals and chief executive officers. These returning fellows contribute to the strengthening of their countries' institutions through the application of newly learned skills and newly acquired perspectives on development.

A.I.D., in cooperation with host country institutions, actively seeks out people with demonstrated leadership potential to ensure that our investment will not only result in their enhanced knowledge in the workplace, but also result in their assuming the role of initiator and implementor in the development process.

A.I.D.'s centrally funded Training Evaluation and Support Services project provides linkages between the U.S. and international academic communities; makes grants to the National Council for International Visitors, a network of individuals with strong private sector ties who also act as hosts for academic fellows to provide them an important glimpse into American life; organizes workshops to bring contractors, private sector representatives and local communities together in partnership to carry out training activities; and provides technical assistance to field missions.

During FYs 1992 and 1993, A.I.D. will be intensifying its efforts to involve its fellows in the U.S. communities where they live and to help them build professional networks that will sustain their ties to the U.S.

PROTECTING AGAINST TRANSNATIONAL THREATS

Complementing A.I.D.'s efforts to improve the lives of people is its strong commitment to combating problems of global concern such as environmental degradation, preventing and controlling the spread of acquired immunodeficiency syndrome (AIDS) and other diseases, and reducing the demand for drugs.

Reducing Environmental Degradation - The importance of environmental degradation as an international problem is becoming increasingly evident. Air and water pollution, solid and hazardous waste, soil erosion, loss of forest cover, and destructive exploitation of natural resources contribute to global climate change, loss of biodiversity, and reduced agricultural productivity.

A.I.D. plays a vital role in increasing understanding of this threat through the dissemination of environmental information, emphasizing policy reform, increasing participation of indigenous and U.S. non-government organizations (NGOs), such as the World Resources Institute and the World Wildlife Fund, and expanding cooperation with other U.S. Government agencies such as the Peace Corps, Department of Agriculture Forest Service, and the Environmental Protection Agency.

In 1992, A.I.D. will convene a national select committee to develop a common agenda for promoting sustainable agriculture and natural resource management in developing countries. The agenda will provide a generalized framework and direction for the many organizations working on sustainable agriculture and associated natural resource matters, thereby encouraging cooperation and support of the efforts of national, international and multilateral governments and organizations. In Africa, A.I.D. is assessing monitoring programs of the major U.N. agencies to determine if country-level indicators of changes in biological diversity, vegetative cover, and soil fertility can be developed to track A.I.D.-supported activities. Utilizing technologies from the Soils Management CRSP, low-input technologies are being introduced to permit permanent, highly remunerative agriculture in the fragile humid area of the Amazon. As an example, the CRSP has developed technologies which demonstrate that 43 crops in 18 years are possible without yield loss. Using this technology on one acre annually can save 10 acres of virgin rain forest from destruction.

A.I.D. continues to support Amazonian tropical forest conservation policy and research studies as part of the Agency's global climate change activities directed at reducing carbon dioxide emissions from deforestation. The World Wildlife Fund supports more than 100 conservation activities in almost 70 countries involving the training of local counterparts, the provision of research grants and the execution of pilot demonstration projects. A.I.D. has launched a Global Energy Efficiency Initiative in cooperation with other federal agencies, national laboratories, universities, NGOs, and environmental groups to promote the rapid implementation of energy efficiency projects in A.I.D.-assisted countries in order to alleviate energy shortages and reduce the impact of energy use on global climate change. The U.S. Working Group, responsible for steering the initiative, has issued a report which examines the economic and environmental problems faced by developing countries and Eastern Europe as a result

of their rapidly increasing energy use. To maximize the impact of A.I.D.'s assistance on global warming, the Working Group targets several energy efficiency projects in "key" developing countries that are major contributors of greenhouse gases, such as Brazil and Indonesia. In addition, a new research initiative on global climate change will begin under the Program in Science and Technology Cooperation for FY 1992. The program will support developing country research investigating the extent and impact of climate change.

A.I.D. continues its protection of biodiversity by assisting developing countries inventory, protect, and sustainably manage critical natural habitats, including tropical forests, savannas, and coral reefs by providing technical assistance, grants to indigenous conservation organizations, training, and related support. An inter-agency agreement with the National Science Foundation (NSF) encourages more research in this area. In response to Congressional interest, A.I.D. funded 11 research studies under the auspices of NSF in 14 countries during FY 1990 and has now more than doubled the number of projects in 20 countries. A.I.D. is also addressing the need for conservation of genetic diversity under "Project Noah" through training, technology improvement, dissemination of information and collaboration between on-site and off-site preservation efforts.

A.I.D.'s biodiversity efforts under the Program in Science and Technology Cooperation have included research in Nepal concerning methods of reducing conflicts between livestock and the surrounding wildlife and studies of selective logging in tropical rain forests in Indonesia for their impact on levels of biodiversity. In addition, A.I.D. is helping to reduce developing country over-reliance on and misuse of chemical pesticides through development of engineered crops with genetic resistance to agronomically important pests and diseases. The project will support the production of corn, potatoes and other crops.

A.I.D. is helping to foster the development of economically viable methods for managing tropical forests through the Forest Resources Management II project. In addition, A.I.D. is urging the CGIAR system to increase its activities in natural resources. The CGIAR has incorporated into its system the International Council for Research in Agroforestry and established the new International Forestry Research Institute. It is anticipated that the new institute will support research networking efforts begun under A.I.D.'s Forestry and Fuelwood Research and Development project.

To complement the above mentioned efforts, A.I.D. plans to introduce a new initiative to promote productive linkages between pharmaceutical development from natural products and local biological research--focusing on priority health needs of developing countries--to promote biodiversity conservation. This effort, carried out in close collaboration with the National Institutes of Health and the National Science Foundation, will support the establishment of international cooperative biodiversity institutions among U.S. and host country public and private sector groups.

A.I.D. is strengthening the capabilities of U.S. and developing country institutions to analyze the relationship between economic policy and environmental problems, and to design policies that are consistent with the need to protect and enhance the environment. A.I.D. is also carrying out applied research in a number of African and Latin American countries to help them develop realistic and workable policies governing tenure rights affecting land, trees and other natural resources.

A.I.D. is supporting the development of integrated coastal resources management programs in Ecuador and Sri Lanka, and transferring techniques developed in these countries to other developing countries. A.I.D.'s activities have emphasized a "two-track" approach with policy formulation, planning, implementation, and institutionalization simultaneously carried out at both the local and national levels. Private sector involvement has been encouraged.

A new initiative in FY 1992 will provide an important channel for expanded cooperation with the Environmental Protection Agency, private industry and other organizations on urban pollution, toxic contaminants, and deteriorating environmental health in developing countries. This new project complements existing urban and industrial pollution activities in A.I.D. such as the Water and Sanitation for Health project and other A.I.D. agreements with the World Environment Center and the International City Management Association.

A.I.D. has launched a multi-faceted program to address urban environmental issues in the developing world, including the development of urban environmental indicators, improvement in the collection and disposal of solid waste by privatizing these municipal services, improvement of host country capacity to analyze environmental data, and development of new methodologies to analyze urban environmental problems. Results thus far have included recognition by countries of the need to relocate landfills away from populated areas, and guidance to privatize solid waste management services. These efforts will be strengthened through a new Urban Management and Policy program to strengthen the capacities of local governments to manage urban land and environment problems and to develop approaches to finance infrastructure needs.

A.I.D. has produced a Geographic Information System to track the interface between people and their environment. This methodology was used with great success in Kenya and Uganda during FY 1991/1992 and will be expanded to India in FY 1992/1993. In addition, A.I.D. is analyzing the relationship between natural resource management and rural income growth in Senegal, Malawi, Bolivia and Tunisia. Now in its second five-year phase, the Development Strategies for Fragile Lands project is focusing on identifying ways to maximize economic returns from the forestry sector while minimizing ecological impact, restoring natural forest cover for degraded habitats, and enhancing community-level management of natural resources, and preserving the habitats of indigenous peoples.

AIDS Prevention and Control - A.I.D. has provided increased leadership as a provider of funds, management skills and technical expertise to HIV/AIDS prevention and control programs in the developing world. In the four years since its establishment, the A.I.D. AIDS Program has logged a number of accomplishments both in establishing AIDS prevention programs and in getting concrete results from those programs. The largest accomplishments have been seen as a result of efforts to promote condom use for those who practice high-risk sexual behavior. In Africa, condom shipments by A.I.D. in response to demand have increased fivefold, from 33 million in 1987 to 174 million in 1990.

In spite of these accomplishments, however, all evidence points to uncontrolled growth of the AIDS pandemic in developing countries. As of early 1992, WHO conservatively estimated that 8 to 10 million adults and 1 million children had been infected with HIV, the AIDS virus, and that this number will more than quadruple to 40 million in the next 8 years. In sub-Saharan Africa, about one in 40 adults is infected with HIV, with the rate being as high as 33 percent of sexually active adults in some areas. In South and Southeast Asia, HIV/AIDS is spreading more rapidly than in any other part of the world. In India, where the population of sexually active adults is two-and-a-half times larger than all of sub-Saharan Africa, there may be as many as 1 million persons already infected.

A.I.D. has undertaken a review of its AIDS program to identify lessons learned that would help increase the impact of its program. As a result of this review, A.I.D.'s program will continue its focus on prevention rather than treatment but will focus further on prevention of sexual transmission of HIV through three key strategies: reducing numbers of sexual partners, improving diagnosis and treatment of sexually transmitted diseases, and increasing access to and use of condoms. To implement these strategies as effectively as possible, A.I.D. is designing in 15 priority countries comprehensive programs large enough to slow the spread of HIV; making AIDS-related policy dialogue aimed at increasing action by policy makers an explicit component of the program; supporting research into behaviors that facilitate or reduce HIV transmission and the socio-cultural systems and norms that encourage or inhibit behavior change; and emphasizing the role of the NGO/PVO community.

A.I.D. has been a major supporter of the World Health Organization's Global Program on AIDS and contributes about 30 percent to the total effort. To achieve as much complementarity as possible, A.I.D. has designed its AIDS program with WHO's traditional role in mind and has focused on supporting implementation of prevention activities at the country level.

Other Disease Prevention and Control - The international spread of other diseases is an obvious transnational threat. In response to the cholera epidemic of 1991, A.I.D. is providing timely assistance to countries in Latin America and the Caribbean to prevent and control the spread of cholera in the western hemisphere. A number of projects are involved in providing technical assistance in the

development or assessment of national plans to prevent cholera outbreaks or control the spread of the disease. Oral rehydration salts also have been provided to prevent dehydration due to cholera and other diarrheal diseases. Research sponsored by the Program in Science and Technology Cooperation (PSTC) developed a new and extremely sensitive probe for the presence of cholera in water, and demonstrated that pathogenic cholera could exist in water which would have passed all previous tests for purity. Cholera has been reported in U.S. waters and the probes are of use here as well.

Drug Demand Reduction - A.I.D. has initiated a Narcotics Awareness and Education project which is active in a number of Latin American countries and of interest to a number of Asian countries as well. A fundamental means of reducing trade in illegal drugs is the development of alternative sources of productive economic activity in regions capable of growing drug-producing plants. The Program in Science and Technology Cooperation researchers are exploring new techniques to identify alternative products from forest systems, such as herbal medicines, that can provide high income to local villagers--an approach that also promotes biological diversity.

PROMOTING AND CONSOLIDATING DEMOCRATIC VALUES

Support for democratic development values, which has been an important cross-cutting theme for A.I.D., has taken on greater importance in the last year after being identified as an A.I.D. Initiative. During 1991, A.I.D. cooperated with the National Academy of Science in carrying out two workshops and two seminars on democratic issues. Topics discussed included indicators measuring democratic progress, conditions needed to sustain democracy, the role of other donors, electoral laws and the management of ethnic conflict in a democracy. These discussions increased understanding of how A.I.D. can promote democracy and improve regional bureau and mission conceptualization, design, and evaluation of democratic projects.

Virtually all of the activities carried out by A.I.D. support democracy at the grass roots level. A.I.D.'s methodology involves identifying mechanisms to make officials more accountable to their constituents and to help constituents understand their responsibilities and rights as consumers of public goods/services. This basic philosophy carries through whether the group being assisted is a coffee marketing cooperative in Cameroon, an irrigation system association in Nepal or a rural road maintenance group in Indonesia. The participatory experiences through these activities increase pluralism and encourage government accountability. An example of expanding democratic pluralism is the A.I.D.-supported Institute for Law and Philanthropy which promotes volunteerism and philanthropy in developing countries and emerging democracies.

In addition, A.I.D. is strengthening democratic development by providing assistance on organizing and carrying out elections in countries which are taking the first hesitant steps on the road to democracy or returning to democracy. A.I.D. is also assisting host country leaders to apply strategic management approaches to address constraints in government and by promoting greater transparency and a more democratic approach to structural adjustment programs and other critical government activities. Increasing municipal management capacity and providing local governments with the skills necessary to provide required services are also key factors in supporting democracy around the world.

Central to the success of AID's Democratic Initiatives program is increasing the participation of citizens in the formation and implementation of public policy at all levels of government. This is most effectively achieved at the local government level. A.I.D. is supporting important municipal development efforts worldwide. Programs in Honduras, Ivory Coast, Indonesia, Tunisia, Morocco and several other countries are providing municipalities with information and expertise to facilitate community participation in decision-making, to improve revenue generation and internal budgeting and auditing, and to improve municipal services such as water, sewerage, and solid waste disposal.

Complementing the above efforts, A.I.D. annually provides special training to approximately 80 selected trade union, government, and private sector officials in developing countries to enable them to develop effective labor policies and programs within the framework of a democratic society. The training focuses on women in the workplace, occupational safety and health, labor management cooperation, labor relations and labor productivity.

CENTRALLY FUNDED (R&D)

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Agricultural Policy and Analysis III		PROJECT NUMBER 936-4201 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 100 DA	LIFE OF PROJECT FUNDING 10,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 2002	ESTIMATED PROJECT COMPLETION FY 2003

Purpose: To build a capability in developing country institutions to develop, demonstrate and replicate methodology for assessing agricultural economic policy options.

Project Description: The project will address policies which improve resource productivity, enhance renewable natural resources, improve nutrition, stimulate market-based business systems, and support stable democratic processes. The project will improve and expand the use of computer-based policy analytical tools, such as the policy analysis matrix developed in the predecessor project. It also will focus on countries in the process of democratic transition. Critical problems to be addressed are the following: regional trade and economic integration, resource management and environmental quality, agricultural reform and transition, commercialization, privatization and competition.

Sustainability: Increased benefits to developing countries through improved agricultural sector performance and expanded capacity to understand its market-led development and strategies will assure support for this activity in the future upon termination of A.I.D. assistance.

Relationship to A.I.D. Strategy: The project will support Agency objectives of promoting free market principles and strengthening competitiveness, meeting humanitarian needs providing the base to successfully balance agricultural requirements to preserve the long-term viability of scarce natural resources, and mitigate environmental degradation.

Host Country and Other Donors: Other donors, such as the Food and Agriculture Organization, World Bank and regional development banks, are expected to contribute to similar efforts.

Beneficiaries: Direct beneficiaries of this project are the policy analyst who receive the training in special technologies under the project. Secondary beneficiaries are the decision makers in the developing countries who use the information to develop and implement policy reform in agriculture, and those who depend on agriculture for their livelihood.

Major Outputs:	All Years
Collaborative policy and methods research studies	50
Training programs	50
Workshops in regional and national policy analysis	20
Policy analysis networks established	10
National policy reform conferences held	20

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	7,000
Training	2,000
Commodities	<u>1,000</u>
Total	10,000

CENTRALLY FUNDED (R&D) PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Environmental Planning and Management (EPM III)		PROJECT NUMBER 936-5562	
		<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 3,100 DA		LIFE OF PROJECT FUNDING 30,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 2001	ESTIMATED PROJECT COMPLETION FY 2002	

Purpose: To build capacity in public and private institutions in developing countries to protect environmental quality and to manage natural resources for long-term, sustainable development.

Project Description: The project will continue to support cooperation between A.I.D. and the World Resources Institute (WRI) to strengthen developing country institutions dealing with environment and development issues. The project will enhance WRI's capacity to provide policy advice and technical advisory services and disseminate information on environmental planning and management technologies. Mechanisms for public-private sector cooperation will be tested and evaluated through implementation of country environmental action plans. The project will establish an environmental and natural resource information center, which will improve A.I.D. access to data and analyses supporting the planning, management, and assessment of environmental and natural resources program interventions.

Sustainability: By mobilizing U.S. capacity and advancing environmental cooperation between U.S. and developing country institutions, both public and private, the project will promote long-term bilateral relationships that support sustainable development.

Relationship to A.I.D. Strategy: The project will promote the three cross-cutting themes of A.I.D.'s environmental strategy: sound economic and environmental policies, institutional strengthening, and private sector cooperation.

Host Country and Other Donors: Developing country governmental agencies and private organizations will cooperate in designing and implementing in-country activities. The World Bank and other bilateral donors will finance country environmental action plans and improved environmental management technologies.

Beneficiaries: Direct beneficiaries will be developing country agencies and private institutions concerned with the protection of environmental quality and the management of natural resources. Host country nationals will benefit through improved national policies and capabilities and from the design of environmentally sound development programs.

Major Outputs: **All Years**

Resource Assessments, plans, organization assessments	50
Training workshops	30
Environmental resource planning and advisory missions	70
Training courses and study tours	20
Publications and reports	70

A.I.D.-Financed Inputs: **Life of Project (In thousands of dollars)**

Technical Assistance	18,000
Research and feasibility studies	2,000
Training workshops	2,000
Commodities	2,000
Other Costs	<u>6,000</u>
Total	30,000

PROJECT TITLE Higher Education and Development (HEAD)		PROJECT NUMBER 936-5065 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 8,000 DA	LIFE OF PROJECT FUNDING 40,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To help developing country institutions sustain and enhance the effectiveness of their contributions to development, while strengthening development interests of U.S. universities and colleges as they internationalize, and achieve more effective cooperation between U.S. institutions of higher education and A.I.D.

Project Description: This project will address weakness in human and institutional capacity in developing countries; currently inadequate knowledge and experience in international development of U.S. of higher education; and A.I.D. access to necessary technical expertise. It will enhance the contributions of indigenous personnel in relevant disciplines to their countries' development needs. It will improve U.S. higher educational institutions' ability to teach about the developing world and participate in development. Project design benefited from deliberations of Board for International Food and Agricultural Development and Economic Cooperation (BIFADEC) Task Force on Development Assistance Cooperation composed of ten representatives of colleges and universities. The task force report was reviewed at two workshops attended by 250 college and university people. It passed scrutiny of an advisory committee of ten university and college presidents plus A.I.D. and other agency authorities and has received BIFADEC endorsement.

Sustainability: The project will encourage mutually beneficial programs which will operate on a shared-cost basis. It will add a development focus to an extensive internationalization movement at U.S. colleges and universities. It addresses critical areas of host-country ownership, commitment and institutional capacity affecting the sustainability of all development assistance projects.

Relationship to A.I.D. Strategy: This project will support the Agency's initiative of a public and private partnership for development and most other elements of the A.I.D. program by building host-country capabilities and by enhancing A.I.D.'s access to expertise in universities.

Host Country and Other Donors: The project builds on U.S. higher education and research investments already made by the U.S. Departments of Education and Agriculture, U.S. Information Agency, and A.I.D. Matching contributions will be provided by participating U.S. and host country institutions.

Beneficiaries: Direct beneficiaries will be technical experts and their students in participating developing countries and U.S. institutions, but the ultimate (indirect) beneficiaries will be the populations of developing countries experiencing more rapid and satisfactory rates of development and the U.S. as its universities and colleges develop more productive relationships with the developing world.

Major Outputs:**All Years**

Host educational institutions meet international standards	40
Collaborative networks focusing on development needs	30
U.S. campuses increase attention to development issues	25
Collaborative development programs and strategy seminars	40

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Support for development country institutions	20,000
University focus on development issues	11,250
A.I.D. access to technical expertise	<u>8,750</u>
Total	40,000

PROJECT TITLE Agricultural Marketing and Agribusiness		PROJECT NUMBER 936-5457 [X] GRANT [] LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (in thousands of dollars)		
FY 1993 750 DA	LIFE OF PROJECT FUNDING 5,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1999

Purpose: Establish a program in developing countries institutions to provide them with the capacity to design, implement and evaluate sound agribusiness programs.

Project Description: The project will assist developing countries establish a data base and appropriate methodologies to identify opportunities representing a comparative advantage, collaborative relationships and funding for investment in the agricultural sector. Technical assistance and related support from the U.S. private sector will be engaged for purposes of direct investment, joint ventures or purchasing agreements.

Sustainability: Demonstrated benefits of the services provided under the project to host country chambers of commerce, local trade, professional and commercial associations will lead to long-term linkage with U.S. institutions after completion of A.I.D. assistance.

Relationship to A.I.D. Strategy: The project addresses the Agency's mandate to promote a public and private sector partnership in agriculture, the most important sector in terms of income, employment and foreign exchange in many developing countries.

Host Country and Other Donors: International donors, such as the World Bank and the International Monetary Fund, will contribute towards the same end through their programs. Host governments will contribute by creating an environment conducive to economical growth.

Beneficiaries: Primary beneficiaries are the host governments and private businesses responsible for the development of agribusiness investment opportunities. Indirect beneficiaries are host country businessmen, their employees and customers who expand their business activities.

Major Outputs:**All Years**

Agribusiness opportunities identified	45
Business ventures implemented	18
Agribusiness firms benefited	60

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical assistance	2,500
Training	1,000
Equipment	1,000
Other Costs	400
Evaluation and Audit	<u>100</u>
Total	5,000

PROJECT TITLE International Executive Service Corps		PROJECT NUMBER 940-0019 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 5,000 DA	LIFE OF PROJECT FUNDING 25,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To improve the capabilities of businesses in developing countries by making it possible for retired U.S. business executives to volunteer as managerial and technical advisors.

Project Description: This project provides funding directly to the International Executive Service Corps (IESC), a private, voluntary organization established specifically to send retired U.S. business executives as volunteer advisors to developing countries. The grant to IESC will fund headquarters administrative costs, in-country costs where there is no locally funded IESC program, and development of new programs (e.g., private provision of social services).

Sustainability: The impact on the decision-making process of the businesses being assisted lasts well beyond the life of the project. Increases in productivity, profitability and other measures of impact are not dependent on the advisor's continued presence. IESC receives a contribution to costs from each client business, but not in sufficient amount to cover all costs. Continuation of the program, therefore, requires A.I.D. support.

Relationship to A.I.D. Strategy: The project directly supports the A.I.D. strategy to provide support for free markets and broad-based economic growth.

Host Country and Other Donors: As this is a private U.S.-based organization sending only retired U.S. executives, no host country or other donors participate in the program.

Beneficiaries: The immediate beneficiaries are the owners and employees of the firms receiving volunteer advisors. Consumers also benefit from the long-term increases in efficiency through lower costs, increased employment and a better standard of living.

Major Outputs: -- 1,000 businesses receiving advisory assistance

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	25,000
Total	25,000

PROJECT TITLE Capital Finance		PROJECT NUMBER 940-0020 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 400 DA		LIFE OF PROJECT FUNDING 5,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1997	

Purpose: To promote and strengthen the institutional and policy framework of the financing institutions that support private sector development. To support the growth of equity markets and the financial technologies that make these work. To ensure the involvement of the U.S. financial community in these programs.

Project Description: The project will provide assistance through two interrelated components, technical assistance and training. Technical assistance will be provided to missions in both the developmental and implementation stages of capital market development. Short-term training in the United States and in-country will also be provided. It is proposed that the new project provide assistance through three mechanisms: a competitively bid contract to provide services; a Participating Agency Service Agreement and a Resources Support Services Agreement (PASA/RSSA) arrangement with the Securities and Exchange Commission; and a grant to a well-respected training institution in the field of finance to provide the training and possibly access to the U.S. financial community to assist in this program. Such an institution could be the New York Institute of Finance.

Sustainability: Establishing strengthening the local capital markets will have a long-lasting impact. It will provide the countries with mechanisms to become self-sustaining and produce internally generated financial resources well beyond the life of the project.

Relationship to A.I.D. Strategy: The project directly supports the A.I.D. strategy to provide support for free markets and broad-based economic growth.

Host Country and Other Donors: The project will draw upon the expertise of other U.S. Government agencies such as the Securities and Exchange Commission. It will complement the resources of the World Bank, the Asian Development Bank, and other regional donors in this area.

Beneficiaries: Business and financial sector groups in A.I.D.-assisted countries, as well as officials of central banks, ministries of finance, stock exchanges, and regulatory financial agencies.

Major Outputs: 120 technical assistance activities; and 50 training activities.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance
Total

5

5,000
5,000

CENTRALLY FUNDED (PRE) PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Microenterprise Impact Evaluation System		PROJECT NUMBER 940-0401 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 800 DA		LIFE OF PROJECT FUNDING 2,500 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1997	

Purpose: To strengthen the capacity of local institutions to assess the economic and social impacts of A.I.D.-supported activities in microenterprise development, and among microentrepreneurs, to enhance access to any benefits which have resulted because of A.I.D. activities.

Project Description: The Microenterprise Impact Evaluation System (MIMES) project is a follow-on to the three-year Microenterprise Monitoring System (MEMS) project, launched in FY 1991. MEMS was undertaken in response to Congressional demands for specific information on numbers and sizes of loans, gender of recipients, etc. resulting from A.I.D. microenterprise projects. MEMS will have completed its objectives by 1994, when such monitoring has become self-sustaining in the institutions and field programs funded by A.I.D. The MIMES project reflects a recognition that beyond the MEMS monitoring data, there is a larger need to evaluate A.I.D.'s microenterprise program impact. Impact in human and individual terms (income and employment) and in economic terms (firm viability, productivity, etc.) will be assessed. Comparative analyses of selected countries in Africa, Latin America, Asia and Central and Eastern Europe will be undertaken. Follow-up technical assistance will be provided to selected institutions and regional workshops will be held to share results of the MIMES evaluation work.

Sustainability: MIMES will help institutions and missions to set evaluation standards, install evaluation procedures and create baseline data for ongoing assessment of activity impacts. At the end of five years, these standards, procedures and country-specific databases can be supported by local institutions without further A.I.D. or other outside assistance.

Relationship to A.I.D. Strategy: This project is consistent with the Agency's promotion of sustainable economic growth in the countries in which A.I.D. works, as well as supportive of A.I.D.'s private sector development strategy, especially for people at the low end of the socioeconomic ladder. MIMES will complement the Agency's overall impact evaluation activities.

Host Country and Other Donors: To carry out evaluation activities, this project will work most closely with private sector institutions, including non-governmental organizations and banks. Collaboration with other donors and the U.S. Peace Corps will occur in most countries.

Beneficiaries: The ultimate beneficiaries are the poorest entrepreneurs and peoples in the countries served by our projects, through better understanding and more effective programming of A.I.D. resources for microenterprise development. Intermediate beneficiaries are staffs of local cooperating institutions, through improved service delivery and increased program impacts.

Major Outputs: Evaluations Carried Out	30
Countries Assessed	18
Institutions Assisted	100
Persons Trained	1,000

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Evaluation Activities	1,500
Follow-up Training and Technical Assistance	<u>1,000</u>
Total	2,500

CENTRALLY FUNDED (PRE)

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Anti-poverty Lending for Enterprises		PROJECT NUMBER 940-0403	
		<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 10,000 DA		LIFE OF PROJECT FUNDING 50,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1997	

Purpose: To provide an incentive for A.I.D. field missions to promote more anti-poverty lending for self-employment and microenterprise development.

Project Description: This project establishes a reserve of \$10 million per year, to be available for re-allotment to field missions to enhance the impact of qualifying anti-poverty lending projects. Missions will compete annually for portions of these funds, based on (a) matching them with their own appropriated funds or local currencies, consistent with host country development goals; and (b) certification that the uses of these resources and matched mission funds comply with Agency policy and Congressionally determined definitions of microenterprise anti-poverty lending. The objective of this incentive fund is to channel additional A.I.D. resources to microenterprises, a sector which increasingly has become identified with family income growth, equity and empowerment of poor people in developing countries. Evaluations of previous experiences with this process of capital formation and business development have shown that the provision of such credit has improved substantially the well-being of previously non-serviced groups particularly the poor and women.

Sustainability: Assistance under this project will be focused on creating sustainable bank and non-bank organizations which minimize transaction costs through use of modern accounting, disbursement and collection systems; recover through realistic interest charges and other fees as fully as possible the costs of providing credit and business support services; and respond to institutional incentives in the financial sector which allow lenders to earn conventional profits on small-scale lending operations.

Relationship to A.I.D. Strategy: A.I.D. has articulated a commitment to microenterprise development in Policy Determination No. 17 (A.I.D. Microenterprise Development Program Guidelines). This project specifically implements portions of that strategic vision relating to the provision of very small loans to the smallest scale and poorest producers, particularly women, and in this respect is responsive to A.I.D.'s family in development initiative.

Host Country and Other Donors: Host country contributions, as in the past, will complement A.I.D. investments. It is also expected that other multilateral donors will participate in this project. Finally, ever-growing commitments of volunteers by the U.S. Peace Corps in the small enterprise development sector will be actively coordinated with A.I.D. commitments in the field.

Beneficiaries: This program targets principally the impoverished self-employed and microentrepreneurs and their families in developing countries, defined predominantly by their "client relationship" with organizations whose commitment is to assist the poor and their lack of access to credit and other business development services. A special commitment exists on the part of A.I.D. to include women to the maximum extent possible.

Major Outputs: 40 strengthened institutions; 10,000 entrepreneurs trained; millions of loans to the poor.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical assistance	7,000
Commodities	3,000
Capital Contributions	<u>40,000</u>
Total	50,000

American Schools
and Hospitals
Abroad

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)		
FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
27,833 ^{ab}	30,000 ^{bc}	30,000

AMERICAN SCHOOLS AND HOSPITALS ABROAD

The diversity of America's privately operated educational and medical institutions is one of our nation's greatest strengths. This diversity promotes private initiative, independent thinking, democratic pluralism and problem solving. The desire to export these values abroad has led U.S. citizens to support educational and medical institutions abroad. A.I.D., through the American Schools and Hospitals Abroad (ASHA) program assists a select group of private, U.S.-sponsored, non-profit schools and hospitals which demonstrate American ideas and practices to citizens of other countries through transfer of U.S. technology and values.

The ASHA program contributes to the Agency's objectives of promoting democracy and peace through training leaders and imparting U.S. ideas and practices, and advancing humanitarian needs and environmental concerns through training of policy makers. ASHA grants help overseas institutions to use American technology and management systems for economic and social advancement; to adapt American educational and medical practices to foreign cultures; to train independent thinkers; and to educate a cadre of citizens who can communicate, share values and work with Americans in business, government, the sciences and other mutually beneficial endeavors.

ASHA grants assist overseas institutions to build or renovate and to equip facilities. These institutions train tomorrow's leaders in widely varying disciplines; they advance democratic ideals, market-place orientation and cultural values. Adult education programs improve skills of those already in the work force.

Recent A.I.D. initiatives in the program include: (1) improvements of financial and management controls through Office of Management and Budget (OMB) Circular A-133 audits and expanded evaluations; (2) phase-down of support for grantees' recurrent costs while stimulating these institutions to do more to generate revenues; (3) encouragement of expanded activities which foster democratic practices and leadership training; and (4) consideration of how to begin sustainable initiatives in emerging democracies.

a. Excludes \$1,750,000, which was returned to the U.S. Treasury.

b. Does not include \$5.2 million equivalent (disbursed in FY 1991) and an estimated \$9.7 million (to be disbursed in FY 1992) of equivalent convertible Polish Zlotys for construction of the Zablocki Ambulatory Care Center at the American Children's Hospital, Krakow, Poland. This will bring the project to near completion and the cost is significantly below the original estimate.

c. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

Revenue-Generating Services Produce Sustainable Institutions

Most ASHA grant recipients must rely on tuition and fees to meet a portion of annual operating expenses.

Those institutions that depend on ASHA grants for operating subsidies are encouraged to increase income from private contributions, endowments, market-oriented initiatives and auxiliary services. The portion of ASHA grants for operating expenses were reduced by six percent of the obligated total for 1987 through 1989. Efforts will be made to further reduce application of ASHA funds for operating support, while new ways will be explored to help ASHA-assisted institutions improve revenue generation.

Five Year Overview

From 1987 through 1991, A.I.D. awarded \$171.7 million in ASHA grants to 94 institutions in 37 countries and two institutions with worldwide activities. Thirty-four of these institutions were first-time recipients.

Profile and Geographic Distribution of FY 1991 Grantees

During the past several years, the ASHA program achieved a more balanced geographic distribution of its resources with increases in Africa, Asia, and Latin America. Forty-three applicants were awarded grants totaling \$27.8 million. Of these, five were first-time recipients.

Twenty-five of the 43 grants, comprising 36.5% of the \$27.8 million granted in FY 91, will assist institutions in Africa, Latin America and the Caribbean. Sixteen grants, representing 35.8% of ASHA funds, will assist institutions in the Near East and Europe. The remaining 27.7% of ASHA funds go to two world-wide activities and institutions in Eastern Europe and Asia.

FY 1992 Program

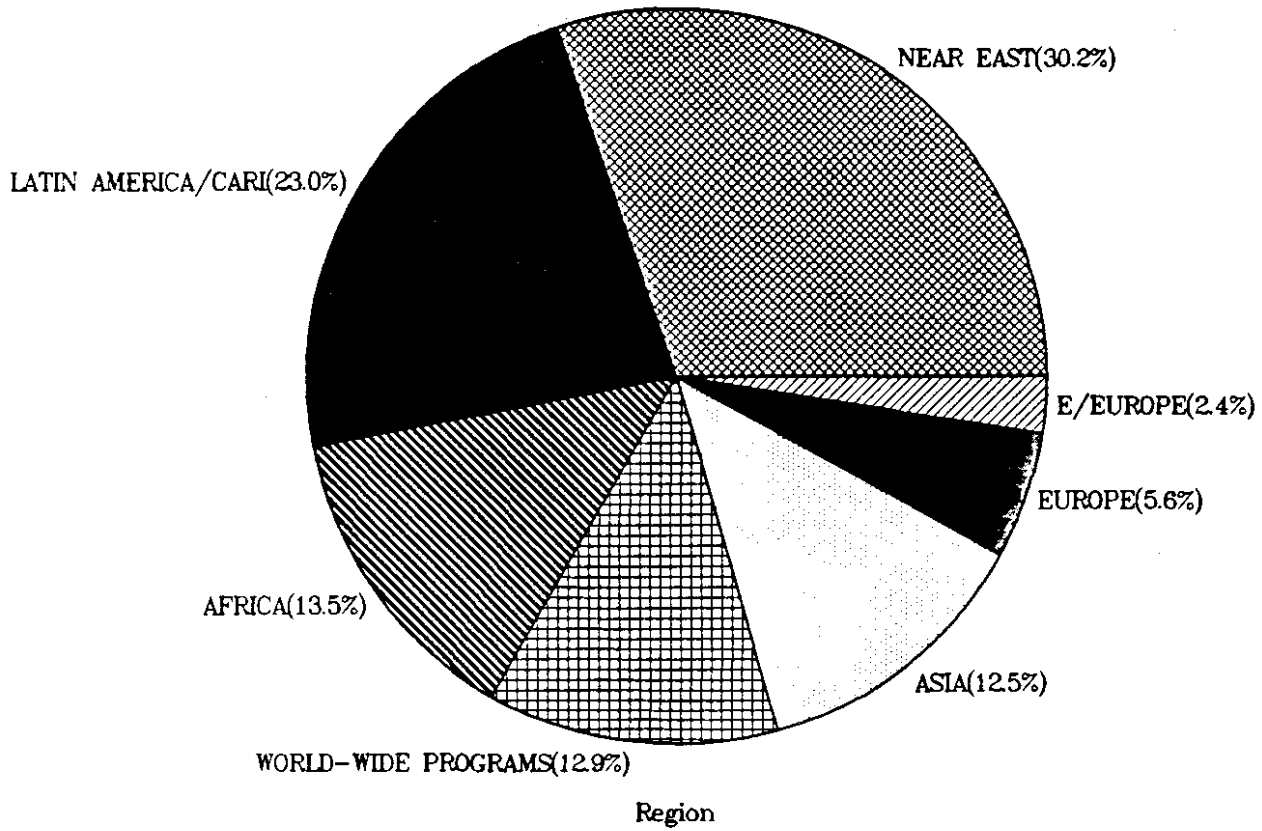
With the \$30.0 million, we expect that approximately 40 to 45 institutions will be assisted. Priority will be given to those schools and hospitals which best serve as study and demonstration centers for American ideas and practices and which offer the greatest potential for developing human resources.

A small portion of program funds, less than 5%, will be used for ASHA-initiated audits and evaluations, including a program evaluation of how ASHA institutions advance American ideas and practices abroad.

FY 1993 Program

The \$30.0 million request will continue to advance 1992 program priorities. There will be intensification of effort to help ASHA-assisted institutions (1) improve revenue generation while gradually reducing the portion of ASHA financing dedicated to operating expenses, (2) maintain geographic diversity in application of ASHA resources, and (3) continue to augment management oversight of ASHA grants through use of a small portion of program funds for targeted audits and evaluations.

ASHA PROGRAM - GRANT AWARDS
Fiscal Year 1991



	91

AFRICA	3,749,782
ASIA	3,475,000
E/EUROPE	665,000
EUROPE	1,550,000
LATIN AMERICA/CARIBBEAN	6,400,000
NEAR EAST	8,399,400
WORLD-WIDE PROGRAMS	3,593,258
ALL	27,832,440

AMERICAN SCHOOLS AND HOSPITALS ABROAD PROGRAM
GRANTS BY INSTITUTION, FY 1987-FY 1991

	87	88	89	90	91	ALL
AFRICA UNIVERSITY				1,600,000		1,600,000
AMERICAN BRISTOL HOSPITAL	450,000	575,000	250,000	700,000	725,000	2,700,000
AMERICAN COLLEGE OF GREECE				700,000		700,000
AMERICAN COLLEGIATE INST.				400,000	150,000	550,000
AMERICAN CTR. ORIENTAL RESEARCH				300,000		300,000
AMERICAN FARM SCHOOL		250,000	298,000		200,000	748,000
AMERICAN GIRLS' EDUC'N CTR.	760,000	400,000				1,160,000
AMERICAN UNIV. OF BEIRUT	6,000,000	6,500,000	3,500,000	3,000,000	2,500,000	21,500,000
AMERICAN UNIV. OF LES CAYES	900,000	1,600,000	1,829,005	721,671	850,000	5,900,676
AMERICAN UNIVERSITY IN CAIRO	650,000	1,300,000	1,000,000	1,100,000	1,000,000	5,050,000
AMERICAN/BRIT. COMDRAY HOSP.		1,000,000	500,000			1,500,000
ANATOLIA COLLEGE		300,000		400,000	600,000	1,300,000
ASHA PROGRAM SUPPORT/EVALUATION	50,000		20,995	28,329	43,258	142,582
ATENRO DE DAVAO UNIVERSITY			230,000			230,000
ATENRO DE MANILA UNIVERSITY				950,000		950,000
ATENRO DE NAGA					900,000	900,000
ATENRO DE ZAMBOANGA UNIVERSITY		150,000				150,000
ATHENS COLLEGE	350,000		300,000		200,000	850,000
BANGKOK ADVENTIST HOSPITAL	300,000					300,000
BEIRUT UNIVERSITY COLLEGE		350,000	300,000	225,000	325,000	1,200,000
BETH YAACOV AVAT SCHOOL	195,000					195,000
BLEGEN AND GENMADIOS LIBRARIES	450,000					450,000
BOHOC TECHNICAL INSTITUTE	200,000				400,000	600,000
BOLOGNA CENTER	325,000	300,000		300,000	300,000	1,225,000
BOYS TOWN	700,000					700,000
CENTER FOR AM. STUDIES-FUDAN	2,000,000	2,000,000	250,000			4,250,000
CENTRAL HOSPITAL D'ENONGAL	325,000					325,000
CHILDREN'S MED. CTR. - ISRAEL					250,000	250,000
COTOPAXI ACADEMY	500,000	800,000		370,000	600,000	2,270,000
COTTINGTON UNIVERSITY	720,000	300,000		400,000		1,420,000
DE LA SALLE UNIVERSITY		794,984				794,984
DHARTARI HOSPITAL			800,000			800,000
EASTERN TECHNICAL COLLEGE	130,000					130,000
ESPERANCA MEDICAL CENTER	250,000	550,000			500,000	1,300,000
FRIMBERG GRADGATE SCHOOL	1,000,000	1,000,000	1,000,000	1,000,000	900,000	4,900,000
FRANCISCO MARROQUIN UNIV.	1,400,000	1,150,000	950,000	750,000	800,000	5,050,000
GOOD SHEPHERD HOSPITAL	800,000	900,000	550,000	430,000	670,000	3,350,000
HADASSAH MEDICAL CENTER	1,650,000	1,500,000	1,500,000	1,500,000	1,500,000	7,650,000
HOSPITAL DE LA FAMILIA	200,000				240,000	440,000
HOSPITAL OF LIGHT					300,000	300,000
HOSPITAL SAINTE CROIX	200,000		500,000	225,000	160,000	1,085,000
INSTITUTE DE KAMA			122,000	465,000	245,000	832,000
INTERNATIONAL COLLEGE	50,650			550,000	250,000	850,650
ISRAEL ARTS/SCIENCE ACADEMY			1,500,000	1,000,000		2,500,000
KING'S COLLEGE OF ISULAN				425,000		425,000
KODAIKANAL INT'L SCHOOL				145,000		145,000
LOYOLA COLLEGE OF EDUCATION				130,000		130,000
LUDHIANA MEDICAL CENTER		500,000	450,000	500,000	500,000	1,950,000
MACHA HOSPITAL	200,000				525,000	725,000
MACHANAIN HIGH SCHOOL	200,000	199,334				399,334
MACHON ALTE INSTITUTE			1,500,000			1,500,000
MALAMULO ADVENTIST HOSPITAL			350,000			350,000

MALUTI ADVENTIST HOSPITAL			500,000			500,000
MARU A PULA SCHOOL		125,000			250,000	375,000
MEMORIAL CHRISTIAN HOSPITAL			800,000			800,000
METRET HOSPITAL					259,782	259,782
MOTHER AND BABY HOSPITAL		1,250,000				1,250,000
NANCY FULWOOD HOSPITAL		700,000	200,000		500,000	1,400,000
NANJING CTR. CHIN/AM.STUDIES		700,000	300,000	400,000	200,000	1,600,000
NOTRE DAME DE MARBEL COLLEGE	950,000			900,000		1,850,000
NOTRE DAME UNIVERSITY	850,000					850,000
OUR SOMAYACHE WOMEN'S SCHOOL	1,000,000	670,000				1,670,000
OR KACHAIN GIRLS COLLEGE			500,000			500,000
OUTWARD BOUND SCHOOL - KENYA		250,000				250,000
OUTWARD BOUND SCHOOL - LESOTHO				375,000		375,000
PANAMERICAN AGRIC. SCHOOL	1,000,000	1,355,000	850,000	950,000	1,100,000	5,255,000
POLISH-AMERICAN CHILDR.HOSP.	400,000	400,000	300,000	850,000	665,000	2,615,000
PROJECT HOPE	1,550,000	1,700,000	2,200,000	1,800,000	1,800,000	9,050,000
PROJECT ORBIS	2,300,000	2,400,000	2,000,000	1,750,000	1,750,000	10,200,000
ROBERT COLLEGE	500,000		450,000			950,000
SALZBURG SEMINAR IN AM.STUDIES				500,000	250,000	750,000
SAMPEDRANA INTERN'L SCHOOL		1,250,000	300,000	500,000		2,050,000
SANTIAGO COLLEGE				700,000		700,000
SANZ LANIADO MEDICAL CENTER		300,000	900,000			1,200,000
SHAARE ZEDKIM MEDICAL CENTER	500,000				(600)	499,400
SIMON NAZORODZE INSTITUTE	1,000,000	1,550,000	1,450,000	1,200,000	1,800,000	7,000,000
SINO-AMERICAN MEDICAL CENTER	1,000,000	2,000,000	750,000			3,750,000
SOGANG UNIVERSITY				300,000		300,000
ST. GEORGE'S COLLEGE				1,100,000		1,100,000
ST. JOHN'S COLLEGE			750,000	700,000		1,450,000
ST. JOSEPH'S MERCY HOSPITAL				1,500,000		1,500,000
TARSUS AMERICAN SCHOOL		500,000		350,000	100,000	950,000
TENWER HOSPITAL	500,000					500,000
UNIVERSITY OF EASTERN AFRICA			500,000			500,000
UNIVERSITY OF ST. LA SALLE	250,000		250,000			500,000
UNIVERSITY OF THE AMERICAS	700,000	800,000	350,000	600,000	750,000	3,200,000
UNIVERSITY OF THE VALLEY	600,000		850,000	900,000	700,000	3,050,000
USKUDAR AMERICAN ACADEMY					700,000	700,000
VELLORE MEDICAL COLLEGE	700,000			734,500	375,000	1,809,500
WOODSTOCK SCHOOL			350,000			350,000
XAVIER HIGH SCHOOL		400,000				400,000
XAVIER UNIVERSITY		225,000				225,000
YONOK COLLEGE	750,000	1,000,000	1,250,000	2,400,000	1,000,000	6,400,000
ALL	35,505,650	39,994,318	33,500,000	36,824,500	27,832,440	173,656,908

AMERICAN SCHOOLS AND HOSPITALS ABROAD PROGRAM
GRANTS BY COUNTRY, FY 1987-FY 1991

	87	88	89	90	91	ALL
AUSTRIA				500,000	250,000	750,000
BELIZE			750,000	700,000		1,450,000
BOTSWANA		125,000			250,000	375,000
BRAZIL	250,000	550,000			500,000	1,300,000
CAMBROON	325,000				259,782	584,782
CHILE				700,000		700,000
CHINA	3,000,000	4,700,000	1,300,000	400,000	200,000	9,600,000
ECUADOR	500,000	800,000		370,000	600,000	2,270,000
EGYPT	650,000	1,300,000	1,000,000	1,100,000	1,000,000	5,050,000
GREECE	800,000	550,000	598,000	1,100,000	1,000,000	4,048,000
GUATEMALA	2,200,000	1,150,000	1,800,000	1,650,000	1,740,000	8,540,000
GUYANA				1,500,000		1,500,000
HAITI	1,300,000	1,600,000	2,329,005	946,671	1,710,000	7,885,676
HONDURAS	1,000,000	2,605,000	1,150,000	1,450,000	1,100,000	7,305,000
INDIA	700,000	500,000	1,600,000	1,509,500	875,000	5,184,500
ISRAEL	5,245,000	4,919,334	6,900,000	3,500,000	2,649,400	23,213,734
ITALY	325,000	300,000		300,000	300,000	1,225,000
JAMAICA				1,100,000		1,100,000
JORDAN				300,000		300,000
KENYA	500,000	250,000	500,000			1,250,000
KOREA				300,000		300,000
LEBANON	6,050,650	6,850,000	3,800,000	3,775,000	3,075,000	23,550,650
LESOTHO			500,000			500,000
LIBERIA	720,000	300,000		400,000		1,420,000
MALAWI			350,000			350,000
MEXICO	700,000	1,800,000	850,000	600,000	750,000	4,700,000
MICRONESIA		400,000				400,000
PAKISTAN		700,000	1,000,000		500,000	2,200,000
PHILIPPINES	2,050,000	1,169,984	480,000	2,275,000	900,000	6,874,984
POLAND	400,000	400,000	300,000	850,000	665,000	2,615,000
SOUTH AFRICA				375,000		375,000
SRI LANKA	130,000					130,000
THAILAND	1,050,000	1,000,000	1,250,000	2,400,000	1,000,000	6,700,000
TURKEY	1,710,000	1,475,000	700,000	1,450,000	1,675,000	7,010,000
USA	50,000		20,995	28,329	43,258	142,582
WORLD-WIDE	3,850,000	4,100,000	4,200,000	3,550,000	3,550,000	19,250,000
ZAIRE	800,000	900,000	672,000	895,000	915,000	4,182,000
ZAMBIA	200,000				525,000	725,000
ZIMBABWE	1,000,000	1,550,000	1,450,000	2,800,000	1,800,000	8,600,000
ALL	35,505,650	39,994,318	33,500,000	36,824,500	27,832,440	173,656,908

AMERICAN SCHOOLS AND HOSPITALS ABROAD PROGRAM
GRANTS BY REGION, FY 1987-FY 1991

	87	88	89	90	91	ALL
AFRICA	3,545,000	3,125,000	3,472,000	4,470,000	3,749,782	18,361,782
ASIA	6,930,000	8,469,984	5,830,000	6,884,500	3,475,000	31,389,484
E/EUROPE	400,000	400,000	300,000	850,000	665,000	2,615,000
EUROPE	1,125,000	850,000	598,000	1,900,000	1,550,000	6,023,000
LATIN AMERICA/CARIBBEAN	5,950,000	8,505,000	6,879,005	9,016,671	6,400,000	36,750,676
MIDDLE EAST	13,655,650	14,544,334	12,400,000	10,125,000	8,399,400	59,124,384
WORLD-WIDE PROGRAMS	3,900,000	4,100,000	4,220,995	3,578,329	3,593,258	19,392,582
ALL	35,505,650	39,994,318	33,500,000	36,824,500	27,832,440	173,656,908

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)		
FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
---	---	100,000

CAPITAL PROJECTS FUND

The Role of Capital Projects in Development

Capital and infrastructure projects have always been vital to economic and social development. Highways are essential to move exportable products from farming regions to airports or coasts. Secondary roads provide farmers with access to markets. Reliable electric power is necessary for factories to operate. Communications are needed to convey essential information between producers and consumers, between traders and potential investors. Inadequate ports and air transport facilities prevent potential exports from competing in world markets. Infrastructure problems especially affect small businesses, increasing production costs and lowering the amount they can invest in other types of productive equipment.

Our objective of meeting basic human needs through a variety of approaches is often thwarted by the absence of essential infrastructure. Rural clinics and elementary schools are less accessible to the rural population in the absence of rudimentary roads. Clean water is still not available to the vast majority of the world's population because of the absence of adequate water treatment facilities. Diseases and poor health are frequently due to the absence of sewage treatment facilities. The lack of telecommunications has constrained basic education in island nations and other countries where isolation is a problem.

Modern infrastructure can also be responsive to local and global environmental concerns: modern plants conserve energy, reduce air pollution, preserve clean waterways, and deal with waste.

Investing in physical infrastructure generates employment, both during and after construction. Local workers are hired to operate and maintain facilities and employed in the service and supply undertakings that inevitably follow the construction of infrastructure facilities.

In addition, such projects frequently provide opportunities for transferring and adapting technology, training local workers, as well as strengthening the institutions responsible for the execution and management of the projects. An example might be a satellite communication project needed for telecommunications.

Capital projects contribute to the critical objective of sectoral policy reform. Examples include support for electric power and water treatment plants conditioned on increases in user tariffs, leading to a more rational allocation of economic resources.

To the extent the U.S. and host country private sector becomes involved in capital projects, the objective of sustainable development is enhanced: leveraging private sector expertise, technology, procurement and funding for capital projects greatly enhances the impact of development resources.

To these ends A.I.D. is establishing a Capital Projects Fund. Building upon four decades of donor experience with infrastructure financing, A.I.D. will apply exceedingly strict economic development screens to the selection of potential Fund projects. From among those activities meeting this rigorous development test, the Fund will seek to support activities which will generate the maximum follow-on procurement of U.S. goods and services. The fund will be centrally managed and operate worldwide in countries eligible for A.I.D. assistance.

Capital Projects Defined

A.I.D. defines capital projects as "projects and supporting activities which encourage economic development by creating, replacing or rehabilitating physical assets in a developing country." This definition stresses physical assets and development. By focusing on physical assets, the definition includes the bricks and mortar of construction along with capital equipment and machinery. The development requirement means that the project must contribute directly to the improvement of the country's economic and social welfare and be a cost-effective use of available resources. Most industrial and infrastructure investments, if properly selected and designed, would be developmental. The supporting activities include training, technical assistance and equipment to support the planning, development, management, operations and maintenance of the capital project.

For purposes of this definition, capital projects include existing structures and plants as well as new ones. For example, projects designed to increase energy efficiency or reduce air, water or land effluents and pollutants, through retrofitting of existing plants will be considered eligible for A.I.D. support. Examples of eligible add-ons are projects designed to provide operations and maintenance services; the purchase of data processing equipment and software; management contracts; and support for privatization.

A.I.D.'s Role in Capital Project Development

Recognizing the essential contribution of basic infrastructure projects to A.I.D.'s development goals, A.I.D. has always supported basic infrastructure projects in its portfolio. In the 1950s and 1960s, the Agency was primarily involved in financing capital projects, such as highways, electric power plants, irrigation systems, factories and ports. In the 1970s, however, Congress mandated a switch in emphasis to directly addressing basic human needs -- looking to the multinational institutions to provide the necessary infrastructure in the less developed countries. Many other bilateral donors stayed heavily involved in capital projects.

Recently, a number of considerations have caused a renewed interest in capital projects as a key element of our assistance program. First, in many A.I.D. recipient countries, significant policy

contact in A.I.D., both to hear about capital project opportunities and to notify the Agency of projects of which they are aware.

(2) There is a need to address the sense of Congress that there be greater participation of the U.S. private sector in our foreign assistance program.

(3) A.I.D. needs to meet the challenges of an increasingly global market in a coordinated manner. A consistent, coordinated Agency-wide approach is needed, for example, to comply with the recent Organization for Economic Cooperation and Development decisions on tied aid.

(4) The "state of the art" and international competition compels A.I.D. to: develop innovative approaches to capital projects, e.g. "build-operate-transfer;" to expedite the execution of such projects; to devise new methods of private sector and public sector co-ventures; and to utilize financial mechanisms that will maximize the utilization of resources (e.g., piggybacking by private sector on existing public sector facilities).

(5) Closer and more effective coordination is required with other U.S. Government agencies, such as Export-Import Bank, Overseas Private Investment Corporation, and Trade and Development Program, which tend to emphasize trade promotion and market development, particularly in the industrialized nations. Such coordination is best accomplished in a coordinated, centralized manner.

Size of the Fund

The Fund will be initially capitalized with \$100 million in FY 1993, which represents approximately 20% of the Agency's current capital project program. With the Fund and other capital financing, A.I.D. will still be devoting only about 9% of its total budget to capital assistance. This compares to: Canada and France, 20%; United Kingdom and Germany, 35%; and Italy and Japan, 55%. The \$100 million is considered sufficient for the initial year of the Fund, considering that (1) the first year will be a pilot phase for the Fund; and (2) the resources of the Fund will be highly leveraged with funds from private banks and investors, other U.S. Government sources, and other bilateral and international donors.

Fund use is expected to fall into two categories. About 30% will be used for technical services in such areas as engineering, training and institutional support. The balance will be used to finance procurement, and construction support.

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)		
FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
.	.	.

GUARANTY PROGRAMS

	<u>FY 1991 Actual</u>	<u>FY 1992 Estimated</u>	<u>FY 1993 Request</u>
• <u>Housing Guaranty Program</u>			
Limitation on Guaranteed Loans	[547,150]	[100,000]	[95,000]
Borrowing Authority		N/A	N/A
Liquidating Account	N/A	41,818	48,856
Subsidies and Administration (Fee or Appropriation)	N/A	23,665	23,407
• <u>Private Sector Investment Program</u>			
Limitation on Guaranteed Loans	[114,000]	[114,000]	[114,000]
Limit on Direct Loans	[8,500]	[10,000]	[5,000]
Subsidies	N/A	5,955	5,665
Administration	N/A	1,367	1,447

Housing Guaranty Program

In addressing the shelter and urbanization needs of developing countries, the Agency deals with a broad spectrum of urban issues, including municipal management and finance, water and sanitation infrastructure and services, housing finance, land tenure and employment generation. Areas of emphasis include urban environmental protection, disaster planning and assistance, and support for democracy and improved governance, particularly at the local level. A more comprehensive discussion of these activities can be found in the Centrally Funded Programs section. Programs are carried out through Regional Housing and Urban Development Offices (RHUDOs) located in the Ivory Coast, Ecuador, Honduras, Jamaica, Kenya, Thailand, and Tunisia, which operate in cooperation with A.I.D. missions and provide a regional base of leadership and expertise in shelter and urban development.

Through the Housing Guaranty (HG) Program, historically A.I.D.'s primary capital resource for implementing shelter programs and related urban support activities, the U.S. private sector provides long-term financing for low-income shelter and neighborhood upgrading programs in developing countries. The U.S. Government provides a 100% guaranty of the repayment of the loans, and lenders charge interest at favorable market rates reflecting the security of the U.S. guaranty commitment. A.I.D. has authorized approximately \$2.5 billion in guaranties to date to finance more than 200 housing projects or programs in over 40 countries since the program's inception more than 25 years ago.

FY 1991 HG authorizations continued to be built on a policy-based lending approach, which combines necessary policy reform with the provision of shelter and urban services. The majority of HG programs in FY 1991 focused on housing finance systems and the provision of urban infrastructure, with increased private sector participation and market-oriented local financing being the primary policy agenda.

One example of the policy-based lending approach is the housing sector reform program in Chile. The \$40 million program will facilitate private sector financing of low-income mortgage credit. It also will

support inner-city revitalization, municipal planning, and locally initiated, small-scale environmental improvements such as wastewater treatment and potable water provision. Another example is the India Housing Finance System Program which is increasing the availability of formal housing finance to low-income people nationwide. The goal of the multi-year \$100 million program is to develop a system of private, market-oriented housing finance companies.

A \$35 million HG program for Eastern Europe was authorized in August 1991. This program will promote private sector housing demonstration projects in the region and encourage the development of the housing industries by private Eastern European entrepreneurs.

During FY 1991, A.I.D. authorized a \$400 million HG for Israel to finance the purchase of new and existing housing by Soviet immigrants arriving in Israel. By the end of May, the total amount had been disbursed to cover eligible mortgages.

The proposed HGs for FY 1993 are shown below. These proposed guaranty activities have been identified, in close coordination with A.I.D.'s geographic bureaus, to address priority, country-specific development problems identified in country assistance strategies. The careful targeting of these resources is part of A.I.D.'s effort to focus and concentrate limited resources to achieve greater developmental impact.

Proposed Housing Guaranty Authorization (\$ millions)

<u>Asia and the Near East</u>	<u>FY 1992</u>	<u>FY 1993</u>
India	25	25
Indonesia	25	20
Morocco	1	20
Tunisia	9	10
Pakistan	25	
<u>Latin America and Carriibbean</u>		
Paraguay	5	
<u>Europe</u>		
Portugal	10	
Czech and Slovak Republic		15
Hungary		5
 TOTAL	 <u>100</u>	 <u>95</u>

Note: At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

Private Sector Investment Program

The Private Sector Investment Program (PSIP), formerly the Private Sector Revolving Fund, is implemented by A.I.D. through the Office of Investment in the Private Enterprise Bureau. Its goal, as stated in Section 108 of the Foreign Assistance Act, is to promote private sector development in less developed countries and engage the U.S. private sector in this process. Through the program, the Agency offers partial guarantees (up to 50%) and loans primarily benefiting small businesses. In this manner, A.I.D. funds are effectively leveraged, and the risk is shared with private banks, to ensure responsible lending. Technical assistance and training activities are used to support and reinforce the development goals of the program. The total size of the portfolio at the end of 1991 was nearly \$140 millions of which guarantees amount to 85% with direct loans constituting the balance.

The PSIP is helping both small enterprises and the financial institutions which support them to grow and develop. Small businesses have increased access to credit as a result of PSIP. These loans have helped the businesses expand output, revenues and profits. Participating financial institutions have increased their small business lending and expanded the use of cash flow analysis to evaluate potential borrowers. Lending decisions are less dependent on collateral.

FY 1993 Program

The most important guarantee facilities offered under the PSIP and planned for continuation in FY 1993 include:

Small Business Loan Portfolio Guarantee Program which encourages banks to make small business loans by guaranteeing 50% of the risk of loss on the principal portion of a bank's portfolio of loans. A key constraint to growth of small businesses in developing and emerging economies is difficulty in obtaining adequate financing because of the lack of a "track record" in credit, weak business and financial plans and insufficient collateral. By offering guarantees to cover part of the loan credit risk and by providing training to bank officers, the program is helping approximately 75 banks in 26 countries to start or expand lending to small business borrowers. Evaluations of the impact of the program show that banks are now lending to small businesses and have made such lending part of their normal operations. For example, in the Philippines, the Far East Bank and Trust, as a result of its participation in the PSIP, initially established a small business lending unit which has now been integrated into its standard credit operation.

Lease Guarantee Program which is designed to increase leasing activities in developing countries as a device to assist small businesses finance needed capital equipment. By offering partial guarantees to leasing companies in developing countries, many small businesses gain access to new technology and modern equipment without significant up-front costs or debt. For example, small businesses in Morocco have access to this type of credit through our facility with Wafabail, a local private leasing company.

Resource Mobilization Facility and a similar bond guarantee program which provide a way for banks and other financial institutions to increase their capital and liquidity in order to expand lending to small businesses. Local bond issues or loans made by insurance or other companies to local financial institutions are guaranteed by the PSIP. For example, in Jamaica, as a result of a PSIP facility with the local division of ALICO, a U.S. insurance company, ALICO has provided \$1,200,000 of liquidity to two local banks for on-lending to small businesses.

Franchise Guarantee Program which is based on the principle that U.S. franchisors have much to offer small businesses in developing countries. PSIP will share 50% of the risk of loans made to entrepreneurs in emerging market countries under U.S.

franchises. AlphaGraphics Inc., a printing and business service franchisor, is the first U.S. company to participate in this new program.

Links between the U.S. and foreign private sectors, as in the case of the Franchise Guarantee Program, are particularly effective in sharing U.S. business skills and technology with developing country entrepreneurs. These links help U.S. companies expand into new international markets and create strategic alliances for international competition. In 1993, A.I.D. will expand its investment program targets in the United States to promote partnerships in the agribusiness and small manufacturing sectors. U.S. State Development Agencies and manufacturing and business associations offer channels to expand guarantees to promote LDC and U.S. business partnerships.

Other planned PSIP activities in FY 1993 include more training for bankers and businessmen to strengthen the financing and operations of small enterprises. A limited amount of guarantee authority will be used to support privatizations. Direct loans and guarantees for environmental protection and microenterprises development also are planned.

As part of A.I.D.'s effort to focus and concentrate limited financial and human resources to achieve greater developmental impact, A.I.D. will implement the PSIP with close coordination between the Private Enterprise Bureau and the geographic bureaus. This will assure that PSIP activities and resources are oriented to address priority, country-specific development problems identified in country assistance strategies.

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)		
FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
66,688	88,678 ^{a,b}	40,000

INTERNATIONAL DISASTER ASSISTANCE

International Disasters Pose New Challenge

A number of interrelated phenomena have drastically altered the international disaster assistance environment during the past decade. In the last half of the 1980s, drought and civil strife devastated large segments of the populations of Africa. The natural and man-made causes have persisted and required continued relief assistance into the 1990s. Major events in such countries as the Philippines and Bangladesh challenged the capacity of developing societies to cope with natural disasters while pursuing development objectives. The end of the Cold War and the democratization of authoritarian states has exposed or created new conditions requiring disaster assistance. The lessening of East-West friction also has raised the threat of new territorial disputes and ambitions flaring into conflict as in the Persian Gulf in 1991.

These phenomena have meant that the number of disasters to which the U.S. Government responds annually has risen from an average of 25 in the early 1980s to an average of 60 in the early 1990s, with concomitant requirements for funding, material and personnel resources. The challenge of the 1990s is to find new ways in which to detect hazards early, reduce the vulnerability of the threatened populations and, when disasters inevitably occur, bring to bear the most appropriate U.S. response resources as efficiently as possible.

New Approaches in International Disaster Assistance

To accommodate the expanded demand for disaster assistance abroad, A.I.D. has taken several steps. The Office of U.S. Foreign Disaster Assistance (OFDA) has in FY 1992 been merged into the Bureau for Food and Humanitarian Assistance to improve coordination of disaster assistance and emergency food aid and with private and voluntary organization (PVO) intermediaries. OFDA is taking the following steps to ensure adequate response to disasters and their threats:

- Strengthening field response mechanisms through identification and training of Disaster Assistance Response Teams (DART) which incorporate the best talents and equipment available to provide assessment, communications, logistics and accountability.
- Strengthening the capacity of U.S. private voluntary organizations and their indigenous counterparts to better meet the relief and rehabilitation needs in disaster-threatened communities, while reducing the communities' vulnerability to future disasters.

a. In addition, \$5.5 million was requested from the Development Programs account for disaster prevention, mitigation and preparedness.

b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

-- Developing a strategy for prevention, mitigation and preparedness designed to reduce the impact of hazards and assist populations to cope with disasters when they occur, with initial emphasis on drought mitigation.

-- Facilitating increased utilization of the best expertise of the U.S. Government in responding to foreign disasters and their threats.

-- Through the International Disaster Advisory Committee, encouraging American private sector interests to participate fully in the international disaster assistance program, thereby making available the vast resources of multinational corporations and American private institutions for response to disasters.

One further development occurring in the early 1990s gives rise to optimism that the current tide of increasing disaster losses can be reversed. The international organizations, including the United Nations, the International Red Cross Movement and the development banks, have all made significant progress in the establishment of effective mechanisms by which they can individually and collectively reduce the risk of disasters and respond in a coordinated fashion when they occur.

FY 1991 and FY 1992 Programs

A.I.D. through the International Disaster Assistance program continued to provide support for the survival of the several African populations which are suffering from the combination of drought and civil strife. Most striking were those programs in Liberia, Angola and Ethiopia where changing political parameters have posed new challenges and opportunities. The war and its aftermath in Iraq required extraordinary measures to treat the Iraqi and Kuwaiti refugees and displaced persons and then to provide safety and sustenance to the Kurds returning home from Iran and Turkey. The eruption of Mount Pinatubo in the Philippines required technical and commodity assistance to reduce the risk of the affected population and to provide resettlement. Thus far in 1992 the principal challenge, in addition to the ongoing requirements for Africa, has been to meet the emergency needs of the people of the former Soviet republics. Special programs for disaster-affected orphans in Ethiopia, Angola and Haiti amounted to \$500,000 in FY 1991; the same amount is planned for orphan programs in FY 1992. The FY 1991 and FY 1992 programs have offered new opportunities for melding disaster relief and rehabilitation activities with prevention, mitigation and preparedness in the attempt to reduce the losses from natural disasters.

FY 1993 International Disaster Assistance Program

A.I.D. is requesting \$40 million of International Disaster Assistance funding to provide relief and rehabilitation in response to worldwide needs. Within this amount, up to \$10 million may be used to support prevention, mitigation and preparedness activities. In addition, OFDA will continue to strengthen its disaster response readiness by increasing the proficiency of its Washington staff and expanding its overseas support staffs. OFDA stockpiles will be reviewed and, where necessary, expanded to meet the ever-changing requirements of foreign disasters.

Sources of Funding (thousands of dollars)

	<u>FY 1991</u>	<u>FY 1992</u>	<u>FY 1993</u>
International Disaster Assistance (IDA)			
Appropriation	40,000	40,000	40,000
Transfer	67,990 a	---	---
Recovery of Prior-Year Obligations and Reimbursements	2,505	---	---
Unobligated Balance Start of Year	4,933	48,678	---
Unobligated Balance End of Year	-48,678	---	---
Unobligated Balance Lapsing	- <u>62</u> b	<u>---</u>	<u>---</u>
Total IDA Program	66,688	88,678	40,000
Development Programs	---	5,500	---
Section 492(b) Authority	<u>19,448</u> c	<u>---</u>	<u>---</u>
Total Disaster Assistance Program	86,136	94,178	40,000

a. Consists of (1) \$67.0 million of 1991 Dire Emergency Supplemental Appropriations from the Defense Cooperation Account to meet Persian Gulf emergencies and other urgent needs around the world, and (2) \$990,000 from the Department of Defense Budget under the Humanitarian Relief Program (McCollum Amendment).

b. Multi-year funds no longer available.

c. From other A.I.D. accounts, per authority of Foreign Assistance Act, Section 492(b), for disasters such as civil strife in Angola, Ethiopia, Iraq, Mozambique and Sudan.

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)		
FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
1,553,100	1,607,500 ^a	1,478,600

FOOD FOR PEACE

Food aid is a major development resource promoting both development and humanitarian concerns of the American people. The Agricultural Trade Development and Assistance Act of 1990 (P.L. 480), which authorizes the Food for Peace Program, gives A.I.D. responsibility for Title II, emergency and private assistance programs, and Title III, bilateral food-for-development grants to developing countries. Responsibility for Title I, sale of agricultural commodities to developing countries for dollars on credit terms, or for local currencies, was assigned to the U.S. Department of Agriculture (USDA).

This revised 1990 legislation gives A.I.D. a powerful and flexible tool to promote food security in the developing world through humanitarian and developmental uses of food assistance. "Food security" is satisfied when a nation's people at all times have access to sufficient food to meet their dietary needs for a productive and healthy life. Food security may be achieved through specific policy reforms and broad-based, equitable and sustainable development activities. By stressing food security in its programs, A.I.D. reflects an American tradition of international concern and generosity, combined with the desire to reduce poverty and malnutrition. To further enhance the development impact of food aid these programs are an integrated component of A.I.D.'s portfolio in each country.

P.L. 480 Title II food assistance supports emergency feeding and regular food aid programs both sponsored by private and voluntary organizations (PVOs), cooperative development organizations (CDOs), the United Nations World Food Program (WFP), and foreign governments in emergency situations. In addition, as authorized in the legislation, dollar grants will be provided to PVOs and CDOs to help strengthen these overseas food aid programs.

P.L. 480 Title III bilateral food-for-development grants target least developed countries. Those grants provide considerable flexibility for food aid programming and encourage multiyear programs, which makes it possible to better integrate food aid programs into long-term economic development strategies. Greater integration is particularly helpful to sector programs in agriculture, the environment, health and nutrition, and to policy reform efforts such as strengthening the export sector, broadening the impact of income and employment growth, and stabilizing and reducing food prices. The new law also emphasizes the privatization of food and agricultural distribution systems in recipient countries.

Title II -- Emergency and Private Assistance Programs. Title II authorizes food donations to (1) address famine or other urgent or extraordinary relief requirements; (2) combat malnutrition, especially in children and mothers; (3) carry out activities that attempt to alleviate the causes of hunger, mortality and morbidity; (4) promote economic and community development and (5) carry out feeding programs.

The first priority use of Title II is for emergency assistance. Meeting the needs of refugees and displaced persons continues to be a major factor in Title II planning for FY 1993. In FY 1992, over 45% of Title II funding (\$319.5 million) is estimated to be required to help meet emergency needs of distressed populations in Ethiopia, Liberia, Sudan, and Angola. In FY 1993, a high level of need for food aid is likely to continue for the over 3.5 million African refugee population. A.I.D. will seek ways to link refugee and displaced population food aid requirements with other assistance efforts addressing

a. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

longer-term development problems. A.I.D. also will encourage the design of new emergency programs which address both famine and drought mitigation.

Title II also supports non-emergency maternal and child health, school feeding and food for work programs which directly benefit needy people:

Maternal and Child Health programs improve the dietary and nutritional status of pre-school children and high-risk women in developing country populations. These programs reach approximately 11.3 million women and children per year in 39 countries.

School Feeding programs increase school enrollment and attendance; improve the nutritional status of children in school; and improve the cognitive or academic performance of these children. These programs reach approximately 11.5 million children per year in 27 countries.

Food For Work programs deliver food aid while requiring a work response from recipients. They are a means of targeting the truly needy, generating employment, and using food to achieve development results. These programs reach approximately 11.7 million recipients per year in 38 countries.

Title II commodities may also be sold on local markets (monetized), with the proceeds used for specific development purposes.

For FY 1993, a Title II program of \$639.8 million is proposed, including \$ 362 million for the purchase of U.S. agricultural commodities. On the basis of projected prices, this will finance delivery of the legislatively mandated minimum of 1.975 million metric tons of food, which includes 1.500 million metric tons for PVO and WFP development initiatives. The A.I.D. request includes \$10 million for financial assistance for PVOs and CDOs as authorized by the new legislation. Monetization programs associated with economic development food aid projects will continue to be encouraged. The projected commodity mix for FY 1993 should allow compliance with the requirement that at least 75% of the tonnage for non-emergency Title II developmental programs be comprised of processed, fortified or bagged commodities.

Title III -- Food for Development. Under the 1990 Farm Bill, Title III bilateral food for development grant programs are intended to promote policy reform and to advance food security and economic development objectives in least developed countries by providing commodities as balance-of-payments support or by allowing the sales revenues to be used for developmental activities.

Areas of emphasis for Title III include (1) supporting development activities and policy reforms which enhance food security and economic development including support for nutrition and child survival activities; (2) identifying alternatives to continued reliance on parastatal grain marketing boards or private monopolies to receive and distribute food aid; and (3) integrating Title III with strategic development objectives.

Thus far, in FY 1992 multiyear programs are already underway or in final negotiation process in Bolivia, Guinea, Honduras, Kenya, Mali, Mozambique and Sri Lanka. Multiyear programming will continue to be encouraged in FY 1993. All programs are integrated with other mission activities. To the extent practicable, local currencies will be used to support indigenous nongovernmental organization development programs.

Sixteen Title III programs valued at \$326.7 million (or 1.4 million metric tons of U.S. agricultural commodities) are proposed for FY 1993.

Private Voluntary Organization and Cooperative Support. A.I.D. will stress PVO and cooperative and indigenous nongovernmental organizations (NGO) food aid support through greater policy involvement and the provision of additional funding for these important sponsors of food assistance programs through:

- o Food Aid Consultative Group. Mandated by the 1990 legislation, this body, with U.S. Government and nongovernment cooperating sponsor membership, addresses food aid implementation issues and reviews new Title II program regulations and procedures.

- o Cash Grants for PVOs and Cooperatives. To provide assistance to spur the establishment of new programs and help meet administrative or management costs associated with Title II food aid programs overseas, \$10 million in grant funding is proposed. These funds also will assist the PVOs/CDOs to respond to A.I.D.'s increased emphasis on monitoring and accountability.

- o Title III Sales-generated Local Currency Support. As required, every effort will be made to provide at least 10% of sales-generated local currencies to indigenous nongovernmental organizations active in rural development or other programs and measures which assist the poor.

Title V Farmer-to-Farmer Program

The Farmer-to-Farmer Program uses U.S. farmers, agriculturalists, land grant universities, private agribusinesses, and non-profit farm organizations to work with host-country farmers and farm organizations on a voluntary, people-to-people basis. The partnership between A.I.D. and U.S. private sector agricultural farmer groups has resulted in an expansion of the competitive Farmer-to-Farmer program for the new Independent States (NIS).

For FY 1992, in addition to the regular \$3.215 million program, an additional \$10 million will be provided for activities in the NIS. Of that \$10 million, a grant of \$4 million will be made to Volunteers in Overseas Cooperative Assistance (VOCA) for initial start-up activities.

For FY 1993, an additional \$10 million is planned for the expanded program in the NIS and \$2.957 million for the regular grant program.

See statistical annex for P.L. 480 program detail, including dollar and metric tonnage levels broken out by type of program by region and by country.

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)		
FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
468,248 ^a	483,300 ^b	531,000 ^c

OPERATING EXPENSES

The Operating Expense (OE) appropriation finances the salaries and support costs of personnel responsible for administering the Development Assistance, Development Fund for Africa, Economic Support Fund, Special Assistance Initiatives, Capital Projects Fund, P.L. 480 programs, and related responsibilities of the Agency for International Development (A.I.D.) as well as other general administrative costs of operation. The appropriation request of \$531.0 million will support a total cost of operations for A.I.D. in FY 1993 estimated at \$581.2 million, with the balance of funding derived from reimbursements and local currency trust funds.

The U.S. economic assistance program has been dramatically affected by changing world events both in terms of its scope and complexity. In FY 1991, for example, the Agency began assistance programs in Eastern Europe - a part of the world where A.I.D. had no previous experience. These programs clearly required a different and innovative approach from those of the other more "traditional" A.I.D. programs in developing countries.

In FY 1992, the Agency will again launch additional development programs. These include Cambodia, Angola, Ethiopia and the three Baltic Nations. A.I.D. is responding to these new and changing requirements, and at the same time meeting the demands of mandatory operating cost increases such as pay raises and inflationary increases in rents and equipment. To make this possible, A.I.D. has moved to reduce staffing levels, principally in headquarters, and is undergoing a process of concentrating and focusing the Mission programs with the goal of targeting our limited resources on fewer activities. Through such efforts, along with the application of a new approach to overseas workforce allocation which ties staffing allocations more directly to program size and configuration, the Agency has absorbed new program starts in Europe and elsewhere.

The Agency will continue to strive to meet its goal of achieving and maintaining program concentration to achieve economies in operating costs. A.I.D. will continue to make hard choices balancing savings through staff cuts and other economies with maintaining a credible and effective foreign aid program.

a. Includes \$438,203,700 of New Budget Authority (appropriations less funds lapsed) and \$30,044,400 in OE costs charged to various program accounts as authorized by law. Excludes \$5,388,000 in reimbursements, the dollar equivalent of \$71,307,700 in local currency trust funds, and \$3,311,000 in lapsed funds.

b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change. The request level would include \$483,300,000 of New Budget Authority and exclude \$8,400,000 in reimbursements and the dollar equivalent of \$56,804,000 in local currency trust funds.

c. Excludes \$7,400,000 in reimbursements and the dollar equivalent of \$42,804,000 in local currency trust funds.

FY 1993 Program

For FY 1993 the appropriation request of \$531.0 million will support A.I.D.'s total operating budget of \$581.2 million, an increase of \$32.7 million, or 6 percent, over the FY 1992 level of \$548.5 million. This includes sufficient amounts of Operating Expenses to cover the costs of running those programs which, prior to FY 1992, were charged to various program accounts. In addition, it will provide the resources to carry out programs in Eastern Europe and the Baltic countries which were not included in the FY 1992 appropriation request. The FY 1993 program is proposed to be funded as shown below:

FUNDING SOURCES FOR A.I.D. OPERATING EXPENSES^a (DOLLARS IN THOUSANDS)

<u>Category</u>	<u>FY 1991 Actual</u>	<u>FY 1992 Estimated</u>	<u>FY 1993 Request</u>
O.E. Budget Authority	435,000.0	483,300.0	531,000.0
Evacuation Supplemental	6,000.0		
OE Charged to Program Funds:			
Eastern Europe (SAI)	1,000.0		
Development Fund for Africa	12,000.0		
Health (CS/AIDS)	6,800.0		
Population	1,100.0		
Environment (PSEE)	650.0		
Environment (ARDN)	650.0		
Panama/Nicaragua (ESF)	9,079.9		
Total Appropriated Funds	<u>472,279.9</u>	<u>483,300.0</u>	<u>531,000.0</u>
Dollar equivalent of local currency trust funds	71,307.7	56,804.0	42,804.0
Reimbursements	5,338.0	8,400.0	7,400.0
Lapsed Funds:			
Regular OE	(514.7)		
Gulf Evac. Supplemental Program Accounts	(2,796.3)		
	(1,235.5)		
Prior Year Funds Carried Forward		<u>27.0</u>	
Total Requirements	<u>544,379.1</u>	<u>548,531.0</u>	<u>581,204.0</u>

Administrative Expenses of the Private Sector Investment Program:^b

1,367.0 1,447.0

a. Excludes costs funded from the Housing Guaranty program, the Private Investment Sector Program (FY 1992 and FY 1993), and the appropriation for Operating Expenses of the Inspector General.

b. These costs were funded from the operating expense account in FY 1991 but will be funded from the appropriation for Administrative Expenses of the Private Sector Investment Program in FYs 1992 and 1993 under the provisions of the Credit Reform Act.

The increase in OE costs over FY 1992 levels results from the following:

1. Salaries & Benefits \$15.3 Million - This increase is the result of full-year funding (vs. partial year) of the January 1992 pay raise, funding for the 1993 pay raise, and \$1.9 million to cover the mandatory increase in the Agency contribution to retirement (3.3 percent) for employees in the Foreign Service Retirement System (the Foreign Service equivalent of FERS).
2. Overseas Missions \$7.8 Million - This increase results mainly from full year (vs. partial year) funding of overseas support for Eastern Europe and the Baltic States, with the balance of the increase covering the impact of inflation on travel, rents, foreign national salaries and benefits and other overseas costs.
3. General Support \$3.7 Million - Of this amount \$1.5 million is to cover A.I.D.'s share of the FY 1993 cost of renovating Main State and SA-1. The balance is to cover the impact of inflation on printing, supplies, rents and utilities, and other general housekeeping costs.
4. Information Resource Management Support \$3.3 Million - Of this amount, \$2.7 million is being requested to resume the program of automating Washington offices and bureaus, to include replacing the computers used to process all incoming and outgoing A.I.D. cables. These computers have reached the end of their useful life and must be replaced to avoid excess down-time for repairs. The balance of \$0.6 million is to cover the impact of inflation on telephone costs (including systems maintenance) and the operations and maintenance of automation equipment and Agency-wide systems, such as the accounting, personnel, payroll, and contracting systems.
5. Foreign Affairs Administrative Support \$2.0 Million - This increase is primarily related to the cost of support to be provided by the Department of State to A.I.D. personnel in Eastern Europe and the Baltics.
6. Overseas Schools \$1.0 Million - Because of having to cover unbudgeted costs in FY 1992 we were unable to provide this program with the \$2.5 million we normally provide.
7. Other -\$0.4 Million - Increases in headquarters costs such as training and travel are more than offset by reductions in overseas real property investments.

The table on the following page shows the actual and proposed allocation of operating expenses for FYs 1991-1993. This table is for illustrative purposes, as unanticipated events will have a significant impact on final allocations of financial and personnel resources of the Agency. The financial impact of continuing changes in the world, particularly those associated with emerging democracies, cannot be fully anticipated but can be expected to continue.

OPERATING EXPENSE ALLOCATIONS
(Dollars in Thousands)

<u>CATEGORY/LOCATION</u>	<u>FY 1991</u> <u>ACTUAL</u>	<u>FY 1992</u> <u>ESTIMATE</u>	<u>FY 1993</u> <u>REQUEST</u>
<u>Overseas Costs</u>			
USDH Salaries and Benefits	102,497.9	111,281.1	119,932.4
Other USDH Costs	23,177.5	28,784.6	31,384.6
FNDH Salaries and Benefits	19,091.3	20,914.7	20,934.0
Contract Personnel	60,668.9	60,327.3	59,275.1
Housing Costs	30,310.4	32,309.0	34,604.9
Office Operations	55,786.1	52,467.5	55,079.4
Non-Expendable Property	29,619.1	18,039.1	19,386.8
Foreign Affairs Admin. Spt.	14,051.7	16,000.0	18,000.0
Other Payments	4,187.0	3,751.4	3,867.7
FSN Severance	0.0	1,388.0	1,432.0
Gulf Evacuations	<u>3,203.7</u>	<u>0.0</u>	<u>0.0</u>
Subtotal Overseas Costs	342,593.6	345,262.7	363,896.9
<u>Washington Costs</u>			
USDH Salaries and Benefits	116,672.0	122,411.2	129,034.2
General Support Services	27,451.6	27,674.4	31,383.7
IRM Support Services	21,260.5	17,134.0	20,402.6
Staff Training	4,212.6	4,000.0	4,160.0
Offices/Bureaus	18,067.5	17,346.5	18,009.4
Other Payments	<u>3,076.3</u>	<u>2,927.1</u>	<u>2,992.0</u>
Subtotal Washington Costs	190,740.5	191,493.2	205,981.9
<u>Other Costs</u>			
New Accounting System	1,999.9	3,200.0	3,200.0
WANG Maintenance	2,642.7	2,163.7	2,421.5
Personnel Support Travel	937.0	1,157.4	1,203.7
Purchase/Construct Real Property	4,013.4	3,700.0	2,000.0
Support for Dependent Education	<u>1,452.0</u>	<u>1,500.0</u>	<u>2,500.0</u>
Subtotal Other Costs	<u>11,045.0</u>	<u>11,721.1</u>	<u>11,325.2</u>
TOTAL OBLIGATIONS	544,379.1	548,477.0	581,204.0
Less Adjustments:			
Trust Funds	71,307.7	56,804.0	42,804.0
Reimbursements	5,338.0	8,400.0	7,400.0
OE Charged to Program Funds	30,044.4	0.0	0.0
Prior Year Carryforward	0.0	(27.0)	0.0
Unobligated Lapsed Funds:			
Regular Operating Expenses	(514.7)	0.0	0.0
Gulf Evacuation Supplemental	<u>(2,796.3)</u>	<u>0.0</u>	<u>0.0</u>
APPROPRIATED OPERATING EXPENSES	<u>441,000.0</u>	<u>483,300.0</u>	<u>531,000.0</u>

Personnel

As shown in the following table, the overall U.S. direct-hire staffing levels in A.I.D. for FY 1992 are lower than in FY 1991. This decrease in U.S. direct-hire personnel levels is a result of Operating Expense funding levels, increases in overall operating costs such as salaries and benefits and expansion of overseas programs. More specifically, staff reductions in Washington were required to offset the increased costs and initial staffing associated with establishing an A.I.D. presence in Europe, the Baltics, Mongolia, West Bank/Gaza and Cambodia. For FY 1993 overall U.S. direct-hire workyears remain the same as FY 1992, although there is a slight reduction in workyears allocated to Washington and an increase overseas to partially cover full year staffing requirements for new programs mentioned above. In addition, reductions are being made in some missions (to be achieved through focus and concentration) to make staff available for assignment to the new posts. The workyear levels shown will, in fact, permit a shift of approximately 40 U.S. direct-hire staff from Washington to the field between now and the end of FY 1993. The Operating Expenses required for these staffing levels will increase in FY 1993, even though total workyears will remain constant, because of full year funding (vs. partial year) of the January 1992 pay raise, the impact of the January 1993 pay raise and an increase in the Agency's contribution to the Foreign Service retirement system in FY 1993.

Given the volatility of world events, A.I.D. overseas staffing levels are likely to continue to change over the FY 1992-1993 period. The funding requested for Operating Expenses is essential to avoid further staffing reductions which would severely tax the Agency's ability to develop and implement programs while maintaining proper accountability and control over program activities.

A.I.D. DIRECT-HIRE PERSONNEL WORKYEAR REQUIREMENTS^a

<u>Category</u>	<u>FY 1991 Actual</u>	<u>FY 1992 Estimate</u>	<u>FY 1993 Request</u>
U.S. Direct-Hire	<u>3,116</u>	<u>3,065</u>	<u>3,065</u>
AID/W	(1,969)	(1,919)	(1,915)
Overseas	(1,147)	(1,146)	(1,150)
Foreign National Direct-Hire	<u>997</u>	<u>1,070</u>	<u>1,070</u>
Total Direct-Hire Workyears (overseas)	<u>4,113</u> (2,144)	<u>4,135</u> (2,216)	<u>4,135</u> (2,220)

a. Excludes personnel funded from the appropriation for Operating Expenses of the Office of the Inspector General.

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)		
FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
40,341	41,351 ^b	42,677

FOREIGN SERVICE RETIREMENT AND DISABILITY FUNDA^a

In FY 1974, amendments to the Foreign Assistance Act of 1961, as amended, permitted A.I.D. career foreign service employees to become participants in the Foreign Service Retirement and Disability Fund.

The extension of coverage to A.I.D. employees created an unfunded liability in the system. An actuarial determination by the Department of the Treasury shows that in FY 1993 \$42,677,000 will be required to amortize this liability and the unfunded liability created by pay raises and benefit changes since FY 1974. For FY 1993, A.I.D. is requesting an appropriation of this amount.

a. Authorized by Chapter 8 of the Foreign Service Act of 1980.

b. As of January 31, 1992, no FY 1992 appropriations have been enacted. The FY 1992 amount shown is the Agency's request level and is subject to change.

Inspector General
Operating Expenses

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)		
FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
33,884	37,739	41,456

INSPECTOR GENERAL
OPERATING EXPENSES

The A.I.D. FY 1993 budget request includes \$41,456,000 for the operation of the Office of the Inspector General (IG) to maintain a worldwide work force of not less than 251 employees located in Washington and abroad. This amount represents an increase of \$3,717,000 over the FY 1992 level and reflects funds required to (1) increase financial audit capability, including the requirements under the Chief Financial Officers (CFO) Act, and (2) meet mandatory fixed cost increases as well as inflation factors.

The IG established new regional offices with sections in Vienna, Austria and Washington, D.C. to oversee A.I.D. programs in Eastern Europe. The new office was established April 1, 1991, and in June 1991, the regional office in Vienna was opened. The FY 1992 budget reflects a first full year of funding for this office.

Most of the limited increase for FY 1993 is a result of mandated personnel and associated costs such as differentials, allowances, and similar benefits. About one half the increase is directly related to the impact of inflationary trends impacting overseas costs.

In FY 1993, the focus of internal performance audits will continue to shift to broader, functional and programmatic approaches. For financial audits, five full-time equivalent positions are necessary to help perform the audits of financial statements of selected accounts as required by the CFO Act. In addition, audits of for-profit contractors and selected not-for-profit organizations through Defense Contract Audit Agency and non-Federal auditors is estimated at \$1.8 million, an increase of \$300 thousand.

Operating Expenses
By Object Class and Major Locations

<u>Object Class</u>	<u>FY 1992</u>	<u>FY 1993</u>
	(\$ Millions)	
11 Personnel Compensation		
IG/Washington	14.3	15.8
Overseas	2.5	2.7
Total	16.8	18.5
12 Personnel Benefits		
IG/Washington	3.0	3.4
Overseas	0.4	0.4
Total	3.4	3.8
21 Travel and Transportation		
IG/Washington	0.8	0.9
Overseas	3.0	3.2
Total	3.8	4.1
22 Transportation of Things		
IG/Washington	0.3	0.4
Overseas	0.7	0.7
Total	1.0	1.1
23 Rent, Communications and Utilities		
IG/Washington	0.7	0.8
Overseas	2.9	3.0
Total	3.6	3.8
24 Printing		
IG/Washington	-	-
Overseas	-	-
Total	-	-
25 Other Services		
IG/Washington	5.6	6.3
Overseas	1.1	1.2
Total	6.7	7.5
26 Supplies and Materials		
IG/Washington	0.1	0.1
Overseas	0.3	0.3
Total	0.4	0.4
31 Equipment		
IG/Washington	1.4	1.5
Overseas	0.6	0.8
Total	2.0	2.3
Summary		
IG/Washington	26.2	29.2
Overseas	11.5	12.3
Total	37.7	41.5
U.S. Direct Hire:		
Washington	137	137
Overseas	94	94
Total U.S. Direct Hire	231	231
Foreign National Direct Hire	20	20

Special Reports



CONSULTING SERVICES^a

A.I.D. relies on various types of consulting services to provide advice on the administration and management of the Agency, as well as on a wide variety of issues related to its programs. The review, approval and utilization of these services are subject to established policies and procedures. As part of the approval process, a thorough justification is provided, stating why the work must be performed. A review is conducted to ensure that the task is required and does not duplicate work previously performed.

A.I.D. uses the services of individuals, private firms and non-profit institutions in carrying out its programs. Because of the highly technical and diverse nature of these programs, consultants with specific, specialized expertise are frequently utilized on a short-term basis. Hiring the needed specialists each time a new program is started, and then paying termination costs when their skills are no longer needed, would be extremely expensive.

Consulting services are obtained via three vehicles: 1) personnel are appointed as consultants, for no more than 130 days in any service year, to provide services primarily on administrative and management issues; 2) A.I.D.'s advisory committees consist primarily of consultants who review, analyze and make recommendations to the A.I.D. Administrator; 3) contracting for consulting services, including advisory and assistance services, is widely used for both management and program components. The following table provides funding information for Fiscal Years 1991 - 1993.

Account Title	Salaries and Expenses (In Thousands of Dollars)		
	FY 1991 <u>Actual</u>	FY 1992 <u>Estimated</u>	FY 1993 <u>Proposed</u>
I. Contractual Services ^b	\$94,615.3	\$99,346.1	\$104,313.4 ^a
II. Personnel Appointments	836.9	920.6	1,012.6
III. Advisory Committees ^c	251.8	937.6	984.5
TOTAL	\$95,704.0	\$101,204.3	\$106,310.5

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- a. This report is required under Section 1114(a) of the Money and Finance Act, P.L. 97-258, September 13, 1982.
- b. A.I.D.'s contract information system now permits automated collection of data on contracted consultants from field missions and other operating offices. The levels shown are considerably higher than in previous years and reflect the use of this new system.
- c. Non-federal members and non-member consultants.

ECONOMIC SUPPORT FUNDS - OBLIGATIONS, FY 1990 - FY 1993

Region/Country	FY 1990 Actual	FY 1991 Actual	FY 1992 Request	FY 1993 Request
AFRICA				
Benin	---	1,357	---	---
Cape Verde	---	1,144	---	---
Botswana	769	---	---	---
Chad	2,944	---	---	---
Cote D'Ivoire	7,000	6,000	4,000	---
Djibouti	3,229	4,018	3,000	2,000
Namibia	---	10,000	5,000	---
Senegal	---	1,000	3,000	---
Seychelles	2,991	3,300	3,300	3,300
South Africa Regional/SADCC	---	246	---	---
South Africa Republic	9,957	10,000	---	---
Zambia	---	19,415	---	---
Africa Regional	2,000	2,800	10,000	14,000
Subtotal	28,890	59,280	28,300	19,300
ASIA				
Afghanistan	35,135	30,023	30,000	25,000
Cambodian Resistance	5,078	7,000	5,000	---
Fiji	---	300	300	300
Indonesia	---	6,991	5,000	---
Mongolia	---	10,000	---	15,000
Pakistan	229,011	95,700	100,000	---
Philippines	130,403	123,251	120,000	45,000
South Pacific	10,000	10,000	10,000	10,000
Thailand	2,539	---	2,500	---
Asia Regional	850	1,189	---	---
SE Asia Contingency	---	---	---	50,000
Subtotal	413,016	284,454	272,800	145,300
EUROPE				
Cyprus	4,979	14,957	3,000	3,000
Eastern Europe Regional	29,251	12,539	---	---
Ireland	10,000	---	---	---
Poland	199,140	---	---	---
Portugal	39,402	42,600	40,000	---
Turkey	14,263	250,000	75,000	75,000
USSR (Armenia Humanit.)	4,929	42	---	---
Subtotal	301,964	320,138	118,000	78,000

ECONOMIC SUPPORT FUNDS - OBLIGATIONS, FY 1990 - FY 1993

Region/Country	FY 1990 Actual	FY 1991 Actual	FY 1992 Request	FY 1993 Request
NEAR EAST				
Egypt	898,389	780,819	815,000	815,000
Israel	1,194,840	1,850,000	1,200,000	1,200,000
Jordan	3,700	31,150	30,000	30,000
Lebanon	3,734	3,400	2,000	5,000
Morocco	19,914	28,300	12,000	12,000
Oman	12,546	15,454	15,000	15,000
Tunisia	12,746	3,393	3,000	10,000
Near East Regional	6,846	9,646	6,000	6,000
West Bank/Gaza	12,618	7,663	12,000	25,000
Subtotal	2,165,333	2,729,825	2,095,000	2,118,000
NEW INDEPENDENT STATES				
	---	---	---	100,000
LATIN AMERICA AND THE CARRIBEAN				
Bolivia	33,413	76,750	25,000	---
Colombia	2,107	24,250	---	---
Costa Rica	63,544	25,000	20,000	10,000
Dominican Republic	---	---	5,000	5,000
El Salvador	136,355	126,275	120,000	160,000
Guatemala	56,483	30,524	30,000	10,000
Guyana	1,687	750	2,000	---
Haiti	2,500	12,500	24,000	15,000
Honduras	130,017	60,900	50,000	30,000
Jamaica	13,728	10,000	15,000	15,000
Nicaragua	242,910	226,842	150,000	125,000
Panama	394,487	44,368	10,000	10,000
Nicaragua/Panama Admin Exp.	920	9,035	---	---
Peru	3,286	59,117	---	---
Caribbean Reg. (RDO/C)	2,032	2,104	3,000	4,400
Central America Regional	70	498	---	---
LAC Regional	10,381	9,836	9,900	17,000
Andean Narcotics Initia.	---	---	250,000	250,000
Subtotal	1,093,920	718,749	713,900	651,400
NON-REGIONAL				
OFDA	7,493	7	---	---
Science & Technology	240	---	---	---
Hostages in Iraq	---	5,000	---	---
Subtotal	7,733	5,007	---	---
OTHER				
Deob/Reob Authority	---	---	12,000	11,000
TOTAL	3,708,892	4,117,453	3,240,000	3,123,000

NOTE: FY 1990 obligations reflect carry in of \$227.9 million and carry out of \$245.7 million. FY 1991 obligations reflect the \$245.7 million carry-in and \$322.8 million carry-out.

CATEGORIZATION OF ECONOMIC SUPPORT FUNDS - FY 1993 PROPOSED

(dollars in thousands)

	Project- Type Assistance	Program Assistance/ Commodity Imports	Program Assistance/ Cash	Total FY 1993 CP
BUREAU FOR AFRICA				
DJIBOUTI	--	--	2,000	2,000
SEYCHELLES	--	--	3,300	3,300
AFR REGIONAL	14,000	--	--	14,000
TOTAL	14,000	--	5,300	19,300
BUREAU FOR ASIA				
AFGHANISTAN HUMANITARIAN	25,000	--	--	25,000
FIJI	300	--	--	300
MONGOLIA	15,000	--	--	15,000
PHILIPPINES	45,000	--	--	45,000
SOUTH PACIFIC	1,000	--	9,000	10,000
SE ASIA CONTINGENCY	50,000	--	--	50,000
TOTAL	136,300	--	9,000	145,300
BUREAU FOR EUROPE				
CYPRUS	3,000	--	--	3,000
TURKEY	--	--	75,000	75,000
TOTAL	3,000	--	75,000	78,000
NEW INDEPENDENT STATES	100,000	--	--	100,000
BUREAU FOR NEAR EAST				
EGYPT	580,000	25,000	210,000	815,000
ISRAEL	0	--	1,200,000	1,200,000
JORDAN	16,500	--	13,500	30,000
LEBANON	5,000	--	--	5,000
MOROCCO	12,000	--	--	12,000
OMAN	15,000	--	--	15,000
TUNISIA	10,000	--	--	10,000
WEST/BANK GAZA	25,000	--	--	25,000
NEAR EAST REGIONAL	6,000	--	--	6,000
TOTAL	669,500	25,000	1,423,500	2,118,000

CATEGORIZATION OF ECONOMIC SUPPORT FUNDS - FY 1993 PROPOSED

(dollars in thousands)

	Project- Type Assistance	Program Assistance/ Commodity Imports	Program Assistance/ Cash	Total FY 1993 CP
BUREAU FOR LATIN AMERICA AND THE CARIBBEAN				
COSTA RICA	--	--	10,000	10,000
DOMINICAN REPUBLIC	--	--	5,000	5,000
EL SALVADOR	80,000	--	80,000	160,000
GUATEMALA	10,000	--	--	10,000
HAITI	--	--	15,000	15,000
HONDURAS	6,000	--	24,000	30,000
JAMAICA	--	--	15,000	15,000
NICARAGUA	20,000	105,000	--	125,000
PANAMA	10,000	--	--	10,000
CARIBBEAN REGIONAL	2,400	--	2,000	4,400
LAC REGIONAL	17,000	--	--	17,000 1/
ANDEAN NARCOTICS INITIATIVE	64,000	--	186,000	250,000
TOTAL	209,400	105,000	337,000	651,400
DEOBLIGATION/REOBLIGATION	--	--	--	11,000 2/
TOTAL	1,032,200	130,000	1,849,800	3,123,000

1/ These funds will be provided to Bolivia, Colombia and Peru for narcotics-related projects and programs.

2/ Unallocated.

CATEGORIZATION OF ECONOMIC SUPPORT FUND OBLIGATIONS - FY 1983-1993

(dollars in millions)

Category	FY 1983 Actual	FY 1984 Actual	FY 1985 Actual	FY 1986 Actual	FY 1987 Actual	FY 1988 Actual	FY 1989 Actual	FY 1990 Actual	FY 1991 Actual	FY 1992 Request	a/ Request	FY 1993 Request	b/ Request
Project-Type Assistance	881,127	944,718	1,043,333	981,274	1,233,887	1,162,494	1,163,629	1,255,115	1,214,134	836,500		1,032,200	
Percentage of Total	29.65%	30.03%	22.18%	19.97%	31.54%	38.48%	34.11%	31.29%	29.49%	25.91%		34.27%	
Program Assistance/ Commodity Imports	497,250	563,055	436,062	442,733	359,170	111,155	217,500	58,675	77,503	203,600		130,000	
Percentage of Total	16.73%	17.90%	9.27%	9.01%	9.18%	3.68%	6.38%	1.46%	1.88%	6.31%		4.32%	
Program Assistance/Cash	1,593,085	1,638,394	3,224,290	3,488,890	2,319,194	1,747,106	2,030,550	2,697,066	2,825,816	2,187,900		1,849,800	
Percentage of Total	53.61%	52.08%	68.55%	71.01%	59.28%	57.84%	59.52%	67.24%	68.63%	67.78%		61.41%	
Total	2,971,462	3,146,167	4,703,685	4,912,897	3,912,251	3,020,755	3,411,679	4,010,856	4,117,453	3,228,000		3,012,000	
Total Percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		100.00%	

a/ Excludes carry forward and deob/reob authority.

b/ Excludes deob/reob authority.

METRIC SYSTEM IMPLEMENTATION^a

A.I.D. will use the metric system of measurements in its procurements, grants, and other business-related activities except where its use is impractical or where such use is likely to cause significant inefficiencies or the loss of markets to U.S. firms. Further, the metric system will be employed throughout the Agency's systems and procedures to the maximum extent practical.

The following actions were taken in FY 1991 and the first quarter of FY 1992 to implement the metric transition in accordance with Section 3 of the Metric Conversion Act of 1975, as amended by Section 5164(b) of P.L. 100-418, and Executive Order 12770:

- Metric standards were implemented in directives for interagency service agreements, automated data systems, Agency forms, and contract statements of work;
- Notices and newsletters explained the A.I.D. metric transition program to Agency employees, the Title XII universities, and the U.S. business community;
- A contract was awarded to prepare commodity specifications using metric standards;
- A.I.D. was enrolled as a voting member of the Interagency Council for Metric Policy;
- The Administrator appointed a Metric Executive to manage the Agency's transition; and
- A formal transition plan established a schedule for implementing metric requirements in Agency directives, a procedure for authorizing and reporting exceptions to metric usage, and a completion date for the transition, i.e., December 1996.

The following actions are planned for FY 1992:

- Metric standards will be implemented in Agency directives for procurements, grants, publications review, transportation allowances, real property activities overseas, and vehicle standards and reports;
- Pocket-size metric conversion tables will be distributed to all employees and more comprehensive tables will be published in the A.I.D. telephone directories;
- Employee instruction in using the metric system will be provided through interagency training classes or automated tutorial programs; and
- The implementation of the transition plan will be assessed.

To date no reports have been received that U.S. firms have been adversely impacted by A.I.D.'s metric transition. However, the Metric Executive and the Office of Small and Disadvantaged Business Utilization are prepared to counsel such firms and intercede so that their interests will be properly considered.

a. Provided in accordance with Section 12(a) of the Metric Conversion Act of 1975, as amended by Section 5164(b) of P.L. 100-418, August 23, 1988.

Poverty
Reduction

POVERTY REDUCTION REPORT

Section 593 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, directed A.I.D. to report, in the Congressional Presentation, on progress in developing countries towards reducing poverty. The section specified that the report should include information on a number of specific dimensions of poverty (shown in Table 1) and other relevant (but unspecified) measures (shown in Table 2). The section required A.I.D. to report on these measures on a world-wide basis, including non-A.I.D.-assisted countries. Table 1 and Table 2 are updated versions of the same tables presented in last year's Congressional Presentation.

This year's report gives special emphasis to infant mortality. Infant mortality is often held out to be the best single measure of personal well-being in a country. Other common measures of well-being, such as gross domestic product (GDP) per capita, for example, are often susceptible to wide swings over relatively short periods of time and can be influenced more readily by short-term policies, such as exchange rate policies. For these reasons, we believe that a special focus on child survival in the present report is appropriate.

In Table 3, which uses United Nations data for successive five-year periods from 1965-70 through 1985-90, we focus on progress in promoting child survival in those 25 countries which A.I.D. has selected as child survival "emphasis" countries. The countries selected for emphasis in the child survival program accounted for two-thirds of infant mortality in A.I.D.-assisted countries worldwide. These countries represented a wide variety of starting points in terms of primary health care systems in place and ability to support child survival programs with trained technicians and other local resources.

In 1985, A.I.D. undertook to reduce infant mortality in A.I.D.-assisted countries, specifically to reduce the infant mortality rate in these countries from the 1985 average of 96 per thousand live births to 75 per thousand. Since 1985, we have committed over \$1.1 billion to this effort, working in over 65 developing countries worldwide and cooperating with many public and private organizations in cost-effective, manageable programs to extend immunization coverage against the major vaccine-preventable diseases and to promote the use of oral rehydration therapy for diarrheal episodes. A.I.D.'s Seventh Report to Congress on Child Survival, which will be published shortly, discusses in detail the successes achieved by this international effort in the 1980s and the challenges it faces in the 1990s.

As can be seen in Table 3, the reduction in infant mortality over the last two decades has been impressive in many countries. Just as their relative starting points varied widely, so have results. But in only two countries have infant mortality rates dropped by less than 20% over the last two decades; in 17 countries, rates dropped by 30% or more. Nine countries--Guatemala, Nicaragua, Ecuador, El Salvador, Egypt, the Dominican Republic, Honduras, Kenya and Indonesia--have now achieved, according to Table 3 data, the target of reducing the rate of infant mortality to 75 per thousand live births. The last five countries all had infant mortality rates over 100 into the 1970s (Egypt into the 1980s); their experience, along with that of Morocco (which achieved the target in 1990), is shown in the graph following Table 3. Overall, infant mortality rates in A.I.D.-assisted countries have fallen by more than 10% since 1985.

As discussed in the program overview section of this Congressional Presentation, one of the features of current A.I.D. efforts to improve its strategic management is an increased emphasis on managing for specific, quantified measures of the impacts of A.I.D. assistance on the development progress of our partner countries. Another feature is the reduction in the scope of our activities in a country to concentrate our human and financial resources so as to make a larger impact on the remaining, highest-priority development problems affecting that country. The Child Survival Initiative is an early example of A.I.D.'s efforts to concentrate its activities. The Agency has learned from it and is convinced that the model is useful but can be improved.

These management steps go to the heart of the intent behind Section 593: to have significant impacts on key aspects of human well-being in A.I.D.-assisted developing countries and to know how progress is advancing. Because most programs will have specific targets for the impacts of A.I.D. assistance in place in a year, country-specific impact data will be integrated with our country presentations in next year's Congressional Presentation. Therefore, we expect to present only Tables 1 and 2 in next year's poverty report.

Table 1: Indicators of Poverty Reduction
Major Poverty Indicators for All Countries

	Real GDP per capita (PPP int'l \$) 1989	Percent of population below poverty line (1980-88)		Unemployment Rate d/	Under Five Mortality Rate e/ (1990)	Infant Mortality Rate e/ (1990)	Adult Literacy Rate (1990)	
		Total	Rural				Male	Female
Zaire	380	.	80	.	130	79	84	61
Ethiopia	392	64	65	.	220	130	.	.
Uganda	499	.	.	.	164	99	62	35
Tanzania, U. Rep. of	557	.	.	.	170	102	93	88
Mali	576	44	48	.	284	164	41	24
Chad	582	48	56	.	216	127	42	18
Myanmar	595	40	40	9.6	88	65	89	72
Guinea	602	.	.	.	237	140	35	13
Burundi	611	83	85	.	192	115	61	40
Burkina Faso	617	.	.	.	228	133	28	9
Malawi	620	78	85	.	253	144	.	.
Sao Tome & Principe c/	620	.	.	.	.	49	.	.
Niger	634	.	35	.	221	130	40	17
Rwanda	680	85	90	.	198	117	64	37
Madagascar	690	50	50	.	176	115	88	73
Equatorial Guinea c/	700	.	.	.	210	124	.	.
Afghanistan a/	710	.	.	.	292	167	44	14
Djibouti c/	730	36	51	40.0	167	119	.	.
Comoros	732	.	.	16.0	15	96	.	.
Bhutan c/	750	.	.	.	189	123	51	25
Togo	752	.	.	2.0	147	90	56	31
Zambia	767	.	.	.	122	76	81	65
Central African Rep.	770	.	91	30.0	169	100	52	25
Bangladesh	820	86	86	30.0	180	114	47	22
Guinea-Bissau	820	.	.	.	246	146	50	24
Somalia	861	59	70	.	215	127	27	9
Gambia	886	.	40	.	241	140	.	.
Nepal	896	60	61	5.0	189	123	38	13
India	910	48	51	20.0	142	94	62	34
Liberia b/	937	.	23	43.0	205	134	50	29
Haiti	962	76	80	50.0	130	92	59	47
Viet Nam c/	1,000	.	.	33.0	65	49	92	84
Lao P.D.R. c/	1,000	.	.	21.0	152	104	.	.
Cambodia c/	1,000	.	.	.	193	123	48	22
Ghana	1,005	44	37	1.9	140	86	70	51
Kenya	1,023	44	55	.	108	68	80	59
Benin	1,030	.	65	.	147	88	32	16

Notes: a/ Figure is for 1988 Real GDP per capita (PPP\$).

b/ Real GDP per capita figure is based on 1987.

c/ Real GDP per capita figure is based on 1985 to 1988.

d/ Years reported vary from 1985 to 1991.

e/ For some countries, 1989 figure is used from UNDP, Human Development Report, 1991.

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Major Poverty Indicators for All Countries

	Real GDP per capita (PPP int'l \$) 1989	Percent of population below poverty line (1980-88)		Unemployment Rate d/	Under Five Mortality Rate e/ (1990)	Infant Mortality Rate e/ (1990)	Adult Literacy Rate (1990)	
		Total	Rural				Male	Female
Sudan	1,042	.	85	.	172	104	43	12
Maldives c/	1,050	.	.	.	.	.	.	.
Mozambique	1,060	.	.	50.0	297	173	45	21
Sierra Leone	1,061	.	65	.	257	149	31	11
Mauritania	1,092	.	.	21.0	214	122	47	21
Nigeria	1,160	.	.	.	167	101	62	40
Senegal	1,208	.	.	3.5	185	84	52	25
Angola	1,225	.	.	.	292	173	56	29
Cote d'Ivoire	1,381	28	26	14.0	136	92	67	40
Guyana	1,453	.	.	.	73	54	.	.
Nicaragua	1,463	20	19	35.0	78	56	.	.
Zimbabwe	1,469	.	.	20.0	87	61	74	60
Namibia c/	1,500	.	.	30.0	167	102	.	.
Honduras	1,504	37	55	15.0	84	63	76	71
Bolivia	1,531	.	85	21.5	160	102	85	71
Yemen c/	1,560	.	.	13.0	187	114	47	21
Lesotho	1,646	54	55	23.0	129	95	.	.
Cameroon	1,699	30	40	20.0	148	90	66	43
Cape Verde	1,717	.	.	25.0	58	42	.	.
Pakistan	1,789	30	29	10.0	158	104	47	21
Papua New Guinea	1,834	65	75	5.0	80	56	65	38
Samoa a/	1,870	.	.	.	.	.	.	.
El Salvador	1,897	27	32	10.0	87	59	76	70
Egypt	1,934	23	25	15.0	85	61	63	34
Western Samoa	1,981	.	.	.	.	.	.	.
Mongolia c/	2,000	.	.	10.0	84	64	.	.
Korea, Dem. Rep. of c/	2,000	.	.	0.0	35	26	.	.
Indonesia	2,034	39	44	3.0	97	71	84	62
Vanuatu	2,054	.	.	.	.	56	.	.
Lebanon c/	2,250	.	.	35.0	56	44	88	73
Sri Lanka	2,253	.	.	20.0	35	26	93	84
Philippines	2,269	58	64	9.3	69	43	90	90
Morocco	2,298	37	45	16.0	112	75	61	38
Congo	2,382	.	.	.	110	69	70	44
Swaziland	2,405	49	50	.	170	115	.	.
Jordan	2,415	15	17	30.0	52	40	89	70
Cuba c/	2,500	.	.	.	14	11	95	93

Notes: a/ Figure is for 1988 Real GDP per capita (PPP\$).

b/ Real GDP per capita figure is based on 1987.

c/ Real GDP per capita figure is based on 1985 to 1988.

d/ Years reported vary from 1985 to 1991.

e/ For some countries, 1989 figure is used from UNDP, Human Development Report, 1991.

Table 1: Indicators of Poverty Reduction
Major Poverty Indicators for All Countries

	Real GDP per capita (PPP int'l \$) 1989	Percent of population below poverty line (1980-88)		Unemployment Rate d/	Under Five Mortality Rate e/ (1990)	Infant Mortality Rate e/ (1990)	Adult Literacy Rate (1990)	
		Total	Rural				Male	Female
Tonga	2,519	.	.	.	.	.	.	.
Guatemala	2,531	71	74	13.0	94	54	63	47
Dominican Rep.	2,537	44	43	29.0	78	61	85	82
Belize c/	2,600	.	.	12.0	.	50	.	.
Solomon Islands	2,626	.	.	.	.	43	.	.
China	2,656	.	10	2.6	42	30	84	62
Peru	2,731	.	.	20.0	116	82	92	79
Paraguay	2,742	35	50	12.0	60	41	92	88
Jamaica	2,787	.	80	18.2	20	16	98	99
Romania c/	3,000	.	.	.	34	27	.	.
Ecuador	3,012	51	65	7.0	83	60	88	84
Algeria	3,088	.	.	26.0	98	68	70	46
Iran, Islamic Rep. of	3,120	.	.	30.0	59	46	65	43
Saint Kitts & Nevis c/	3,150	.	.	.	.	.	.	.
Botswana	3,180	51	55	25.0	85	63	84	65
Panama	3,231	25	30	20.0	31	22	88	88
Tunisia	3,329	18	15	15.4	62	48	74	56
Saint Lucia	3,361	.	.	.	.	21	.	.
Dominica	3,399	.	.	10.0	.	18	.	.
Saint Vincent	3,420	.	.	.	.	25	.	.
Iraq a/	3,510	.	.	5.0	86	63	70	49
Thailand	3,569	30	34	4.9	34	26	96	90
Grenada	3,673	.	.	25.0	.	34	.	.
Seychelles	3,892	.	.	9.0	.	18	.	.
Suriname	3,907	.	.	33.0	40	32	.	.
Antigua & Barbuda c/	3,940	.	.	5.0	.	22	.	.
Turkey	4,002	.	.	10.4	80	69	90	71
Colombia	4,068	.	.	10.4	50	39	88	86
Fiji	4,192	.	15	11.0	32	26	.	.
Albania c/	4,270	.	.	.	37	31	.	.
Argentina	4,310	.	.	8.6	35	31	96	95
Syrian Arab Rep.	4,348	.	.	.	59	44	78	51
Costa Rica	4,413	.	.	6.0	22	18	93	93
Gabon	4,735	.	.	.	164	99	74	49
Poland	4,770	.	.	6.1	18	16	.	.
Brazil	4,951	.	.	4.4	83	60	83	80
South Africa	4,958	.	.	22.0	88	67	.	.

Notes: a/ Figure is for 1988 Real GDP per capita (PPPs).

b/ Real GDP per capita figure is based on 1987.

c/ Real GDP per capita figure is based on 1985 to 1988.

d/ Years reported vary from 1985 to 1991.

e/ For some countries, 1989 figure is used from UNDP, Human Development Report, 1991.

Table 1: Indicators of Poverty Reduction
Major Poverty Indicators for All Countries

	Real GDP per capita (PPP int'l \$) 1989	Percent of population below poverty line (1980-88)		Unemployment Rate d/	Under Five Mortality Rate e/ (1990)	Infant Mortality Rate e/ (1990)	Adult Literacy Rate (1990)	
		Total	Rural				Male	Female
Chile	4,987	.	.	6.0	27	20	94	93
Uruguay	5,005	.	.	8.8	25	22	97	96
Yugoslavia	5,095	.	.	16.0	23	20	97	88
Bulgaria c/	5,110	.	.	2.0	18	14	.	.
Mauritius	5,375	12	12	2.7	28	22	.	.
Malaysia	5,649	27	38	6.0	29	22	87	70
Mexico	5,691	.	.	18.0	49	40	90	85
Venezuela	5,908	.	.	10.4	43	35	87	90
Korea, Rep. of	6,117	16	11	2.5	30	23	99	94
Hungary	6,245	.	.	1.7	16	15	.	.
Portugal	6,259	.	.	5.5	16	13	89	82
Trinidad and Tobago	6,266	.	39	20.0	17	15	.	.
USSR c/	6,270	.	.	2.0	31	23	.	.
Greece	6,764	.	.	9.0	11	10	98	89
Taiwan	6,837	.	.	1.7	.	.	.	.
Libyan Arab Jam. c/	7,250	.	.	2.0	112	75	75	50
Czechoslovakia c/	7,420	.	.	0.8	13	11	.	.
Ireland	7,481	.	.	16.6	9	8	.	.
Malta	8,231	.	.	3.7	.	.	.	.
Barbados	8,351	23	23	.	15	11	.	.
Spain	8,723	.	.	16.3	10	8	97	93
Cyprus	9,368	.	.	2.3	14	12	.	.
Saudi Arabia	10,330	.	.	0.0	91	65	73	48
Israel	10,448	.	.	9.8	11	10	.	.
Oman b/	10,573	.	.	.	49	37	.	.
Bahrain	10,804	.	.	.	15	19	.	.
New Zealand	11,155	.	.	7.4	12	10	.	.
Bahamas	11,293	.	.	.	.	26	.	.
Qatar c/	11,800	.	.	.	.	.	.	.
Austria	13,063	.	.	.	9	8	.	.
Belgium	13,313	.	.	8.5	9	8	.	.
Netherlands	13,351	.	.	6.8	9	7	.	.
Italy	13,608	.	.	11.0	10	9	98	96
United Kingdom	13,732	.	.	5.7	9	8	.	.
Denmark	13,751	.	.	9.5	9	8	.	.
France	14,164	.	.	9.0	9	8	.	.
Iceland	14,210	.	.	1.8

Notes: a/ Figure is for 1988 Real GDP per capita (PPP\$).

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d/ Years reported vary from 1985 to 1991.

e/ For some countries, 1989 figure is used from UNDP, Human Development Report, 1991.

Table 1: Indicators of Poverty Reduction
Major Poverty Indicators for All Countries

	Real GDP per capita (PPP int'l \$) 1989	Percent of population below poverty line (1980-88)		Unemployment Rate d/ Rate e/ (1990)	Under Five Mortality Rate e/ (1990)	Infant Mortality Rate e/ (1990)	Adult Literacy Rate (1990)	
		Total	Rural				Male	Female
Japan	14,311	.	.	2.1	6	5	.	.
Germany	14,507	.	.	.	9	7	.	.
Brunei Darussalam c/	14,590	.	.	.	.	12	.	.
Finland	14,598	.	.	3.4	7	6	.	.
Sweden	14,817	.	.	1.6	7	6	.	.
Singapore	15,108	.	.	1.7	9	8	.	.
Hong Kong	15,180	.	.	1.8	7	7	.	.
Australia	15,266	.	.	9.2	10	8	.	.
Kuwait	15,984	.	.	0.0	19	17	77	67
Luxembourg	16,537	.	.	1.3	.	.	.	.
Norway	16,838	.	.	5.2	10	8	.	.
Switzerland	18,590	.	.	0.5	9	7	.	.
Canada	18,635	.	.	8.1	9	7	.	.
USA	20,998	.	.	5.5	11	9	.	.
United Arab Emirates	23,798	.	.	.	30	24	58	38
Reunion	.	.	.	35.0	.	.	.	.
Puerto Rico	.	.	.	14.9	.	.	.	.
Kiribati	.	.	.	2.0	.	.	.	.
Martinique	.	.	.	30.0	.	.	.	.
Macao	.	.	.	2.0	.	.	.	.
New Caledonia	.	.	.	16.0
French Guiana	.	.	.	15.0
Bermuda
French Polynesia	.	.	.	8.0
Guadeloupe	.	.	.	38.0

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d/ Years reported vary from 1985 to 1991.

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Table 2: Indicators of Poverty Reduction
Other Poverty Indicators for All Countries

	Real Per Capita GDP Growth Rate			Life Expectancy (1990)	Gross Primary Enrollment Ratio a/	
	1961-70	1971-80	1981-90		Total	Female
Zaire	1.2	-2.3	-2.1	53	75	64
Ethiopia	1.9	0.2	-1.2	46	36	28
Uganda	1.2	-4.8	0.8	52	77	50
Tanzania	2.7	0.1	-0.9	54	66	66
Mali	1.1	2.3	1.4	45	23	17
Chad	-0.7	-3.8	2.9	47	51	29
Myanmar	.	.	.	61	99	.
Guinea	.	.	.	44	30	18
Burundi	3.5	4.5	1.7	49	70	50
Burkina Faso	1.0	1.4	1.3	48	31	24
Sao Tome and Principe	.	3.5	-3.1	66	138	.
Malawi	2.2	3.2	-1.3	48	72	65
Niger	0.4	-0.6	-3.9	46	30	21
Rwanda	-0.0	1.6	-2.0	50	64	66
Madagascar	0.6	-1.5	-2.3	55	97	95
Equatorial Guinea	.	.	1.1	47	108	.
Afghanistan	.	.	.	42	14	14
Djibouti	.	.	.	48	.	.
Comoros	.	.	-1.8	55	92	70
Bhutan	.	.	5.3	49	26	20
Togo	5.2	2.0	-2.4	54	86	78
Zambia	0.9	-1.4	-2.5	54	97	92
Central African Republic	0.7	-0.6	-1.4	50	67	51
Guinea-Bissau	.	-3.0	3.0	43	58	39
Bangladesh	1.3	-0.2	1.2	52	70	64
Somalia	-1.0	2.0	-0.9	46	15	13
Gambia, The	2.7	2.3	1.4	44	61	47
Nepal	0.6	-0.5	1.8	52	86	57
India	1.6	0.8	3.4	59	99	83
Liberia	1.8	-0.9	-4.4	54	35	28
Haiti	-1.7	2.5	-2.6	56	95	89
Vietnam	.	.	.	63	102	99
Cambodia	.	.	.	50	.	.
Lao, People's Dem. Rep.	.	.	.	50	111	100
Ghana	0.4	-1.6	-1.0	55	73	66
Kenya	1.4	4.4	0.4	60	93	91
Benin	0.3	0.1	-1.1	47	63	43
Sudan	-1.0	1.1	-1.4	51	49	41
Maldives	.	.	.	63	.	.
Mozambique	.	.	-3.0	48	68	59
Sierra Leone	4.2	-0.4	-0.7	42	53	40
Mauritania	5.6	-0.9	-0.7	47	52	42
Nigeria	1.2	2.4	-3.5	52	62	48

Notes: a/ Gross Primary Enrollment Ratio figure is based on 1988 to 1990.

Table 2: Indicators of Poverty Reduction
Other Poverty Indicators for All Countries

	Real Per Capita GDP Growth Rate			Life Expectancy (1990)	Gross Primary Enrollment Ratio a/	
	1961-70	1971-80	1981-90		Total	Female
Senegal	0.1	-1.0	0.2	48	59	49
Angola	.	.	.	46	93	121
Cote d'Ivoire	5.5	1.9	-3.4	53	70	58
Guyana	.	0.2	-2.9	64	90	99
Nicaragua	3.4	-2.0	-5.2	65	99	104
Zimbabwe	2.6	-0.1	0.3	60	128	126
Namibia	.	.	.	58	.	.
Honduras	1.6	2.2	-1.3	65	106	108
Bolivia	2.1	1.4	-2.6	55	91	85
Yemen	.	.	.	51	.	.
Lesotho	3.1	6.8	1.6	57	113	125
Cameroon	0.0	4.7	-0.7	54	109	100
Cape Verde	.	3.7	3.2	67	108	105
Pakistan	4.3	1.5	3.0	58	52	35
Papua New Guinea	4.4	0.2	-1.0	55	71	65
Samoa	.	.	.	.	.	.
El Salvador	2.2	0.9	-1.3	64	80	81
Egypt, Arab Republic of	2.9	5.8	2.3	60	90	79
Western Samoa	.	1.7	-0.1	67	.	.
Korea, Dem. Rep. of	.	.	.	70	.	.
Mongolia	.	.	.	62	102	103
Indonesia	1.6	4.8	3.5	61	119	117
Vanuatu	.	-14.4	0.6	70	.	.
Lebanon	.	.	.	66	125	95
Sri Lanka	2.1	2.9	2.8	71	104	102
Philippines	2.0	3.3	-0.4	64	110	111
Morocco	1.8	3.1	0.9	62	67	53
Congo, People's Rep. of the	1.7	4.2	1.8	54	.	.
Swaziland	7.4	1.2	0.7	57	105	104
Jordan	.	.	-1.5	67	99	99
Cuba	.	.	.	75	104	100
Tonga	.	.	.	.	.	.
Guatemala	2.6	2.8	-2.2	63	77	70
Dominican Republic	2.9	4.2	-0.4	67	133	135
Belize	2.3	4.2	2.1	70	.	.
Solomon Islands	-0.7	2.1	3.4	70	.	.
China	3.3	3.8	6.9	70	134	126
Peru	2.4	1.0	-3.0	63	122	120
Paraguay	1.4	5.6	-0.3	67	104	102
Jamaica	3.2	-2.2	1.0	73	103	105
Romania	.	.	.	71	97	98
Ecuador	1.1	6.4	-0.5	66	117	116
Algeria	1.3	3.2	0.1	65	96	87

Notes: a/ Gross Primary Enrollment Ratio figure is based on 1988 to 1990.

Table 2: Indicators of Poverty Reduction
Other Poverty Indicators for All Countries

	Real Per Capita GDP Growth Rate			Life Expectancy (1990)	Gross Primary Enrollment Ratio a/	
	1961-70	1971-80	1981-90		Total	Female
Iran, Islamic Republic of	.	.	.	66	116	109
St. Kitts and Nevis	.	.	5.7	68	.	.
Botswana	3.0	11.3	7.3	60	116	119
Panama	4.9	3.1	-1.4	72	106	104
Tunisia	2.3	5.3	1.2	67	116	107
St. Lucia	.	-6.6	4.2	71	.	.
Dominica	1.3	-0.9	4.5	76	.	.
St. Vincent & the Grenadines	0.7	1.1	6.9	70	.	.
Iraq	.	.	.	65	98	91
Thailand	5.0	3.9	6.0	66	87	.
Grenada	.	.	5.8	72	.	.
Seychelles	1.2	5.8	2.2	70	.	.
Suriname	.	2.0	-3.9	70	125	121
Antigua and Barbuda	.	.	5.7	72	.	.
Turkey	3.0	2.8	3.0	65	117	113
Colombia	2.2	3.1	1.4	69	114	115
Fiji	2.4	3.0	0.6	65	129	129
Albania	.	.	.	72	100	99
Argentina	3.0	1.0	-2.5	71	111	114
Syrian Arab Republic	2.5	6.1	-1.4	66	110	104
Costa Rica	2.7	3.0	0.2	75	100	99
Gabon	4.6	4.3	-2.0	53	.	.
Poland	.	.	-0.6	72	100	99
Brazil	3.4	6.1	0.2	66	104	99
South Africa	3.4	1.2	-0.3	62	.	.
Chile	2.0	1.2	1.4	72	102	101
Uruguay	1.2	2.7	-1.1	72	109	108
Yugoslavia	5.0	5.2	-0.4	73	94	94
Bulgaria	.	.	.	73	104	103
Mauritius	0.9	3.9	4.9	70	105	105
Malaysia	3.5	5.4	2.9	70	102	102
Mexico	3.7	3.6	-0.3	70	117	115
Venezuela	1.5	-0.8	-1.9	70	107	107
Korea, Republic of	5.8	6.8	8.1	70	104	104
Hungary	5.1	4.4	1.2	71	96	97
Portugal	6.2	4.2	2.0	74	124	121
Trinidad and Tobago	2.2	3.7	-5.2	72	100	100
USSR	.	.	.	71	106	.
Greece	7.1	3.8	1.0	76	104	104
Taiwan	.	.	.	.	.	.
Libyan Arab Jamahiriya	18.2	-1.7	-9.7	62	.	.
Czechoslovakia	.	.	.	72	94	94
Ireland	3.9	3.1	1.8	75	100	100

Notes: a/ Gross Primary Enrollment Ratio figure is based on 1988 to 1990.

Table 2: Indicators of Poverty Reduction
Other Poverty Indicators for All Countries

	Real Per Capita GDP Growth Rate			Life Expectancy (1990)	Gross Primary Enrollment Ratio a/	
	1961-70	1971-80	1981-90		Total	Female
Malta	5.2	9.3	3.8	73	108	107
Barbados	6.5	2.6	1.6	75	110	108
Spain	6.3	2.5	2.3	77	113	113
Cyprus	.	11.2	4.8	76	104	103
Saudi Arabia	6.6	5.9	-5.6	65	71	65
Israel	5.3	3.0	1.3	76	95	97
Oman	19.1	1.1	6.9	66	100	95
Bahrain	.	.	-3.5	71	110	108
New Zealand	1.8	0.7	1.2	75	106	105
Bahamas, The	3.9	1.4	0.5	72	.	.
Qatar	.	.	.	69	121	119
Austria	3.9	3.5	1.9	75	102	101
Belgium	4.3	3.1	1.8	75	100	100
Netherlands	3.5	2.4	1.2	77	117	116
Italy	5.0	3.3	2.1	76	95	95
United Kingdom	2.2	1.8	2.6	76	106	106
Denmark	3.6	1.9	1.9	76	97	99
France	4.5	2.4	1.8	76	114	113
Iceland	3.0	5.2	1.2	78	102	100
Japan	9.5	3.6	3.4	79	102	101
Germany, Federal Republic of	3.6	2.5	1.8	75	105	105
Brunei	.	.	.	74	.	.
Finland	4.4	3.2	3.0	75	100	100
Sweden	3.9	1.6	1.9	77	101	101
Singapore	6.5	7.3	5.8	74	111	110
Hong Kong	6.7	6.9	5.2	77	106	105
Australia	3.2	1.6	1.9	76	106	106
Kuwait	-4.8	-5.9	-4.0	73	93	92
Luxembourg	.	2.0	2.6	75	.	.
Norway	3.4	4.2	2.9	77	97	97
Switzerland	3.1	7.7	1.7	77	.	.
Canada	3.3	3.3	2.3	77	105	104
United States	2.5	1.7	2.1	76	100	100
United Arab Emirates	.	-1.2	-4.0	70	104	104
Kiribati	.	.	.	.	84	.
Reunion	.	.	.	.	.	.
Martinique	.	.	.	.	.	.
French Guiana	.	.	.	.	.	.
French Polynesia	.	.	.	.	.	.
Guadeloupe	.	.	.	.	.	.
New Caledonia	.	.	.	.	.	.
Puerto Rico	.	.	.	75	94	74
Macao	.	.	.	.	.	.

Notes: a/ Gross Primary Enrollment Ratio figure is based on 1988 to 1990.

**Table 2: Indicators of Poverty Reduction
Other Poverty Indicators for All Countries**

	Real Per Capita GDP Growth Rate			Life Expectancy (1990)	Gross Primary Enrollment Ratio a/	
	1961-70	1971-80	1981-90		Total	Female
Bermuda

Notes: a/ Gross Primary Enrollment Ratio figure is based on 1988 to 1990.

Notes and Definitions

Gross enrollment ratios. The gross enrollment ratio is the number enrolled in a level of education, whether or not they belong in the relevant age group for that level, expressed as a percentage of the population in the relevant age group for that level.

GDP per capita (PPP). The gross domestic product divided by the population. Annual GDPs per capita are expressed in current U.S. dollars, based on the national currency total for expenditures converted to international dollars by the purchasing power for those expenditures. This comparison of quantities for expenditures is based on the common set of international prices applied across all the countries that are used in the International Price Comparison Project.

GDP per capita growth rate. GDP per capita growth rates are annual average growth rates of GDP per capita at constant market prices for the time period.

Infant mortality rate. The annual number of deaths of infants under one year of age per 1,000 live births. More specifically, the probability of dying between birth and exactly one year of age.

Life expectancy at birth. The number of years a newborn child would live if subject to the mortality risks prevailing for the cross-section of population at the time of his or her birth.

Literacy rate (adult). The percentage of persons aged 15 and over who can, with understanding, both read and write a short simple statement on everyday life.

Poverty line. That income level below which a minimum nutritionally adequate diet plus essential non-food requirements are not affordable.

Under-five mortality rate. The annual number of deaths of children under five years of age per 1,000 live births. More specifically, the probability of dying between birth and exactly five years of age.

Main Sources

Gross enrollment ratios, The World Bank

GDP per capita (PPP), Dr. Alan Heston, University of Pennsylvania

GDP per capita growth rate, The World Bank

Infant mortality rate, United Nations Children's Fund and United Nations Development Programme

Life expectancy at birth, United Nations Development Programme

Literacy rate (adult), United Nations Children's Fund

Poverty line, United Nations Development Programme

Under-five mortality rate, United Nations Children's Fund and United Nations Development Programme

Unemployment rate, Central Intelligence Agency

Table 3: Infant Mortality Rates in
Child Survival Emphasis Countries

COUNTRY	1965-70	1970-75	1975-80	1980-85	1985-90	% Change*
GUATEMALA	108.0	95.0	82.0	70.0	59.0	-45.4
NICARAGUA	115.0	100.0	93.0	76.0	62.0	-46.1
ECUADOR	107.0	195.0	82.4	69.6	63.4	-40.8
EL SALVADOR	117.0	110.0	90.0	78.0	64.0	-45.3
EGYPT	170.0	150.0	131.0	115.0	65.0	-61.8
DOMINICAN REP.	105.0	94.0	84.0	75.0	65.0	-38.1
HONDURAS	123.0	110.0	95.0	82.0	69.0	-43.9
KENYA	108.0	98.0	88.0	80.0	72.0	-33.3
INDONESIA	124.0	114.0	105.0	90.0	75.0	-39.5
MOROCCO	138.0	122.0	110.0	96.5	82.1	-40.5
ZAIRE	133.0	117.0	103.0	92.0	83.0	-37.6
SENEGAL	154.0	122.0	112.0	97.0	87.0	-43.5
PERU	126.3	110.3	104.9	98.6	88.2	-30.2
HAITI	150.0	135.0	121.0	108.0	97.0	-35.3
INDIA	145.0	135.0	126.0	110.3	98.8	-31.9
NIGERIA	145.7	134.6	124.1	114.2	105.0	-27.9
SUDAN	156.0	145.0	131.0	117.6	108.1	-30.7
PAKISTAN	145.0	140.0	130.0	120.0	108.9	-24.9
BOLIVIA	157.0	151.0	138.0	124.0	110.0	-29.9
BANGLADESH	140.0	140.0	136.6	128.2	119.2	-14.9
YEMEN	186.0	168.0	149.3	134.4	120.2	-35.4
NEPAL	164.3	152.9	146.5	138.7	128.2	-22.0
NIGER	176.1	166.5	157.3	145.7	134.6	-23.6
MALAWI	197.4	190.5	177.0	163.0	150.5	-23.8
MALI	205.7	203.1	191.0	180.0	169.0	-17.8

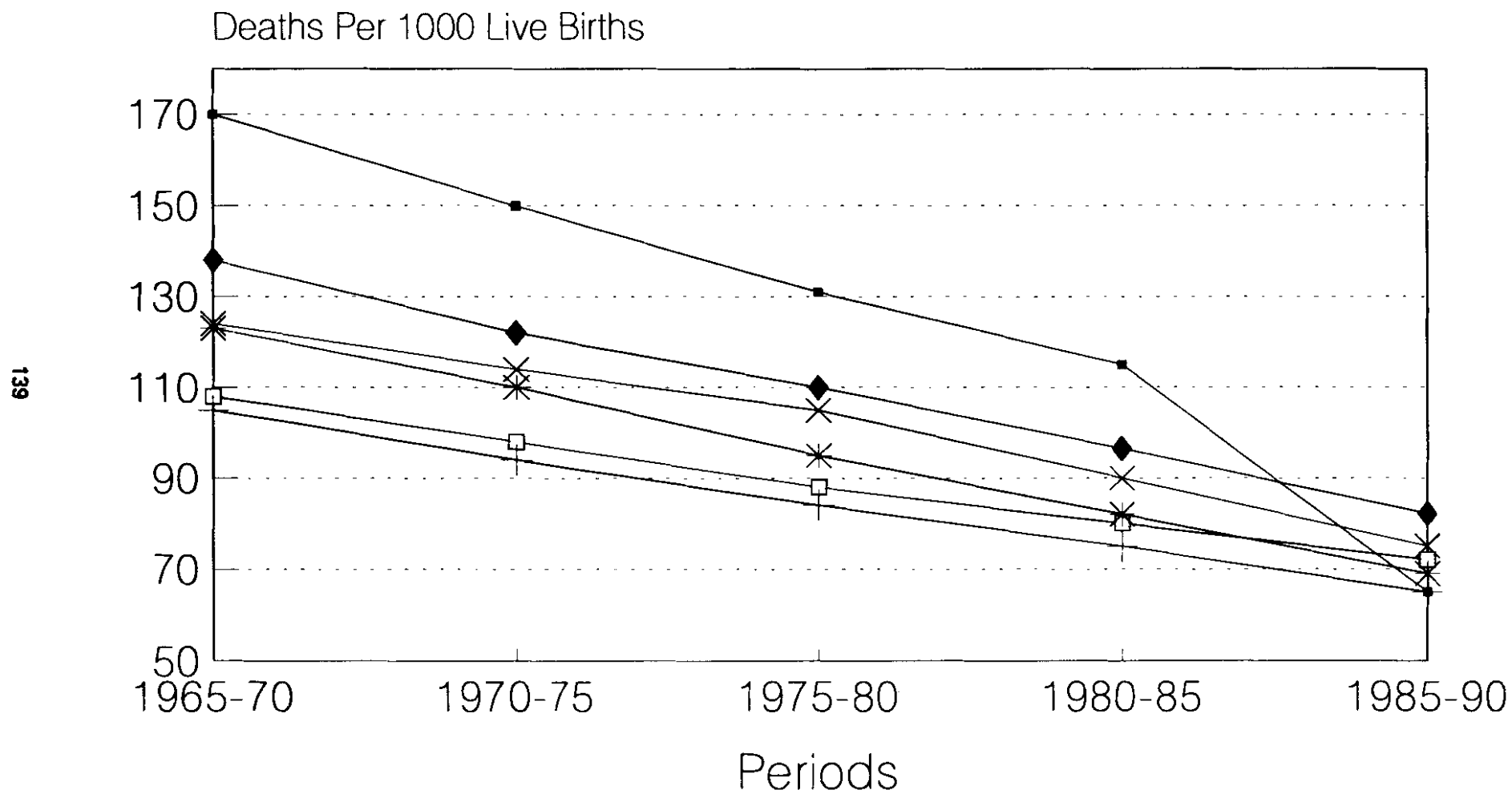
Source: UN Population Prospects, 1990

Note: Countries Ranked by Average Annual Infant Mortality Rate between 1985 and 1990

*Represents percentage change between period 1965-70 and period 1985-90

Average Annual Infant Mortality Rates

6 Emphasis Countries



■ Egypt + Dominican Rep. * Honduras □ Kenya × Indonesia ◆ Morocco*

*In 1990, IMR for Morocco was 75.

Source: UN Population Prospects, 1990

Property
Management
Fund

PROPERTY MANAGEMENT FUND

Section 585 of Public Law 101-513 authorizes A.I.D. to deposit the proceeds of the sale of overseas real property acquired under the authority of section 636(c) of the Foreign Assistance Act of 1961, as amended, into a separate revolving fund, the Property Management Fund. Such proceeds shall be available for use only for the purpose of section 636(c) of the Act, and shall remain available until expended.

To date, no transactions of the property fund have taken place.

FY 1993 CONGRESSIONAL PRESENTATION
COMPLIANCE WITH SECTION 123(f) OF THE FAA AND
SUMMARY OF PVO ACTIVITIES BY APPROPRIATION
(in Thousands of Dollars)

	A FY 1991 Request	B FY 1991 Actual	C FY 1992 Request	D FY 1992 Est.	E FY 1993 Request
AID Appropriated					
Development Programs	224,121	339,753	305,296	305,296	303,689
International Disaster Assistance	10,000	20,276	15,000	15,000	22,000
Development Fund for Africa 1/ Economic Support Fund	86,653 36,378	162,531 76,750	144,961 42,103	144,961 42,103	138,762 55,918
Subtotal	357,152	599,310	507,360	507,360	520,369
PVO Earmark: FAA Section 123(f) 2/	19.5%	26.7%	23.6%	23.6%	23.6% 3/
American Schools and Hosp. Abroad	8,000	5,550	8,000	8,000	6,000
Special Assistance Initiatives	---	23,698	9,525	9,525	19,210
Subtotal	8,000	29,248	17,525	17,525	25,210
Total AID Appropriated 4/	365,152	628,558	524,885	524,885	545,579
AID Administered					
Excess Property	2,500	3,578	2,700	3,600	3,800
PL 480 Title II Commodities 5/	235,021	363,721	268,050	309,420	290,064
PL 480 Title II Freight 5/	163,737	266,557	80,415	149,025	87,019
Section 416 Commodities	---	36,345	---	---	---
Section 416 Freight	---	12,158	---	---	---
Farmer-to-Farmer Program	646	3,106	1,872	13,215	12,957
P.L. 480 PVO Grants	---	10,000	10,000	10,000	10,000
Total AID Administered	401,904	695,465	363,037	485,260	403,840
TOTAL AID	767,056	1,324,023	887,922	1,067,796	949,419

- 1/ Excludes support for PVO activities in Africa funded from other accounts.
- 2/ Percentages for all years are based on the Development Assistance program level excluding Housing Borrowing and related guaranty programs, other subsidy programs, American Schools and Hospitals Abroad, Operating and Administrative Expenses, and Foreign Service Retirement funding.
- 3/ We expect this percentage to increase during FY 1993 as funds for PVO activities are obligated, because PVOs end up implementing project components for which the mode of implementation was not initially identified. This follows the trend illustrated by comparing Column A (derived from the A.I.D. FY 1991 Congressional Presentation) with Column B for FY 1991.
- 4/ At the time of printing, no FY 1992 appropriations have been enacted for A.I.D. FY 1992 amounts shown are the Agency request levels and are subject to change.
- 5/ Does not include emergency programs administered by PVOs which totaled \$173.0 million in FY 1991 (\$87.1 million in commodities, \$85.9 million for freight) and \$46.5 million to date in FY 1992 (\$30.3 million in commodities and \$16.2 million for freight).

Sub-Saharan
Africa

DEVELOPMENT FUND FOR AFRICA

COUNTRY PROGRAM REPORTS

Chapter 10 of the Foreign Assistance Act of 1961, as amended (the Development Fund for Africa), requires A.I.D. annually to provide "a description of the progress made during the previous fiscal year in carrying out [the DFA] in three countries in sub-Saharan Africa which represent differing economic situations and levels of progress." Ghana, Mali and Mozambique were selected for the Congressional Presentation as three programs which have contrasting economic track records, levels of social achievement, natural resource potential, population characteristics, and political histories.

In the individual country reports which follow, the way that A.I.D. has responded to the problems and opportunities unique to each country is reviewed, with particular emphasis on the following issues which the legislation requires us to address:

- the nature and extent of consultation to ensure local perspectives;
- the degree of involvement of local people in the implementation of projects having a local focus;
- the extent to which there has been expansion of the participation and integration of women in each of the critical sectors noted in the DFA legislation (agricultural production and natural resources; health; voluntary family planning services; education; and income-generating opportunities);
- program assistance provided, i.e., nonproject assistance in support of reforms, including consideration of how vulnerable groups were protected from possible negative consequences of these reforms; and
- a description of the assistance for the critical sector priorities, including the amounts obligated.

GHANA

Introduction

Background. Ghana began independence with a democratically elected government in 1957. It was considered a middle-income country with a per capita Gross National Product (GNP) of approximately \$600. Since then, it has been ruled by an alternating succession of democratic and military governments, and current GNP per capita is \$390.

During the period 1962-1982, Ghana's economy performed poorly, largely a result of faulty economic policies and mismanagement. The country was essentially bankrupt, and caught in a vicious cycle of declining revenues, low savings, inadequate capital investment, and declining productivity. Government responded to and hastened the downward spiral by instituting policies which led to greater government interference. Price controls, import restrictions, and pervasive state ownership of productive capacity led to large deficits, a highly over-valued currency, and a heavy international debt burden.

To address this deteriorating situation, in 1983 the Government of Ghana (GOG) introduced a comprehensive Economic Recovery Program (ERP) whose purpose is to restructure the economic and financial foundations necessary for a resumption of growth and the achievement of external payments viability. The key objectives of the ERP were to: (1) realign relative prices in favor of directly productive activities and exports; (2) rehabilitate the country's economic and social infrastructure; (3) restore fiscal and monetary discipline; and (4) encourage private savings and investment. The program was developed in collaboration with the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD) with substantial financial assistance from other multilateral and bilateral donors.

Current Situation. Ghana has achieved most of the objectives set out in its Economic Recovery Program. The exchange rate is now set by an interbank auction, and market and import licensing has been eliminated. The share of the world price received by cocoa farmers has more than doubled. The tax structure has been revised to favor exporters and private investment. Public expenditures have been reoriented towards economic infrastructure while maintaining adequate levels for necessary social services. A legal framework has been established for the banking system and the non-performing loan portfolio of the banks has been restructured.

The economic consequences of these reforms also have been positive, with the economy growing about 5% per annum between 1986 and 1990. By August 1991 the inflation rate, which had been a recurring problem, declined to 14.6% from 41% the previous year. Interest rates, which rose to 35%, have now receded to 23% with the drop in inflation and are expected to decline further as inflation falls. The GOG is pursuing divestiture of state-owned enterprises and is taking steps preparatory to selling the state-owned banks. Government agencies, such as the Ghana Investment Center (GIC), the Ministry of Trade and Tourism, and the Ghana Export Promotion Council (GEPC) have instituted a series of regulatory changes designed to make it easier to do business in Ghana.

These accomplishments notwithstanding, the GOG is concerned about the sustainability of the improvements achieved so far. Increasing investment in productive activities will be key for growth to continue. While total investments reached 16% of Gross domestic product (GDP) in 1990, half of that was financed by international donors. The low level of domestic private savings (6.5% of GDP in 1990) and investment (8.7% of GDP) poses a significant constraint to future economic growth. To change this, there needs to be a more positive environment for increasing private sector investment and productivity.

In the past year, Ghana has taken significant strides toward instituting an open, democratic political system, and the United States is encouraging this change. A new constitution was drafted and is being formally examined by the Consultative Assembly. The public is prepared for party elections and the GOG is now registering voters. Chairman Rawlings has announced his intention to invite

international monitors for Ghana's upcoming elections. The forthcoming change in government also presents elements of uncertainty. Despite assurances from well-placed politicians that the economic policies of the last seven years will continue, no one knows for sure what the specific policies of a new government will be. This uncertainty, in turn, causes potential investors to hesitate about investing in Ghana, thereby exacerbating the country's major economic problem.

A.I.D. Program. The overall goal to which the A.I.D. program in Ghana contributes is broad-based sustainable, market-oriented economic growth. To achieve this, A.I.D. focuses its efforts on two types of programs: those that will increase production or output so as to increase income and investment; and those that enhance the quality of Ghana's human resource base. Increases in income will allow people to afford and to demand more and better food, health care and education. As income increases, investment levels can further rise.

Within this framework, A.I.D.'s activities in Ghana aim to achieve three specific objectives: a measurable increase in private sector export production and investment; a demonstrable improvement in the quality of the primary education system and its products; and a reduced fertility rate. To accomplish each of these objectives, A.I.D. finances projects, institutional restructuring and capacity building, and sectoral policy assistance. In FY 1991, A.I.D. provided assistance through the Development Fund for Africa (DFA) totaling \$30.0 million and P.L. 480 Title II and III food aid totaling \$15.45 million to advance these objectives.

By 1990, the United States was the fifth largest bilateral donor in Ghana and committed 4% of total development assistance. A.I.D.'s three-sector focus in Ghana complements major IBRD-led, sector adjustment programs in agriculture and education. Donors are pleased with Ghana's progress and are providing almost \$1 billion in official development assistance. Leading donors are the United Kingdom, the World Bank, Japan, the Federal Republic of Germany, Canada and the African Development Bank.

Detailed Program Description

Private Sector Export and Investment Promotion

Focus of A.I.D. Activities. To increase exports and investment, A.I.D. supports activities which train private sector entrepreneurs and build infrastructure necessary for export activities, especially feeder roads. A.I.D. also finances activities which together ease the export financing constraints faced by private businesses in Ghana. A.I.D. also plans to assist the Government of Ghana to remove or reduce policy and regulatory impediments to private individuals and companies seeking to engage and invest in export-oriented businesses, i.e., to reduce the constraints to increasing investment by both domestic and foreign businesses.

This is a new component of the A.I.D. strategy in Ghana. In FY 1991, A.I.D. made available \$11.5 million for training, infrastructure and privatization efforts. A major new program to do what? Which will be the centerpiece of activities is planned for FY 1992.

Sector Policy Reform Agenda. The reform agenda in this sector is a long one, and consists of two major types of reforms: (a) those that reduce government barriers to private sector productive activities, and (b) those that strengthen the capacity of the private sector itself to increase exports and investments.

The poor state of Ghana's feeder road network is a major impediment to increasing exports. A 1990 GOG Ministry of Agriculture study determined that up to 70% of the difference between the farm-gate price and the retail price of some major export products is the high cost of transportation associated with poorly maintained feeder roads. By rehabilitating this network, the costs of transport will fall, thereby reducing the delivered cost of export commodities. The GOG has a well-developed ten-year feeder road rehabilitation plan, but lacks the budgetary resources to finance it at the same time that it restructures its budget and reduces fiscal deficits. Ghana has the technical expertise and work force

to execute the plan. With A.I.D., the World Bank and other donor financial assistance, the GOG is rehabilitating up to 12,000 kilometers of feeder roads out of an existing network of 22,000 kilometers roads. A.I.D. support for this program began in 1989 under the Agricultural Promotion Program. A.I.D.'s FY 1991 P. L. 480 Title III program furthered the agenda as host country-owned local currency was projected by the GOG plans to rehabilitate additional feeder roads, and this program is expected to continue. A.I.D. focuses its support on the rehabilitation of roads in areas where export crop production exists or is commencing.

Privatization of agricultural enterprises is another important private sector activity. A.I.D. supported a reform agenda which, by September 1991, resulted in the registration of 250 private seed producers for maize and rice. In the fertilizer industry, 1,160 individuals registered as wholesalers and retailers and 56 companies are active in this previously government-controlled sector. Others are developing. Many of the Farmers Services Companies (FASCOMs), parastatal retail suppliers of fertilizer, are being sold. The GOG sold outright one-third of all government-owned fertilizer. The remainder is for sale. In short, with A.I.D. financial and technical assistance, the GOG has been able to largely withdraw from a major subsector of economic activity, allowing for the creation of new businesses and increasing investment at the same time.

A.I.D. assistance in FY 1992 and beyond will focus on implementing additional items on the policy agenda to further increase the volume and diversity of Ghana's foreign exchange earning export; including improving additional public infrastructure, streamlining export procedures, revising the duty drawback system, and modifying the investment code. To address the export finance constraints, A.I.D. will assist in reforms aimed at instituting a viable export refinance system and export guarantee mechanisms. To expand the institutional capacity of the private sector, A.I.D. will provide project support to enable the private sector to better organize itself, influence government, and to develop its capacity to provide essential services currently provided by government.

In designing its major sector assistance programs, the Trade and Investment Program and the multi-year, P. L. 480 Title III program, A.I.D. seeks to ensure the protection of vulnerable groups in three ways: (a) careful monitoring of social and economic baseline data for these groups; (b) the active involvement of a wide range of local groups in the design and implementation of program activities, including the reform agenda; and (c) the targeting of some specific resources toward particularly vulnerable beneficiary groups, especially women.

Consultation and Involvement of Local Groups

Consultation in Development Planning. Design of new programs to promote exports and business investment are subject to the widest possible consultative process. In 1989, A.I.D. undertook a major survey of 300 Ghanaian firms across all sectors of business activity. It included formal and informal operations as well as a cross-section of micro, small, medium, and larger firms. The survey identified the structure of the private sector in Ghana, revealed Ghanaians' perceptions of the economic climate and economic recovery policies of the GOG, and presented the Ghanaian private sector's views of the constraints inhibiting its ability to expand export operations and increase investment.

Findings from the survey were shared extensively with government and the private sector. Both took specific, immediate steps to address the needs of the private sector within their technical and financial capabilities. Beyond that, the survey has empowered private sector organizations and government to plan future actions to promote exports and investment. For example, as an immediate action, the government formed a committee of top private sector leaders to advise it on policy issues. The GOG also restructured electricity rates to reduce the cost of installation. In addition, in response to identified need and effective demand, two Ghanaian training institutes started programs for small-scale entrepreneurs that have led to the establishment of several private consultancies.

Given the importance of this survey tool in empowering Ghanaians to determine their own needs and to prioritize their development actions, A.I.D. plans to continue updating it. Original firms will be

revisited, and new export firms will be incorporated every two years.

Involvement in Implementing Development Programs. In implementing the policy reform agenda, A.I.D. has found that the leadership of Ghanaians, not just their involvement, is crucial. A.I.D.'s non-project sector assistance modality puts Ghanaians in the development "driver's seat." A.I.D. holds Ghana responsible for achieving the results of such programs and does not control every input. Given Ghana's level of development, the overall relatively high quality of its human resource base, and the presence of well-functioning quality and financial control and accounting systems, A.I.D. finds that it can increasingly rely on Ghanaians to assume leadership. Much of the policy assistance in this sector will be provided through non-project sector assistance complemented by technical resources identified by Ghanaians in the private sector and the government as necessary for them to achieve their goals.

In the area of road rehabilitation, A.I.D. experience also indicates that the Ghanaians assume the leadership role well. The Department of Feeder Roads (DFR) is implementing its road rehabilitation and maintenance plan. It uses a labor-intensive method of road construction which employed approximately 6,150 people as of September 1991. Under the program, private sector contractors are selected and their employees are given six months of training along with DFR engineers and technicians. Contractors completing the course are typically provided with a \$160,000 bank loan repayable in four years. As of September 1991, 41 private sector contractors were involved in executing the rehabilitation and maintenance plan.

Many of the new activities to be financed under this objective will emanate from private sector institutions over the next few years. A.I.D.'s plan requires that these institutions not only design, but fully implement their institutional development programs with local resources. A.I.D.'s role will be to ensure that these institutions have access to sufficient technical expertise and training to achieve their institutional goals. To date, A.I.D. has had particular success in promoting this kind of involvement by:

- Bringing the business sector, education community, labor and government together to view themselves as part of an integral whole and collaborating in setting an economic agenda;
- Building reciprocal relationships between business associations and educational institutions, training organizations and consulting firms in order for these institutions to develop training curricula responsive to private sector needs; and
- Improving the ability of business organizations to represent the interests of the private sector and to provide services required to enhance the competitiveness of Ghanaian business.

Participation of Women. Women are important economic players in Ghana's strategy to increase its exports and to increase investment in private business. Over 23% of Ghanaian women are involved in wholesale and retail trade activities. Almost 50% of the agricultural labor force is composed of women which makes them important in the production of most export commodities. Given this, special attention is being placed on ensuring that this historically important position of Ghanaian women does not deteriorate with an increased emphasis on private sector exports and investment promotion.

This will be accomplished in two ways. First, the survey will enable the GOG, the private sector, and the donor community to monitor the involvement of women. Secondly, A.I.D. has responded to several requests by Ghanaian organizations with predominantly women membership for special institutional development programs. Special attention is being paid to the financing constraints faced by these institutions. These include several cooperatives producing agricultural products for the export market.

Primary Education Quality Enhancement

Focus of A.I.D. Activities. A.I.D. is financing a comprehensive program whose aim is to improve the quality and efficiency of primary education in Ghana. Program activities aimed at quality improvements include curriculum refinements, better teachers, and more and better textbooks and materials. With improvements in educational quality, primary education will attract more students and national enrollment rates will increase. As educational quality improves, repeater rates will decline. As this occurs, the financial efficiency of the system will increase. Stabilizing the annual costs of the system, including the recurrent costs associated with improvements, will enable the Ghanaians to better plan for future sector financing within future GOG budgets. In FY 1991, A.I.D. provided \$9 million to finance these systemic improvements.

Sector Policy Reform Agenda. A.I.D. is addressing the principal economic, financial, institutional and social constraints to quality primary education in three principal ways. First, the A.I.D. program supports restructuring of institutional priorities and budgets by leveraging policy and institutional reforms. These reforms include restructuring budget priorities, as outlined above. Second, the program generates local currency through the auction of dollars and programs these funds to support the primary education budget, principally in the areas of books and materials, teacher training and supervision. Third, it provides projectized funds for technical assistance, training, studies and evaluations, financial assessments and management reviews. The total amount of non-project sector assistance is \$32 million.

In 1989-90, almost half of the teachers in Ghana were not trained as teachers. Most of these did not have high school diplomas. Many only held middle school leaving certificates, and a small minority were illiterate. This resulted in very poor instruction in the primary schools. A.I.D. program conditionality required that 6,500 new, qualified teachers replace the untrained teachers. These teachers are already providing better instruction and improving literacy. In the 1990-91 school year, A.I.D.-funded programs provided in-service training to 27,496 teachers of English, mathematics, and science. The impact of this in-service training will be demonstrated in improved teaching strategies, affecting 1.8 million students in 10,000 schools.

Previously, many schools were often closed because teachers and headmasters simply did not come to work. To remedy this situation, the GOG has put in place a management supervision system which relies on 700 trained circuit supervisors and 110 trained district education officers. These officials supervise primary education providers and ensure that they are there and doing their job. Each circuit supervisor is in charge of a cluster of approximately 35 schools. This will result in an increase of accountability and reduce absenteeism.

Through the program, 187,000 children have received primary education textbooks, thus increasing the number of children with books from 11% in 1989 to 21% in 1991. Provision of textbooks has been shown to have the single largest positive impact on the quality of teaching and the quality of learning outcomes.

Consultation and Involvement of Local Groups. To a large extent, Ghanaians designed the major A.I.D. educational restructuring program. The results of local surveys of parental attitudes toward education resulted in the identification of constraints to improving educational quality and attendance. Local private consultants worked with Ministry of Education officials to design a program responsive to those problems.

The primary education program is being implemented totally by Ghanaians. The Ministry of Education is responsible for ensuring that all inputs (financing, teachers, textbooks) are provided to the participating institutions on a timely basis. A.I.D. provides limited technical expertise needed by the Ministry to implement specific interventions and carefully monitors the results of the Ministry's action, e.g., the number of teachers trained, the establishment of the supervision service, and the delivery of textbooks.

Participation of Women. The program finances a set of activities designed to improve equity in the primary education system. The objective is to reduce serious regional and gender disparities currently present in the system. Substantial disparity exists between female and male enrollment. For example, the national enrollment rate is 55% male and 45% female, while the general population pattern is the reverse.

With regard to regional disparities, the national enrollment rate at a portion of the pool of available age-appropriate children at the primary level is 70% in 1990-91. In the Upper East region, the rate is 28%; in Upper West region the rate is 35%; and in the Northern region the rate is 34%. If one adds to this the gender disparities, above, the likelihood that a girl will receive a primary education in any of these areas is severely reduced. At present, the GOG is undertaking a pilot project in 28 sites throughout the ten national regions to test solutions to these two problems. Proposed solutions include incentive interventions and scholarships for students as well as incentive packages to attract and reward trained teachers and headmasters in the most affected areas. Based on the documented results of the pilot activities, a nationwide incentive program will be implemented in the coming years.

Reduction in Ghana's Fertility Rate

Focus of A.I.D. Activities. To reduce Ghana's fertility rate, A.I.D. provides financing for two types of programs: population and family planning control and activities which improve maternal and child health and reduce mortality. With a reduction in infant mortality rates, families desire fewer children and demand for family planning services increase. Reducing child mortality includes A.I.D. efforts to increase the knowledge and use of child survival technologies as well as Human immunodeficiency Virus (HIV) and acquired immunodeficiency syndrome (AIDS) prevention. A.I.D. funding directly supports the development and expansion of public and private institutions which deliver both preventive health and family planning services. In FY 1991, A.I.D. funding of \$10.69 million was dedicated to this objective.

Sector Policy Reform Agenda. In FY 1991, A.I.D. initiated the Family Planning and Health Program (FPHP), which combines \$22 million of project assistance with \$13 million of non-project sector assistance. The combined program improves private sector delivery of family planning and AIDS control services. Associated policy reforms will restructure the government budget to increase public sector expenditures for family planning and child health services.

A.I.D.'s assistance to this sector is intended to continue reductions in fertility of the Ghanaian population of reproductive age through maternal and child health interventions. It will also reduce the spread of HIV/AIDS. To accomplish this, the FPHP will continue the increase in use of modern family planning methods by expanding the public and private sector capacity for providing family planning, maternal and child health services and supplies. The program will indirectly seek to lower the high infant and child mortality rates prevalent in Ghana resulting from diarrhea, dehydration and malaria.

The FPHP encourages the creation of a policy and institutional framework supportive of Ghana's efforts to limit population growth through the increased use of modern methods of family planning. Policy reforms under the FPHP are designed to (a) increase availability of contraceptive commodities; (b) enhance the private sector's ability to provide information, goods and services; and (c) improve coordination and implementation of population policies. The purpose of these interventions is to reduce the vulnerability of poor families to uncontrolled family size and unhealthy conditions.

Another A.I.D. initiative to eradicate guinea worm primarily benefits poor rural families who do not have a supply of clean water. A.I.D. also recently initiated an activity to address the growing HIV/AIDS problem in Ghana. This activity will support an improvement in diagnostic capacity, and will expand information, education and communication as well as health education and awareness.

Consultation and Involvement of Local Groups. The family planning initiative gives men and women more control over their lives, and contributes to their health by improving child spacing. Under the

FPHP, the specific service-delivery programs are designed and implemented locally by service providers. This allows local people to design for themselves those programs that they know will work in specific communities.

Information suggests that the training of women as traditional birth attendants (TBAs) has resulted in their gaining considerable status and earning power, thus strongly supporting A.I.D.'s Women-in-Development (WID) initiatives. Since the inception a training program in early FY 1990, 3,113 birth attendants (1,583 in 1991) have been trained in safer delivery practices and family planning, and have been supplied with commodities. As a consequence, increased family planning services are available in rural areas and more people have adopted modern family planning practices. A study to confirm the impact of this program is underway.

A major family planning information, education and communication (IE&C) campaign was undertaken by local groups in 1989-1990 in three regions. The campaign involved a wide variety of media, sending a common message in support of the Ministry of Health family planning clinics. It showed an average increase of 98% in years of contraceptive protection in campaign areas as compared to non-campaign regions showing an 18% increase. By the same token, a drop in the quarter following the campaign reinforces the need for a continual IE&C campaign.

Data are being analyzed to examine the factors behind the success. A.I.D. will disseminate widely the lessons learned from the earlier campaign, and will monitor to assure that those lessons are incorporated into follow-on activities in both the private and public sectors.

Conclusion

With the success of the economic recovery program, the foundations for a resumption of economic growth have been established in Ghana. The major development problems which need to be addressed over the next decade will determine the nature of that growth. A.I.D.'s program strategy emphasizes those investments that will ensure that growth is participatory and equitable. Programs in family planning, health and education reinforce this emphasis. A.I.D.'s private sector export and investment strategy seeks to achieve participation and production results across the broadest spectrum of Ghanaian businesses.

In 1991, A.I.D. refined its development strategy to more sharply focus its future programs in areas where mutual collaboration can directly impact on Ghanaian priorities. A.I.D.'s country development strategy is now firmly in place. Several new, major efforts were initiated in close collaboration with Ghanaian institutions. Anticipated impacts are measurable and they are achievable. Some important accomplishments have already been registered. Across the board, these results will directly and positively influence the quality of life in Ghana.

MALI

INTRODUCTION

While the West African state of Mali faces a daunting array of obstacles to development, the country has made serious and effective efforts in recent years to set its economy on the road to growth. The Government of the Republic of Mali (GRM) has adopted far-reaching measures aimed at reducing the role of the public sector, curtailing central government spending, freeing up productive resources, and encouraging expansion of the private sector. The year 1991 saw political liberalization also, as the 25-year-old military regime was overthrown and an open, multiparty, democratic system was established for the first time in the country's history. During this transition period, Mali has been a model of temperance, stability and progressive management.

The United States has positioned its assistance program to provide effective support to these new initiatives. The most visible feature in this regard is assistance to the elections program, but there is also ongoing aid, both direct and indirect, to decentralization and governance initiatives, promoting the status of women, and private and microenterprise development. A.I.D.'s efforts, which combine policy reform with project assistance, extend throughout the sectors of agriculture, health, population, and education.

Background

The Republic of Mali is a sprawling, landlocked country located in the center of West Africa. Mali is home to the fabled city of Timbuctou, a former center of Islamic learning and a major point of commerce for the trans-Saharan camel caravans. The country is made up primarily of desert in the north and savannah in the south. Some eight million people are scattered throughout an area as big as the states of Texas and California combined. The ethnically diverse Malian people derive their livelihood from agriculture, raising livestock and fishing. Around 20% of the population is located in urban areas, including the capital, Bamako. There is a relatively small but growing manufacturing and commercial sector composed mostly of small businesses and microenterprises.

Economic Developments

For the first 20 years after independence, the GRM's development strategy was based on central planning and state control of the economy. The Government erected a complex system of state enterprises which, far from guaranteeing full employment, ended by becoming a burden to the economy. The Malian franc quickly became overvalued and inconvertible. Inefficient state industries, lacking managerial expertise and the discipline of a free market, turned out shoddy goods and incurred losses, draining state revenues. Low producer prices and controlled marketing soon saw farmers reverting to subsistence production. By the early 1980s it was clear that Mali's socialist experiment had failed.

Starting in 1982, the GRM initiated a broad-sweeping, progressive structural adjustment program. Initial measures were intended to reduce government budget deficits and public enterprise operating losses. Market liberalization and improved price incentives were introduced to increase the efficiency of resource allocation. Then, financial sector reforms were undertaken and internal and external trade was liberalized. In 1985, Mali joined the West African Monetary Union (WAMU). Its currency, backed by the French Franc, is now freely convertible. In recent years, the GRM has broadened its efforts at reform. Key among these have been the public enterprise restructuring program, and a series of sectoral reform programs in education, health, agricultural research and livestock in which A.I.D. participates actively. The United States has provided non-project assistance through the African Economic Policy Reform Program (AEP RP) and food for development (P.L. 480 Section 206 and Title III) resources which have been instrumental in maintaining the continuity of reform efforts during this difficult period.

Political History

In contrast to the extensive economic liberalization, Mali's political structures were very closed until 1991, based on a one-party system with centralized control. Mali has had two major governments in its short history and is now preparing to elect a third in early 1992. The first regime, administered by Modibo Keita, was deposed by a military coup in 1968 headed by an Army lieutenant named Moussa Traore. Although Keita was toppled because of his strident Marxist policies, until the economy stagnated in the early 1980s and the Government was forced to undertake stabilization and structural adjustment programs, Traore's reign also had been characterized by tight control of the economy.

Current Situation

The Political Landscape

Growing populism and discontent with the Traore regime boiled over in early 1991. Spontaneous civil disturbances culminated in his overthrow. A civil-military transitional government, comprised largely of technocrats and with a prime minister trained in the United States under an A.I.D. program, convened a national conference in mid 1991 to draft a new constitution and has moved swiftly to organize open, multi-party elections in early 1992. The new leadership has extended the GRM's economic liberalization agenda.

Recent Economic Developments

The GRM is serious about reform. Mali has performed extremely well under the structural adjustment program, with concerted help from the donors. The GRM has met most macroeconomic targets and remained in good standing with the International Monetary Fund and with the World Bank-funded structural reform program. In the last several years, the Government has dissolved 14 large parastatal enterprises or privatized their assets; 23 more are targeted for the next few years. The GRM has energetically implemented an early retirement program for civil servants, under which the work force will eventually be trimmed by some 20%. The first wave of 1,600 civil servants has left government service, with a second wave of 1,500 civilian and 1,000 military personnel already scheduled. This equals a 7% reduction in the government work force in the last two years alone. The cereals market has been fully liberalized. By 1991, all price controls, with the exception of petroleum products, had been abolished--a move that occurred much more quickly than expected. As a result of the liberalization of domestic transport, Operation Haute Vallee, a regional development program supported by A.I.D. and several other donors, has decreased its transport costs nearly 40% in the past three years (an estimated savings of \$320,000) while increasing its services to cotton producers in the region.

In recent months, the GRM has opened a dialogue with private business people in order to identify concrete actions which government can take to improve the climate for private sector expansion. The GRM has already passed a series of very positive tax and regulatory measures designed to unfetter private sector initiative and promote investment. Largely as the result of policy dialogue during the design of a new A.I.D. program, the GRM restructured the court system for resolving commercial lawsuits; many business people consider this the most important institutional development of the year. The GRM also opened a one-stop shop for exporters and is strengthening its information service on export opportunities, with A.I.D. support.

The GRM has further plans for reform--additional policy and regulatory changes needed to continue to move from a statist to a market-oriented economy. Future actions underway or contemplated include consolidating import taxes to seven categories from the previous system of over 4,000, reducing business taxes, revising the regulatory environment and publicizing regulatory changes. Further reducing the minimum business profits tax and payroll tax will stimulate more private sector employment and investment.

In redressing constraints on the private sector, the needs of vulnerable groups have not been neglected. For example, although the GRM has reduced total outlays by 16% between 1991 and 1992, its allocations to the health sector rose by 23%. The budget for primary education also was increased.

The Development Context

Mali's development problems are those shared by many Sahelian states: a weak natural resource base, a largely uneducated population, adverse climatic trends, and unfavorable health indicators. As in other Saharan states, Mali faces the problem of northern ethnic groups who have had difficulty in becoming fully integrated into the political and economic mainstreams. Recent problems with insurgency in the northern part of Mali have complicated the transition to democratic rule. To help address this problem, A.I.D. and other donors have stepped up relief and development efforts in the north; private and voluntary organizations (PVOs) active in two northern regions have undertaken a number of development activities to meet the needs of the desert groups, re-establish productive activities, and calm the tensions.

Mali's economy is based on the primary sector, principally rural, with a small but growing secondary sector. Some 63% of Mali's income is currently generated in the primary sector, composed mainly of agriculture and livestock production and mining. In recent years, per capita income has increased, although slowly. The most recent per capita income figures still place Mali near the bottom of the list of least developed countries, at \$269.

Mali is dependent upon subsistence agriculture--millet, sorghum, legumes and rice. There is an important export sector as well, with recognized potential for growth, from which some 16% of the country's income is derived. The cotton Mali grows in the southern regions is exported to Europe. Cattle, raised on the vast plains throughout the country, are exported south to Cote d'Ivoire. Gold, which is mined in the south and currently accounts for 5% of total exports, shows some promise for growth; a U.S. mining firm has recently made a substantial investment there.

Although cereal production has grown faster than population in the past few years, Mali's livelihood is built on a fragile base and could easily be upset by inadequate rainfall. Buoyed by good rainfall recently, the economic and social trends have nevertheless generally declined on many fronts since independence, due in part to the damaging economic policies of the early governments, but also to the droughts of the 1970s and 1980s and the weak industrial base.

A.I.D. Program

The interests of the United States in Mali are principally developmental and humanitarian, but the recent changes in the government have increasingly focused attention on democratization and governance. The United States has served as a key development player in Mali's history since independence, both as a partner in development and as an intellectual force steering development efforts and aiding in the reform process. In 1990, the United States was the second largest bilateral donor, after France.

The conceptual basis of the current A.I.D. program is set forth in the Mission's programmatic logical framework, prepared in 1989. The program goal is to promote economic growth, and the subgoal is to improve the standard of living of Mali's poor. The program is active in both the productive sectors, such as industry, commerce and agriculture, and the social sectors, such as health and education and training. If there is a single unifying feature to the current A.I.D. program, it is that of stimulating private energies through all of the productive areas of the economy.

The program is based upon three strategic objectives: (1) increasing private-sector participation in the economy; (2) increasing incomes in areas of high productive potential; and (3) improving the delivery of health and educational services. The sectors in which the program is active are policy reform and

private sector promotion, agriculture, and the social sectors of health and population, education and training.

A.I.D. also assists when droughts and food shortages occur by importing and distributing grain and other foodstuffs. In years of relative prosperity, A.I.D. pursues measures, such as the regional Famine Early Warning System (FEWS), to help the Malians avoid famine.

Mali's program is comprised principally of Development Fund for Africa (DFA) resources, supplemented by P.L. 480 Title III and Title II food assistance. The FY 1991 DFA budget of slightly over \$34 million dollars was allocated to health (\$9.8 million), education (\$6.3 million), private sector policy reform (\$9.0 million), agriculture and natural resources (\$2.1 million), and human resource development and other general support (\$6.8 million). Nearly half of U.S. assistance was directed to the social sectors, reflecting A.I.D.'s continuing emphasis on directly affecting the lives of the poor, particularly women and children. In agriculture, the accent is on strengthening rural groups to plan, undertake and manage their own local development programs. Mali also received \$5 million in P.L. 480 Title III commodities to reinforce the highly successful cereals market restructuring program. About \$8 million in Title II commodities were provided, largely to meet the food needs in chronically food deficient areas, particularly the north.

SECTOR ANALYSES

Policy reform is at the heart of the A.I.D. program in Mali. Although there are aspects of reform in virtually all A.I.D. projects, two programs in particular are geared toward supporting it: the Policy Reform for Economic Development (PRED) program and Cereals Market Restructuring program (PRMC).

The PRMC, a major multidonor effort, has had much success in freeing the cereals market from government price controls, in assuring a stable price to cereals producers and consumers, and in increasing private traders' participation in cereals marketing. The market liberalization program has also enabled the GRM to execute more effectively its legitimate food security role. This past year the Government moved grain to food deficit areas seven months quicker than previously--a rapid response which averted serious nutrition problems and enabled poor farm households to cope until the next harvest.

PRED, a new activity begun in FY 1991, will make further inroads into developing the private sector, with project and program activities focused on the development of commercial courts to resolve business disputes, consolidation of many individual income taxes into one, further reductions in business profits taxes, and strengthened training and advisory services for small firms. In FY 1991, \$7.0 million of non-project assistance (NPA) was obligated and \$2.0 million was provided to procure technical assistance to the Ministry of Economy and Finance in analysis, data collection and private sector support. The release of the non-project assistance was conditioned upon the GRM's abolition of all taxes on exports, a step intended to improve exports of livestock and cotton. Initial estimates indicate that this one reform has reduced the official livestock market costs from \$20 to \$8.60 per head--a savings of almost 60% which is expected to improve regional market demand in the coming months. The direct beneficiaries of the export tax elimination will be the small farmers and herders who produce agricultural goods for export.

Assisting the Poor and Encouraging Local Participation

Impact upon the poor is a key concern in the design and implementation of the Mali portfolio. Of paramount importance are monitoring and evaluating the effects of NPA. A.I.D. closely monitors the prices of all food products through a rural-based reporting network operated by the GRM, and will be able to report on the effects that various policy reform measures, such as those under the Cereals Market Restructuring program (PRMC), have had on agricultural prices. The monitoring program established under the PRED program will establish a method for private businessmen to exchange views with the regulatory branches of the GRM. A.I.D. also will work closely with the World Bank in the implementation of its Social Dimensions of Adjustment (SDA) program in Mali.

The two social sector projects, Basic Education Expansion project (BEEP) and Community Health and Population Services (CHPS) are being implemented with the full and extensive participation of rural poor people. Their participation will result in devolving responsibility to the village level for project implementation and control over project and central government resources. For example, during the design of the CHPS project, A.I.D. spent considerable time in visiting the communities where the pilot project had been established. As a result of interviews with community leaders and health care workers, the project was modified to enlarge the roles and responsibilities of community groups in the management of the pharmacy and health centers and to increase the amount of training for village health workers.

In the education sector, our focus is on the community and the family as the locus of decision-making. Under the BEEP project, the key vehicle for the development of community schools is the parent-teacher association. A \$1 million fund in support of these groups will further strengthen local participation and decentralize resource mobilization and management. As the project progresses, these local associations will serve as the focus of policy decentralization in education and new activities, such as textbook management. Under this new system, which includes matching contributions from the local community, the GRM will double the number of primary school classrooms to 14,000 by the year 2000.

A.I.D. is promoting grass-roots development through support to rural nongovernmental groups. The World Education Urban Grant, for example, concentrates on community development through small projects. The project has several ongoing construction activities in the Bamako area and is having an effect both upon employment and the quality of life in the neighborhoods where it operates. This project employs women, unemployed youth and others who have not traditionally had a voice in community affairs, and provides them with the needed resources to undertake projects in their own communities.

A.I.D.'s locally focused, income-generating projects are typified by activities in the Haute Vallee region, where the Development of the Haute Vallee (DHV) project has launched a program to strengthen village associations and cooperatives in income-generating activities. Economic activities being pursued by these rural groups have expanded greatly, including grain marketing, milling, pharmacies, bakeries, small shops, farm machinery and soap making. This growth and diversification of viable small-scale activities are largely responsible for the 23% increase in credit given to the Operation Haute Vallee (OHV) associations during the 1989-1991 period. With an impressive 98% average repayment rate, these village associations are increasingly attractive clients for commercial banks; loan guarantee requirements have been reduced from 50% to 20%. Also significantly, the DHV project has supported the creation and growth of exclusively female village associations. Because of commercial banks' initial reluctance to lend to these women's groups, the project provided the initial financing which enabled the women's associations to establish their creditworthiness with local banks. In a country with so few rural financial resources, these village associations are becoming a cornerstone of economic strength in rural Mali.

In the DHV project, A.I.D. funds a very popular adult functional literacy program. Of the 25,000 Malians that graduated from this important non-formal education program in 1991, 14,000 came from A.I.D.'s project zone. In the DHV, adult literacy is integrated with various agricultural and small enterprise activities to increase its relevance and utility to rural Malians. Experience in that region is likely to be expanded to other areas by A.I.D. and other donors. The Canadian Government recently approved a major literacy project which is built in part upon the successes achieved in the Haute Vallee zone.

Emphasis on the integration of women into economic life is not limited to the agriculture sector. The A.I.D. program is actively promoting girls' expanded access to basic education. Today, there are some 9,000 more girls in primary school than there were in 1989--an increase in female enrollment of almost 10% in two years. Nonetheless, only one in five eligible girls is currently enrolled in school. Thus, future gains in this area must be based on increasing female enrollment rates. The GRM has a target of having 29% of all eligible girls attending primary school by 1995 and 45% by the year 2000.

Agriculture and Natural Resource Management

Mali derives some 54% of its gross domestic product from agriculture but still has much unexploited agricultural potential. The A.I.D. agriculture program focus is on privatization and technology development and transfer. A.I.D. supports an integrated development program in Mali's southern region with institutional reform and restructuring of the Operation Haute Vallee . The A.I.D. Mission has worked with the Ministry of Livestock since the mid-1970s on livestock health and production. There are two ongoing projects in agricultural research on staple grains (millet and sorghum) in the savannah zone, and a small reforestation project in the Mopti region. Through these projects, A.I.D. has assisted in privatizing agricultural input delivery and output marketing, rural credit and the sale of veterinary drugs and services.

Recent progress in expanding agricultural production has been good. Staple grain production has been expanding faster than population growth for the past several years. Output in 1991 is expected to set new records, surpassing the previous 1989 record 2.15 million metric ton harvest. While much of this growth is again due to continued favorable climatic conditions, an increasing share is directly attributable to reforms in the cereals market supported by A.I.D. During the past three years, the total export volume of cotton and livestock increased, and the value of all recorded agricultural exports has increased over 50%. Prospects for better production of millet and sorghum, the basic staple of most Malians, were advanced with the release in 1991 of six new varieties that are particularly suited to Mali's capricious climatic conditions. These seeds are the invaluable fruit of a decade of research funded by A.I.D. through regional and bilateral programs.

Natural resources management is an important element of all A.I.D. agriculture projects. Farmers are adopting improved farming practices at a rapid pace. Twelve separate technologies improving soil conservation, water management and soil fertility have been extended throughout the Haute Vallee zone, covering 80% of the estimated 10,000 farm families. Two years ago, there were only three natural resource management technologies being practiced by farmers in this important agricultural region.

A.I.D. is increasingly involved in rationalizing land tenure policy and improving the policy climate for agricultural development. A.I.D.-supported efforts have produced recommendations that encourage increased user rights to fields and farmer-planted trees in particular, as well as a general transfer of responsibility for natural resource management to the local populations. GRM decision-makers, supported by rural organizations, will likely propose legislation that diminishes the degree of state control of forest lands and forest products.

A.I.D. assistance to Mali's livestock sector has been continuous since 1963. These projects have made some important gains in Mali's animal health, animal production and privatization of services. In those regions A.I.D. has assisted, encompassing over one third of the national herd, there has been a 55% reduction in the outbreak of contagious diseases over the past four years. A new livestock project in 1992 will aim at enhancing export prospects and continuing to improve the health of the national herd.

Health

A.I.D.'s health program is designed to meet the needs of the rural and urban poor. The Integrated Family Health Services (IFAHS) project, begun in 1986, is financing the rehabilitation of some 15 urban health centers in poor neighborhoods in the Bamako district. The Community Health and Population Services (CHPS) project will help the GRM to devolve responsibility for managing health care to the village level through appropriate legal and administrative reforms, material assistance in health care and family planning, and a massive training effort for rural health workers and administrators. Throughout its health portfolio, A.I.D. accords priority to the child survival themes of oral rehydration therapy, nutrition, immunization and family planning.

A.I.D. supports greater access to affordable medicines. In 1991, the GRM published decrees revoking the import monopoly of the parastatal Malian Popular Pharmacy (PPM) and authorizing tax-free imports of 199 essential drugs on a competitive basis. In the wake of the decrees, the PPM is no longer responsible for pharmaceutical distribution and only 15 of 98 wholesale outlets remain under its management; the remaining 83 are being sold to private entrepreneurs. There are now a total of 101 private pharmaceutical outlets in Mali, of which 85 are in Bamako. Liberalization of the pharmaceuticals market has until now mainly affected urban areas. Rural areas, especially where PVOs are operating, will have small pharmacies with minimal stocks of essential medicines periodically replenished by revolving funds. This year, for the first time and exclusively in the DHV region, five village pharmacies were financed through commercial bank loans. This is a microenterprise activity which could serve as a model for replication in other areas.

The CHPS project will fund village health centers designed to service 52% of all Malians by 1995. This project supports the GRM commitment to decentralization, privatization of health care delivery, and more efficient use of public health funds. There are some good indicators of improvement in the health care delivery system. New procedures developed under an A.I.D. project and training of health care personnel have resulted in a significant increase in treatment of disease--from 15% to 20% between 1990-91 of all episodes--and 25% more prenatal consultations at urban health clinics. Immunization of infants against six major childhood diseases has increased nationally from only 5% in 1987 to 41% in 1991, and in those areas where A.I.D. has sponsored PVO-managed child survival activities between 65%-85% of infants have been immunized. Also, the incidence of diarrheal disease--a major killer of children--has been halved and malnutrition reduced in an area where Africare is strengthening health care delivery.

A.I.D. is the major donor in population and family planning in Mali. Support is provided for policy development and to expand access to contraceptives, clinical methods of family planning, and information, education and communication programs. All of these activities will make major contributions towards achieving higher contraceptive prevalence rates. Although the national rate is currently estimated to be only 2.9%, use of modern means of contraception has more than doubled in recent years, from an abysmal 1.3% in 1987. In certain areas where American PVOs are implementing information and education programs and furnishing family services, contraceptive prevalence has jumped to 65%.

Two other notable health programs are malaria research and control and AIDS prevention. Malaria is a major killer of young children in Mali as well as a severe cause of morbidity and lost productivity in school-age children and working adults. Chloroquine-resistant strains of malaria are spreading quickly in Mali. A.I.D. has recently funded a resident malaria expert advisor to evaluate both traditional and new control measures against this disease. The research results could have worldwide impact.

A.I.D. also supports an AIDS prevention project in Bamako. The project has developed educational materials, trained peer leaders, and distributed condoms on a weekly basis to participating establishments. Reported condom usage approaches 100% in every location. Other sexually transmitted diseases have been reduced by 10% in the preliminary stages of the project.

Education

Only some 13% of school-age children in Mali are in school. The rest will never have the opportunity for formal learning unless Malians make major efforts to increase enrollment. This situation influenced A.I.D. to initiate in 1989 a \$10 million Basic Education Expansion project. Expanded in 1991 to \$20 million, the project features a number of innovative activities designed to improve the quality of education. In concert with other donors, the major project activities focus on improving: the quality of education through in-service training; the efficiency of the basic education system through better management of existing resources, both human and material; management information systems, monitoring and evaluation; rural access through matching grants to community initiatives; and gender equity by facilitating and increasing girls' access to schooling. Major policy reforms are based around restructuring the budget and parts of the educational system in order to put more emphasis on primary

education. The education program pays particular attention to the needs of girls, whose rate of school attendance is much lower than for boys.

Some significant quantitative and qualitative improvements in the Malian basic education system have already been achieved. In the past year, A.I.D. made a major impact on textbook use by coordinating the distribution of approximately 230,000 new books to all primary schools in Mali. Given the dearth of educational materials, A.I.D.'s assistance meant a threefold increase in the total number of textbooks available to primary students. The first school construction and renovation fund has already financed 234 new and 251 renovated classrooms, out of a total of 1,200 planned. This was done with matching community contributions, directly and through a portion of local tax collections. During the past 18 months, over 4,400 teachers and school administrators have been trained or retrained in new pedagogical techniques and management skills. While primary school enrollment has increased about 10% since 1989, the student-teacher ratio has improved as well. Moreover, a drop of almost 10% in the rate of children repeating primary grades and a 30% increase in the number of children completing the sixth grade testify to the overall improvements in Mali's basic education system.

The early results of A.I.D.-supported activities have helped convince the GRM that formal basic education is the key to long-term development. Consequently, the GRM is increasing the amount of resources allocated to primary education. Even with recent "belt-tightening" that resulted in a \$30 million reduction in total GRM annual expenditures and with greater funding requirement for secondary and higher education, the GRM has increased the basic education budget. In 1991, the Government achieved significant gains in primary enrollment, school construction and overall educational quality in a period of budget austerity.

CONCLUSION

This is an exciting time in Mali's history. There is an urgent need to support Malian efforts to foster democracy and to reinforce and deepen the extensive reforms already undertaken by the GRM. The United States, in close collaboration with the other principal donor nations, is well positioned to do so. Many exciting challenges are on the horizon, including building new political structures, ensuring continued food security and the growth of agricultural exports, and stimulating private sector expansion to enable rural and urban job creation and broad economic growth. History has shown that Malians will continue to be eager, determined partners in tackling these economic and social development challenges.

MOZAMBIQUE

Introduction

A Country in Transition

Mozambique presents one of the most difficult development challenges in Africa; indeed, in all of the developing world. One international comparison of quality of life across over 100 countries has ranked Mozambique very near the bottom of the list. Per capita income is estimated at less than \$100 per year. The interrelated experiences of drought, rural insurgency, economic decline and political and administrative unwinding have plagued Mozambique, causing hundreds of thousands of deaths and leaving several million persons displaced or destitute. It is estimated that 50-60 percent of the population is living in "absolute poverty". Women and children have been particularly vulnerable and have been the most severely affected. These legacies will inevitably take decades to overcome.

Nonetheless, Mozambique has taken significant steps to create a sound base for the country's political and economic development. The government has significantly shifted away from its Marxist/authoritarian ideological heritage and has committed itself to a more open, democratic political system. Negotiations are underway to bring an end to a debilitating rural insurgency. Global and regional trends, especially the end of the Cold War and the dramatic changes in neighboring South Africa, will help sustain these advances. For the long term, Mozambique has vast untapped agricultural potential, substantial mineral resources, and is well linked to the markets of neighboring countries.

Since 1987 the Government of the Republic of Mozambique (GRM) has dramatically changed its approach to economic development and has arrested the economic collapse of the early 1980s. With the support of the donor community the GRM initiated an Economic Rehabilitation Program (ERP) to restructure the foundations of its economy. The ERP has involved a fundamental shift towards achieving macroeconomic stability, reducing the comprehensive structure of controls, and facilitating the emergence of the private sector as the major engine of economic growth. The ERP has achieved considerable success despite the difficulties caused by the continuing insurgency. Economic growth has averaged about 4 percent per annum since 1987, and domestic food crop production has expanded rapidly. Especially important have been key economic policy initiatives. Administrative direction of the economy has been significantly decreased, resource allocation has improved, and the budgetary process has been tightened.

On the political front, Mozambique experienced a considerable opening up in 1991 with the implementation of a new constitution and the enactment of laws to legalize new political parties, promote freedom of association, increase considerably the freedom of the press. This process of political liberalization represents a sharp break with a tradition of political power centralized in a single ruling party. As part of a strategy of political liberalization, the party is being separated from the state apparatus. The GRM's stated desire is to create a legal base for democracy, promote increased public participation in political life, and seek a peace settlement that will allow a stable foundation for political and economic development.

U.S. Economic Assistance

The A.I.D program in Mozambique provides support for an indigenous process of political and economic liberalization with a focus on food security. Core program objectives have been threefold:

- provide food to those who cannot produce;
- promote an incentive structure that will allow small-scale farmers and traders in relatively secure areas to produce and market more; and
- provide a safety net for the urban poor, while encouraging due elimination of an unsustainable administered price system.

A.I.D. is also providing technical assistance to build Mozambican capacity to tackle complex technical issues associated with the transition to democracy, the institutionalization of an independent judiciary, and the decentralization of government. As part of the Southern Africa Regional Program, A.I.D. continues to collaborate with the GRM, the SADCC countries and other donors to increase the efficiency of the Mozambican rail system, a critical requirement for regional growth and improved export capacity.

A.I.D. has placed particular emphasis on supporting GRM efforts to dismantle centralized administrative control of the agricultural sector and to allow markets to provide signals to farmers and traders for production and investment. The shift to a market philosophy entails a broad reorientation of the functions of government and individuals in society. The belief in the need for central control and direction is more and more evolving into a growing understanding that individuals with a stake in their advancement are best able to make decisions related to their economic well being. The key concern is that such decisions be taken in context of a competitive economic environment where one, or even a small number of actors, does not dominate or exploit others. Particularly given the GRM's unfamiliarity with market dynamics, A.I.D. has financed technical assistance and facilitated linkages with U.S. universities that are helping to build indigenous policy expertise and an understanding of the philosophical shift to a market economy.

Program Report

In each of the past three fiscal years the United States has provided over \$100 million to Mozambique for development and emergency programs, including both bilateral and regional programs. In FY 1991, excluding regional programs, A.I.D. provided a total of \$75.4 million to Mozambique: \$52.8 million in development assistance and \$22.6 million in food aid. This report focuses on A.I.D.'s bilateral assistance program in Mozambique, the objective of which is to support the achievement of food security. Assistance provided through A.I.D.'s Southern Africa Regional Program is not discussed in this report.

A broad range of support has been strategically directed to help Mozambique solve immediate food security problems and to create a foundation for sustainable long-term development: P.L. 480 Title II emergency food aid, project and non-project assistance under the DFA, and P.L. 480 Title III food aid for commercial sale.

Emergency Assistance

On the emergency front, the Mozambican Government and a range of international and U.S. PVOs and NGOs have set up a national network to deliver food aid to crisis areas. A.I.D. and other donors provide food and transport support. The system has serious flaws, but it delivers about 150,000 metric tons of food each year to critically needy people in hard to reach areas in spite of losses and diversions in a hostile and unsafe working environment. Well over 80 percent of the recipients are women and children. In most sites with displaced people, women play a dominant role in food distribution. Moreover, A.I.D. is constantly coordinating with PVOs, NGOs, other donors and the government to improve the emergency food program. A.I.D.-funded PVOs now have tracking systems established to document deliveries and losses. And options are being explored to privatize parts of a costly parastatal trucking system as a means to create small firms that would continue to service emergency areas, but which could also bring marketing services to rural areas as security conditions improve.

With the help of U.S. PVOs -- and over \$8.5 million in DFA funds in FY 1991 -- measures are underway to reduce the dependence of displaced people. Hundreds of thousands have received packs of seeds and tools. Most do not have access to much land, but now they can grow about a third of their own food and face their situation with greater human dignity. Slowly, primary and preventive health programs are being put in place. PVOs have helped instigate immunization campaigns and oral

rehydration and growth monitoring programs which, coupled with health education and improved water and sanitation provision, greatly improve child survival in targeted program areas. In areas where PVOs have helped communities contend with immediate health and nutrition crises, attention is being given to link these communities with local markets and enhance prospects for viable economic activities.

Since 1989, A.I.D. has provided prosthetics assistance to civilian victims of war through four PVOs. To date, over \$3.5 million has been obligated for such activities as training, equipment, prosthetics production, patient services, construction of patient hostels, and logistic and administrative support. Much has been accomplished through these activities, and A.I.D. plans to evaluate them during FY 1992 to see how well they are fulfilling their goals and to determine future needs. At the same time, A.I.D. has also supported the efforts of Save the Children Federation to assist displaced and traumatized children through counseling and family reunification. Since 1989, A.I.D. has obligated approximately \$3 million for this effort through two projects. To date, about 2,000 children in Mozambique have been assisted, with efforts underway to reach Mozambican children in refugee camps in Malawi.

Agriculture

To revitalize incentives for agriculture, A.I.D. has taken a lead role in working with the government to phase out an archaic fixed pricing system for agricultural products and to lift trade regulations which squelched competitive private markets. In FY 1991, A.I.D. provided \$17.5 million in sector assistance to bolster Mozambique's agricultural liberalization effort under the Private Sector Support Program. Since the program was initiated in 1989, the Government has dropped administered prices for commodities such as maize, beans and rice which did not cover farmer costs and risks. Private traders have been allowed to compete with the parastatal marketing agency, virtually driving it out of commercial activities. Regulations that precluded the movement of agricultural commodities between districts and restricted the number of wholesale traders have been abolished, in effect making it easier for new traders to get into business. Price controls have also been relaxed on key consumer goods such as domestically produced maize and beans, thereby allowing prices to reflect real marketing costs. Safety net measures, described below, have helped protect urban consumers against price increases. By mid-1991 the market -- not capital-based technocrats -- was driving the agricultural economy.

To help private traders and farmers take advantage of better prices and opportunities, A.I.D. has financed approximately \$85 million in essential agricultural imports since FY 1984: seeds, tools, tractors, farm implements, trucks. The list of eligible commodities has been demand driven, based on interviews with farmers, traders and business persons. Local demand has also driven the quantities financed. Since importers pay in local currency for the commodities imported, they have a profit incentive to ensure that they can resell them to productive buyers. In FY 1991, all A.I.D.-financed agricultural imports went through market channels. All of these commodities were imported and distributed through private firms.

Both the Mozambican Government and A.I.D. recognize that policy reform is not a one step process. Effective policy formulation requires that policy makers (and donors) understand how changing constraints and their remedies affect farm and market behavior, income growth and distribution, and long-term development potential. With technical assistance from Michigan State University financed under the DFA, the Ministry of Agriculture is setting up an information system that will link policy makers with on-the-ground realities. For the first time, government officials are obtaining reliable data on how market prices evolve, whether markets are competitive or thin, and whether policy reforms have raised rural incomes. This type of information will help Mozambicans

take greater control over the development process and reduce dependence on donors to set the policy framework. It will also help policy makers focus on real needs and formulate more realistic and effective development programs because it ensures that local views are taken into consideration in agriculture and economic development policy formulation.

Health

In FY 1991, A.I.D. obligated \$20 million for a preventive and primary health project that will support efforts to realign health expenditures from curative to preventive care, put more local control into health care management, and finance critical supplies such as essential drugs. It is too early to note results, but the impact should manifest itself most poignantly in improved child survival. The design of this new program incorporated lessons learned from the mission's earlier child survival pilot project, especially how to decentralize health services to achieve an effective health care system that involves NGO and local participation. A.I.D. anticipates expanding this health effort through complementary sector assistance beginning in FY 1993.

PVO Collaboration

Both A.I.D. and U.S. PVOs are seeking ways to foster indigenous NGOs to galvanize community initiatives. Mozambique's indigenous non-governmental sector remains weak. Until late 1990, non-governmental entities were suppressed, with the government controlling most aspects of political life and economic development. The advent of a new constitution in November 1990 opened prospects for a stronger civil society, with the government now recognizing that active community participation must drive local economic development. A.I.D., in providing support to U.S. PVOs, has encouraged collaboration with emerging Mozambican entities. In FY 1991, over \$11 million from the DFA was provided to Mozambique through PVOs.

Food Assistance

The final component of the Mozambique program is food aid sold through market channels. Regular supplies of U.S. maize to key urban centers -- about 140,000 metric tons a year -- have helped keep markets orderly while the government lifted price controls and farmers began responding to better incentives. Some of the corn goes through a ration system intended to provide vulnerable groups with basic goods at lower costs. The safety net system has serious faults, and A.I.D. is working with the government to find better alternatives. In particular, A.I.D. and the World Bank have jointly funded Cornell University to help the government understand the impact of policy change on the urban poor. The insistence on prompt deposits of counterpart funds has in effect forced the Government to recognize important shortcomings in the parastatal food marketing system and led to an incipient move to private marketing channels.

Conclusions

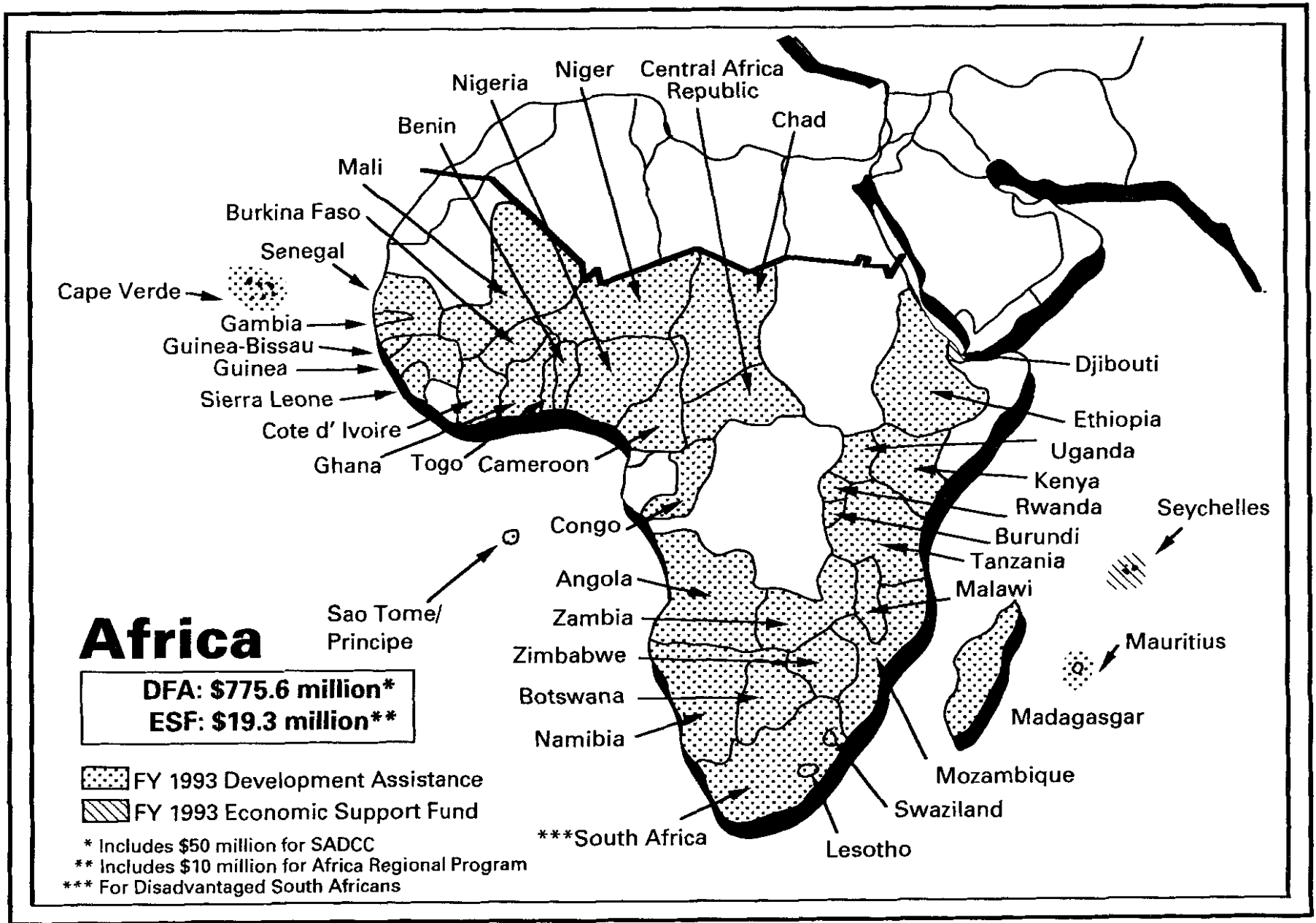
The bottom line on this story is the impact on human lives: child nutrition, as reflected by growth faltering in children under five, improved in every province of Mozambique between 1989 and 1990. This is an impressive accomplishment in any African country. With a civil war going on, it is a particularly powerful demonstration of how the flexibility provided under the DFA can be used to mix project and non-project assistance, in conjunction with food aid, to address African development problems.

Measuring the impact of A.I.D.'s assistance was not easy. Statistical systems in Mozambique are still weak or non-existent. For years the government relied on parastatal trade figures to estimate food production. Now those figures are obsolete with the upsurge of private trade. While A.I.D. continues monitoring production reports, a good indicator of success is believed to be the impact on child nutrition. In short, if children are eating, one can expect that others in their family also have access to food.

The government, with the help of many NGOs, collects basic data on the weight and height of children at health posts in all of Mozambique's ten provinces. A.I.D. tracks these data quarterly and double checks them with PVO reports, and thus believes the improvement in child nutrition is real.

One also can safely conclude that food aid was not the major factor. Overall food aid from all donors has not changed much in Mozambique since 1986. The biggest change was that small farmers and traders finally got the freedom to produce, and market returns made it worthwhile.

By no means is the crisis in Mozambique over. The war continues to disrupt rural life. It is impossible to predict how much agriculture can recover under these circumstances. We can, however, say that an economic policy foundation is emerging that can support growth. A new constitution is in place that supports open political competition and participation. And negotiations to bring peace continue. Despite the challenges ahead, there is a basis for optimism.



Economic and
Social Data
(Africa Regional Summary)

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
PRESENTATION COUNTRIES

	POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY-- (PERSONS PER SQUARE KM)	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	PDP/TOTAL LAND	
ANGOLA	8,668 (91)	2.7% (92)	44 (91)	17,786 (84)	31% (85)	155 (91)	(85)	41% (89)	28 (87)	7 (87)	
	6,951 (81)	2.3% (81)	40 (81)			186 (81)			24 (81)	6 (81)	
BENIN	4,832 (91)	3.3% (92)	50 (91)	15,937 (83)	57% (85)	119 (91)	16% (85)	47% (89)	189 (87)	38 (87)	
	3,540 (81)	2.7% (81)	46 (81)	16,990 (81)		144 (81)			159 (81)	32 (81)	
BOTSWANA	1,258 (91)	2.7% (92)	62 (91)	6,897 (83)	54% (85)	43 (91)	69% (85)	34% (89)	3 (87)	2 (87)	
	937 (81)	3.7% (81)	55 (81)	7,405 (81)		77 (81)			2 (81)	2 (81)	
BURKINA FASO	9,360 (91)	3.1% (92)	52 (91)	57,359 (89)	65% (85)	119 (91)	6% (85)	53% (89)	63 (87)	30 (87)	
	7,107 (81)	2.4% (81)		55,734 (81)					56 (81)	26 (81)	
BURUNDI	5,831 (91)	3.2% (92)	52 (91)	21,030 (86)	30% (86)	109 (91)	26% (85)	52% (89)	222 (87)	179 (87)	
	4,214 (81)	1.8% (81)	49 (81)			126 (81)			190 (81)	151 (81)	
CAMEROON	11,390 (91)	2.7% (92)	51 (91)		30% (85)	118 (91)	50% (90)	39% (89)	71 (87)	23 (87)	
	8,812 (81)	2.7% (81)	47 (81)			143 (81)			59 (81)	19 (81)	
CAPE VERDE	386 (91)	3.0% (92)	61 (91)	5,283 (83)	63% (85)	63 (91)	78% (89)	38% (89)	542 (87)	87 (87)	
	301 (81)	1.7% (81)	57 (81)			84 (81)			465 (81)	75 (81)	
CENTRAL AFRICAN REPUBLIC	2,952 (91)	2.6% (92)	47 (91)	23,529 (82)		138 (91)	29% (85)	48% (89)	56 (87)	4 (87)	
	2,322 (81)	2.3% (81)	43 (81)	22,913 (81)		165 (81)			48 (81)	4 (81)	
CHAD	5,130 (91)	2.1% (92)	40 (91)	38,358 (86)		138 (91)	11% (85)	35% (89)	11 (87)	4 (87)	
	4,089 (81)	1.6% (81)	36 (81)			161 (81)			10 (81)	4 (81)	
CONGO	2,309 (91)	2.9% (92)	54 (91)	8,324 (82)		108 (91)	55% (85)	40% (89)	19 (87)	6 (87)	
	1,680 (81)	3.6% (81)							16 (81)	5 (81)	
COTE D'IVOIRE	12,978 (91)	3.9% (92)	54 (91)			97 (91)	31% (85)	40% (89)	162 (87)	33 (87)	
	8,753 (81)	3.9% (81)	50 (81)			122 (81)			139 (81)	26 (81)	
DJIBOUTI	381 (91)	2.7% (92)	48 (91)	4,179 (84)	43% (85)	118 (91)			190 (87)	16 (87)	
	294 (81)	5.1% (81)		4,439 (81)					155 (81)	13 (81)	
ETHIOPIA	53,191 (91)	3.1% (92)	51 (91)	78,968 (84)	14% (85)	114 (91)		43% (89)	78 (87)	38 (87)	
	39,165 (81)	1.5% (81)		88,148 (81)					65 (81)	32 (81)	
GAMBIA, THE	875 (91)	3.1% (92)	49 (91)	11,688 (85)	59% (85)	132 (91)	15% (85)	46% (89)	307 (87)	71 (87)	
	660 (81)	2.4% (81)							265 (81)	58 (81)	
GHANA	15,617 (91)	3.1% (92)	55 (91)	20,463 (87)	56% (85)	86 (91)	43% (85)	36% (89)	216 (87)	57 (87)	
	10,869 (81)	1.2% (81)	51 (81)			101 (81)			177 (81)	46 (81)	
GUINEA	7,747 (91)	0.5% (92)	43 (91)	46,420 (82)	20% (85)	145 (91)	17% (85)	45% (89)	115 (87)	21 (87)	
	5,594 (81)	2.0% (81)		45,470 (81)					99 (81)	18 (81)	
GUINEA-BISSAU	1,022 (91)	2.4% (92)	46 (91)	7,262 (85)	211% (85)	126 (91)	17% (85)	47% (89)	65 (87)	25 (87)	
	807 (81)	2.3% (81)	42 (81)			147 (81)			60 (81)	23 (81)	
KENYA	25,242 (91)	3.6% (92)	62 (91)	10,103 (89)		69 (91)	49% (85)	40% (89)	351 (87)	37 (87)	
	17,337 (81)	3.9% (81)	57 (81)	10,111 (81)		90 (81)			285 (81)	30 (81)	
LESOTHO	1,801 (91)	2.6% (92)	61 (91)	18,614 (85)	35% (85)	78 (91)	84% (85)	47% (89)	70 (87)	54 (87)	
	1,382 (81)	2.6% (81)	57 (81)			100 (81)			61 (81)	46 (81)	
MADAGASCAR	12,198 (91)	3.2% (92)	53 (91)	9,780 (85)	31% (85)	95 (91)	62% (85)	44% (89)	28 (87)	18 (87)	
	8,953 (81)	2.9% (81)	48 (81)	9,895 (81)		116 (81)			24 (81)	15 (81)	

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
PRESENTATION COUNTRIES

	POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY--	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECTANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICIPATION	POP/AGRICULTURAL LAND	POP/TOTAL LAND	
MALAWI	9,438 (91)	1.8% (92)	49 (91)	11,334 (84)	55% (85)	136 (91)	31% (85)	43% (89)	182 (87)	65 (87)	
MALI	6,201 (81)	3.1% (81)	45 (81)	53,297 (81)		153 (81)			151 (81)	53 (81)	
	8,339 (91)	2.5% (92)	46 (91)	23,477 (87)	17% (85)	114 (91)	11% (85)	32% (89)	24 (87)	6 (87)	
	6,800 (81)	1.6% (81)	41 (81)	26,015 (81)		128 (81)			21 (81)	5 (81)	
MAURITANIA	1,996 (91)	3.1% (92)	47 (91)	12,120 (84)		91 (91)		31% (89)	5 (87)	2 (87)	
	1,494 (81)	2.6% (81)	42 (81)			108 (81)			4 (81)	2 (81)	
MAURITIUS	1,083 (91)	0.9% (92)	69 (91)	1,899 (85)	100% (85)	22 (91)	77% (85)	38% (89)	912 (87)	559 (87)	
	979 (81)	1.6% (81)		1,819 (81)		35 (81)			861 (81)	528 (81)	
MOZAMBIQUE	14,921 (91)	3.6% (92)	47 (91)	37,955 (82)	14% (89)	137 (91)	22% (85)	53% (89)	31 (87)	18 (87)	
	12,428 (81)	2.7% (81)	44 (81)	36,979 (81)		158 (81)			26 (81)	16 (81)	
NAMIBIA	1,520 (91)	3.6% (92)	60 (91)			68 (91)	71% (85)	30% (89)	2 (87)	1 (87)	
	1,031 (81)	1.5% (81)	56 (81)			90 (81)			2 (81)	1 (81)	
179 NIGER	8,154 (91)	3.4% (92)	51 (91)	39,725 (84)	46% (85)	129 (91)	9% (85)	51% (89)	55 (87)	6 (87)	
	5,773 (81)	3.4% (81)	46 (81)			149 (81)			45 (81)	5 (81)	
NIGERIA	122,471 (91)	3.0% (92)	49 (91)	7,988 (82)	36% (87)	118 (91)	31% (85)	37% (89)	204 (87)	115 (87)	
	92,957 (81)	3.2% (81)	45 (81)			133 (81)			170 (81)	95 (81)	
RWANDA	7,903 (91)	3.8% (92)	53 (91)	74,924 (89)	49% (85)	110 (91)	33% (85)	49% (89)	423 (87)	244 (87)	
	5,471 (81)	3.5% (81)	48 (81)	32,158 (81)		136 (81)			349 (81)	201 (81)	
SAO TOME & PRINCIPE	129 (91)	2.9% (92)	66 (91)	1,988 (83)	42% (85)	59 (91)			303 (87)	120 (87)	
	96 (81)	2.4% (81)		2,526 (81)					259 (81)	100 (81)	
SENEGAL	7,956 (91)	3.1% (92)	55 (91)	13,060 (82)	55% (85)	82 (91)	19% (85)	44% (89)	62 (87)	35 (87)	
	5,900 (81)	2.9% (81)	49 (81)	12,693 (81)		103 (81)			52 (81)	29 (81)	
SEYCHELLES	69 (91)	0.9% (92)	70 (91)	2,200 (85)	97% (85)	15 (91)			1,118 (87)	240 (87)	
	64 (81)	0.9% (81)							1,274 (81)	228 (81)	
SIERRA LEONE	4,405 (91)	1.2% (92)	45 (91)	13,626 (84)	26% (85)	151 (91)	21% (85)	36% (89)	96 (87)	54 (87)	
	3,382 (81)	2.0% (81)	40 (81)	19,132 (81)		181 (81)			84 (81)	46 (81)	
SOUTH AFRICA	40,601 (91)	2.6% (92)	64 (91)			51 (91)		34% (89)	35 (87)	27 (87)	
	31,098 (81)	2.7% (81)							31 (81)	24 (81)	
SWAZILAND	887 (91)	2.9% (92)	55 (91)	18,848 (83)	21% (85)	101 (91)	66% (85)	41% (89)	53 (87)	41 (87)	
	625 (81)	2.9% (81)	51 (81)			127 (81)			45 (81)	34 (81)	
TANZANIA, UNITED REPUBLI	26,869 (91)	3.4% (92)	52 (91)	26,545 (87)	49% (85)	105 (91)		47% (89)	59 (87)	25 (87)	
	19,305 (81)	3.1% (81)	47 (81)			126 (81)			48 (81)	21 (81)	
TOGO	3,818 (91)	3.6% (92)	56 (91)	8,703 (84)	54% (88)	96 (91)	28% (85)	41% (89)	200 (87)	57 (87)	
	2,686 (81)	3.4% (81)	51 (81)	21,087 (81)		121 (81)			164 (81)	47 (81)	
UGANDA	18,690 (91)	3.7% (92)	51 (91)	21,900 (82)	21% (85)	94 (91)	45% (85)	44% (89)	134 (87)	66 (87)	
	13,079 (81)	2.4% (81)	44 (81)	21,273 (81)		129 (81)			121 (81)	55 (81)	
ZAMBIA	8,446 (91)	3.5% (92)	56 (91)	7,154 (85)	58% (85)	79 (91)	67% (85)	33% (89)	18 (87)	10 (87)	
	5,817 (81)	3.3% (81)	52 (81)	7,800 (81)		99 (81)			15 (81)	8 (81)	
ZIMBABWE	10,720 (91)	2.9% (92)	62 (91)	7,214 (87)		61 (91)	67% (85)	38% (89)	118 (87)	23 (87)	
	7,574 (81)	3.7% (81)		7,085 (81)					96 (81)	19 (81)	

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
PRESENTATION COUNTRIES

		POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY-- (PERSONS PER SQUARE KM)	
		TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
SUMMARY	(MRY)	481,581 *	3.0% #	52 #	25,916 #	35% #	104 #	35% #	41% #	171 @	62 @	
	(81)	356,528 *	2.7% #	47 #	39,872 #	. #	130 #	. #	. #	154 @	54 @	

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REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
SELECTED OTHER COUNTRIES

	POPULATION			HEALTH			EDUCATION		--POPULATION DENSITY-- (PERSONS PER SQUARE KM)	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND
COMOROS	477 (91)	3.5% (92)	56 (91)	12,290 (84)	.	86 (91)	.	45% (89)	377 (87)	191 (87)
	343 (81)	2.9% (81)	52 (81)	.	.	110 (81)	.	.	324 (81)	154 (81)
EQUATORIAL GUINEA	379 (91)	2.6% (92)	51 (91)	.	.	110 (91)	.	42% (89)	99 (87)	12 (87)
	272 (81)	6.0% (81)	43 (81)	.	.	143 (81)	.	.	71 (81)	8 (81)
LIBERIA	2,063 (91)	17.7% (92)	56 (91)	9,339 (83)	54% (85)	121 (91)	23% (85)	36% (89)	382 (87)	21 (87)
	1,961 (81)	3.2% (81)	52 (81)	9,454 (81)	.	146 (81)	.	.	317 (81)	17 (81)
REUNION	607 (91)	1.9% (92)	73 (91)	.	.	8 (91)	.	41% (89)	871 (87)	225 (87)
	512 (81)	0.9% (81)	.	.	.	13 (81)	.	.	791 (81)	205 (81)
SOMALIA	6,709 (91)	3.3% (92)	56 (91)	16,083 (84)	31% (85)	116 (91)	6% (85)	42% (89)	19 (87)	9 (87)
	5,835 (81)	0.6% (81)	50 (81)	17,462 (81)	.	157 (81)	.	.	16 (81)	8 (81)
SUDAN	27,220 (91)	3.0% (92)	53 (91)	10,105 (84)	.	85 (91)	.	32% (89)	34 (87)	9 (87)
	19,702 (81)	3.3% (81)	.	9,601 (81)	.	.	.	.	28 (81)	8 (81)
ZAIRE	37,832 (91)	3.3% (92)	54 (91)	12,934 (87)	14% (86)	99 (91)	45% (85)	38% (89)	203 (87)	14 (87)
	27,339 (81)	2.4% (81)	.	.	.	.	.	.	173 (81)	12 (81)
SUMMARY	(MRY)									
	(81)									
	75,287 *	3.6% #	54 #	12,078 #	18% #	95 #	38% #	36% #	284 @	69 @
	55,964 *	2.6% #	50 #	11,259 #	. #	144 #	. #	. #	246 @	59 @
REGION SUMMARY	(MRY)									
	(81)									
	556,869 *	3.1% #	53 #	23,815 #	34% #	103 #	35% #	40% #	187 @	63 @
	412,491 *	2.7% #	47 #	35,577 #	. #	130 #	. #	. #	168 @	54 @

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REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
PRESENTATION COUNTRIES

	DEBT				FOREIGN ASSISTANCE		
	GNP PER CAPITA \$US	GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP		ALL SOURCES
ANGOLA	.	.	.	.	2.1 (90)	.	1.8% (89)
BENIN	380 (89)	.	.	5.7% (89)	0.0 (81)	.	.
	340 (81)	.	.	3.9% (81)	5.0 (90)	0.25% (90)	14.7% (89)
BOTSWANA	1,600 (89)	.	.	3.6% (89)	0.0 (81)	.	.
	1,040 (81)	.	.	1.4% (81)	14.3 (90)	0.57% (90)	6.5% (89)
BURKINA FASO	320 (89)	.	.	11.9% (89)	0.0 (81)	.	.
	250 (81)	.	.	6.6% (81)	9.9 (90)	0.31% (90)	11.1% (89)
BURUNDI	220 (89)	.	.	29.2% (89)	0.0 (81)	.	.
	250 (81)	.	.	5.5% (81)	20.8 (90)	1.92% (90)	18.6% (89)
CAMEROON	1,000 (89)	.	.	7.2% (89)	0.0 (81)	.	.
	900 (81)	.	.	9.3% (81)	26.4 (90)	0.25% (90)	4.2% (89)
CAPE VERDE	842 (90)	.	.	(89)	0.0 (81)	.	.
	520 (81)	.	.	.	7.4 (90)	1.97% (90)	.
CENTRAL AFRICAN REPUBLIC	390 (89)	.	.	6.0% (89)	0.0 (81)	.	.
	330 (81)	.	.	2.0% (81)	5.1 (90)	0.40% (90)	17.1% (89)
CHAD	190 (89)	.	.	2.3% (89)	0.0 (81)	.	.
	160 (81)	.	.	0.8% (81)	17.6 (90)	1.60% (90)	23.5% (89)
CONGO	940 (89)	.	.	22.7% (89)	0.0 (81)	.	.
	1,100 (81)	.	.	16.8% (81)	3.0 (90)	0.12% (90)	4.0% (89)
COTE D'IVOIRE	790 (89)	.	.	10.3% (89)	0.0 (81)	.	.
	1,150 (81)	.	.	31.5% (81)	27.3 (90)	0.31% (90)	4.4% (89)
DJIBOUTI	.	.	.	6.4% (87)	0.0 (81)	.	.
	.	.	.	.	5.4 (90)	.	.
ETHIOPIA	120 (89)	67.9% (87)	1043.5% (87)	33.9% (89)	0.0 (81)	.	.
	120 (81)	32.4% (81)	350.6% (81)	7.5% (81)	72.3 (90)	1.21% (90)	11.6% (89)
GAMBIA, THE	240 (89)	.	.	221.7% (82)	0.1 (81)	.	.
	370 (81)	.	.	367.5% (81)	7.3 (90)	3.03% (90)	.
GHANA	390 (89)	.	.	22.1% (89)	0.0 (81)	.	.
	410 (81)	.	.	7.2% (81)	0.0 (81)	0.51% (90)	10.3% (89)
GUINEA	.	.	.	13.2% (89)	0.0 (81)	.	.
	.	.	.	.	16.6 (90)	.	12.6% (89)
GUINEA-BISSAU	180 (89)	.	.	27.9% (89)	0.0 (81)	.	.
	170 (81)	.	.	.	5.5 (90)	2.98% (90)	.
KENYA	370 (89)	.	.	18.8% (89)	0.0 (81)	.	.
	430 (81)	.	.	16.6% (81)	51.6 (90)	0.61% (90)	11.7% (89)
LESOTHO	470 (88)	.	1078.0% (84)	4.5% (89)	0.1 (81)	.	.
	480 (81)	.	.	1.2% (81)	10.3 (90)	1.16% (90)	26.0% (89)
MADAGASCAR	220 (89)	.	.	37.4% (89)	0.0 (81)	.	.
	410 (81)	.	.	16.5% (81)	19.0 (90)	0.65% (90)	12.6% (89)

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
PRESENTATION COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE		
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP ALL SOURCES
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP	
MALAWI	180 (89)	.	.	16.5% (89)	34.9 (90)	1.94% (90)	24.9% (89)
	180 (81)	.	.	27.9% (81)	0.0 (81)	.	.
MALI	270 (89)	.	777.7% (86)	10.0% (89)	27.2 (90)	1.12% (90)	22.6% (89)
	240 (81)	.	.	4.7% (81)	0.0 (81)	.	.
MAURITANIA	490 (89)	.	.	15.7% (89)	7.1 (90)	0.72% (90)	19.4% (89)
	480 (81)	.	.	15.9% (81)	0.0 (81)	.	.
MAURITIUS	1,990 (89)	44.5% (89)	93.7% (89)	5.9% (89)	0.1 (90)	0.00% (90)	2.7% (89)
	1,260 (81)	59.3% (81)	193.8% (81)	9.7% (81)	0.0 (81)	.	.
MOZAMBIQUE	80 (90)	.	.	23.1% (89)	71.6 (90)	5.83% (90)	59.2% (89)
	.	.	.	.	0.1 (81)	.	.
NAMIBIA	.	.	.	.	.	.	2.3% (89)
NIGER	290 (89)	.	.	8.8% (89)	28.1 (90)	1.13% (90)	14.5% (89)
	440 (81)	.	.	11.6% (81)	0.0 (81)	.	.
NIGERIA	250 (89)	.	.	20.7% (89)	11.7 (90)	0.04% (90)	1.1% (89)
	1,090 (81)	.	.	4.6% (81)	.	.	.
RWANDA	320 (89)	.	.	13.8% (89)	13.4 (90)	0.63% (90)	11.0% (89)
	260 (81)	.	.	2.4% (81)	0.0 (81)	.	.
SAO TOME & PRINCIPE	340 (89)	.	.	37.6% (89)	1.0 (90)	2.21% (90)	.
	350 (81)	.	.	11.7% (81)	0.0 (81)	.	.
SENEGAL	650 (89)	.	250.3% (84)	20.8% (89)	48.4 (90)	0.86% (90)	14.0% (89)
	490 (81)	.	.	12.5% (81)	0.0 (81)	.	.
SEYCHELLES	4,170 (89)	98.5% (88)	822.0% (88)	9.8% (89)	3.5 (90)	1.10% (90)	.
	2,270 (81)	.	.	0.4% (81)	0.0 (81)	.	.
SIERRA LEONE	220 (89)	.	.	5.0% (88)	14.2 (90)	1.75% (90)	10.5% (89)
	370 (81)	.	.	22.2% (81)	0.0 (81)	.	.
SOUTH AFRICA	2,460 (89)	37.5% (86)	119.5% (86)	.	32.9 (90)	.	.
	2,750 (81)	33.5% (81)	124.6% (81)	.	.	.	.
SWAZILAND	900 (89)	.	.	5.1% (89)	9.3 (90)	1.37% (90)	.
	1,010 (81)	.	.	3.8% (81)	0.0 (81)	.	.
TANZANIA, UNITED REPUBLIC	120 (89)	.	.	12.4% (89)	10.7 (90)	0.48% (90)	32.0% (89)
	300 (81)	.	.	9.5% (81)	0.0 (81)	.	.
TOGO	390 (89)	.	407.7% (86)	11.8% (89)	9.7 (90)	0.61% (90)	13.6% (89)
	410 (81)	.	.	7.7% (81)	0.0 (81)	.	.
UGANDA	250 (89)	.	.	44.8% (89)	55.0 (90)	1.62% (90)	8.4% (89)
	220 (81)	.	.	21.0% (81)	0.1 (81)	.	.
ZAMBIA	390 (89)	137.7% (87)	341.4% (87)	11.0% (89)	24.3 (90)	0.73% (90)	8.3% (89)
	720 (81)	.	.	25.0% (81)	0.0 (81)	.	.
ZIMBABWE	650 (89)	71.6% (87)	258.8% (87)	20.4% (89)	28.7 (90)	0.49% (90)	4.5% (89)
	860 (81)	48.2% (81)	237.8% (81)	3.9% (81)	0.0 (81)	.	.

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
PRESENTATION COUNTRIES

	DEBT			FOREIGN ASSISTANCE				
	GNP PER CAPITA \$US	GOVERNMENT DEBT OUTSTANDING		TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA		
		AS % OF GNP	AS % OF EXPORTS	DEBT SERVICE RATIO	US AID \$ MILLION	US AID AS % GNP	AS A % OF GNP ALL SOURCES	
SUMMARY	(MRY)	498 #	71.5% &	459.9% &	12.2% &	790.4 *	0.85% &	9.9% &
	(81)	814 #	42.5% &	180.9% &	9.7% &	0.7 *	. % &	% &

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SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
SELECTED OTHER COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP ALL SOURCES	
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP		
COMOROS	450 (89) 380 (81)	.	2654.1% (84)	1.5% (89) 2.2% (81)	1.2 (90) 0.0 (81)	0.51% (90)	.	
EQUATORIAL GUINEA	390 (89)	.	.	0.6% (89) 25.5% (81)	1.6 (90) 0.0 (81)	1.07% (90)	.	
LIBERIA	450 (87) 590 (81)	166.0% (86) 75.8% (81)	462.0% (87) 133.1% (81)	2.5% (87) 4.7% (81)	17.0 (90) 0.0 (81)	.	.	
REUNION	.	.	.	.	.	.	.
SOMALIA	170 (89) 160 (81)	.	.	18.1% (89) 18.2% (81)	6.6 (90) 0.0 (81)	.	38.9% (89)	
SUDAN	380 (88) 460 (81)	.	.	7.7% (89) 19.3% (81)	21.8 (90) 0.0 (81)	0.23% (90)	.	
ZAIRE	260 (89) 590 (81)	.	709.0% (82) 759.5% (81)	4.0% (89) 11.4% (81)	54.2 (90) 0.1 (81)	0.76% (90)	6.6% (89)	
SUMMARY	(MRY) (81)	303 # 497 #	166.0% & 75.8% &	1367.7% & 446.3% &	4.3% & 10.2% &	102.4 * 0.1 *	0.63% & % &	19.4% & % &
REGION SUMMARY	(MRY) (81)	471 # 768 #	75.7% & 46.1% &	541.1% & 228.7% &	11.4% & 9.8% &	892.9 * 0.8 *	0.84% & % &	10.2% & % &

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SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
PRESENTATION COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % 65-19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION
ANGOLA	(89)							
BENIN	0.0% (89)	1.8% (89)	7.5% (89)		-210 (86)			-83 (88)
BOTSWANA	9.0% (89)	11.3% (89)	12.0% (89)		-241 (81)			-93 (81)
BURKINA FASO	1.0% (89)	5.0% (89)	4.6% (89)		247 (86)			137 (90)
BURUNDI	4.0% (89)	4.3% (89)	3.7% (89)		-200 (81)			-295 (81)
CAMEROUN	3.0% (89)	3.2% (89)	6.6% (89)		-321 (85)	-2.2% (87)	3.5% (86)	-111 (90)
CAPE VERDE				31.2% (88)	-340 (81)	8.8% (81)	2.8% (81)	-42 (81)
CENTRAL AFRICAN REPUBLIC	-1.0% (89)		6.5% (89)		-202 (90)	23.4% (81)		-56 (90)
CHAD	-1.0% (89)	6.5% (89)	1.5% (89)		-121 (81)	23.4% (81)		
CONGO	3.0% (89)	3.9% (89)	0.3% (89)		160 (85)	15.5% (89)	1.5% (88)	-429 (88)
COTE D'IVOIRE	1.0% (89)	1.2% (89)	3.1% (89)		-271 (81)		1.0% (81)	-482 (81)
DJIBOUTI					-117 (88)			10 (89)
ETHIOPIA	0.0% (89)	1.9% (89)	2.0% (89)	41.5% (90)	-68 (81)			-22 (81)
GAMBIA, THE				26.7% (81)		15.8% (81)	1.9% (81)	-75 (87)
GHANA	-2.0% (89)	2.8% (89)	43.6% (89)	14.0% (89)		15.8% (81)	1.9% (81)	-4 (81)
GUINEA	(89)			10.7% (81)				-56 (89)
GUINEA-BISSAU								20 (81)
KENYA	2.0% (89)	4.1% (89)	9.0% (89)	28.2% (89)	-256 (86)	8.6% (83)		-81 (89)
LESOTHO	5.0% (89)	3.7% (89)	12.8% (89)	31.3% (81)	-46 (81)	0.2% (81)		-461 (81)
MADAGASCAR	-2.0% (89)	0.8% (89)	17.8% (89)	10.1% (89)	1,119 (86)	9.9% (84)	1.1% (85)	-1,104 (90)
					-599 (81)		2.9% (81)	-1,411 (81)
						5.9% (86)	2.9% (81)	
								-159 (89)
								-250 (81)
								34 (90)
								-50 (81)
								-229 (90)
								-421 (81)
								-35 (90)
								-477 (90)
								-560 (81)
							5.3% (86)	69 (90)
								4 (81)
								-128 (89)
								-363 (81)

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
PRESENTATION COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % 65-19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION
MALAWI	1.0% (89)	2.7% (89)	14.6% (89)	29.5% (88) 38.1% (81)	-174 (90) -72 (81)	.	.	-53 (88) -147 (81)
MALI	2.0% (89)	3.8% (89)	3.6% (89)	.	.	15.6% (88) 17.0% (81)	.	-94 (90) -143 (81)
MAURITANIA	-1.0% (89)	1.4% (89)	9.4% (89)	.	-237 (84) -296 (81)	.	6.1% (83)	-19 (89) -148 (81)
MAURITIUS	3.0% (89)	5.9% (89)	8.5% (89)	.	-220 (90) -120 (81)	3.5% (90) 38.4% (81)	0.4% (90) 0.6% (81)	-119 (90) -157 (81)
MOZAMBIQUE	(89)	-1.4% (89)	34.9% (89)	51.8% (90)	-703 (89)	.	.	-359 (86) -407 (81)
NAMIBIA	(89)	0.4% (89)	13.4% (89)	.	.	.	.	.
187 NIGER	-2.0% (89)	-1.6% (89)	3.4% (89)	.	-175 (89) -175 (81)	.	.	-111 (89) -182 (81)
NIGERIA	0.2% (89)	-0.4% (89)	14.2% (89)	28.1% (89) 8.3% (81)	3,743 (91) -3,281 (81)	.	.	5,126 (90) -6,164 (81)
RWANDA	1.0% (89)	1.5% (89)	4.0% (89)	.	-186 (90) -157 (81)	.	.	-108 (90) -74 (81)
SAO TOME & PRINCIPE	.	.	.	.	.	.	.	-14 (90) -18 (81)
SENEGAL	-1.0% (89)	3.1% (89)	7.3% (89)	.	-240 (86) -526 (81)	27.5% (84) 13.0% (81)	2.5% (84) 3.0% (81)	-277 (90) -462 (81)
SEYCHELLES	.	.	.	60.4% (89)	-34 (89) -27 (81)	10.8% (89)	.	-17 (90) -19 (81)
SIERRA LEONE	0.0% (89)	0.6% (89)	54.1% (89)	12.3% (85) 28.2% (81)	34 (88) -186 (81)	.	.	-3 (88) -132 (81)
SOUTH AFRICA	1.0% (89)	1.5% (89)	14.1% (89)	32.4% (90) 23.7% (81)	.	21.7% (87) 14.9% (81)	.	2,253 (90) -4,512 (81)
SWAZILAND	.	.	.	.	-10 (88) -170 (81)	.	.	12 (90) -83 (81)
TANZANIA, UNITED REPUBLIC	0.0% (89)	2.6% (89)	26.1% (89)	25.7% (88) 30.2% (81)	-814 (88) -503 (81)	21.3% (85) 24.1% (81)	3.0% (85) 3.3% (81)	-426 (90) -408 (81)
TOGO	0.0% (89)	1.4% (89)	5.1% (89)	.	-126 (87) -149 (81)	12.1% (86) 17.3% (81)	3.5% (87) 2.4% (81)	-100 (90) -44 (81)
UGANDA	-3.0% (89)	2.5% (89)	108.1% (89)	.	.	.	.	-263 (90) 8 (81)
ZAMBIA	-2.0% (89)	0.8% (89)	38.3% (89)	37.9% (88) 35.5% (81)	62 (88) -501 (81)	38.1% (88) 35.1% (81)	.	-183 (89) -742 (81)
ZIMBABWE	1.0% (89)	2.7% (89)	11.0% (89)	44.1% (87) 30.1% (81)	220 (87) -471 (81)	17.7% (90) 18.8% (81)	7.3% (87) 6.0% (81)	117 (88) -636 (81)

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
PRESENTATION COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % -19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION	
SUMMARY	(MRY) (81)	0.8% @ % @	2.6% @ % @	16.2% @ % @	42.7% & 23.9% &	13 & -436 &	13.9% & 19.4% &	2.6% & 2.4% &	195 & -1,138 &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: AFRICA
SELECTED OTHER COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % -19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION	
COMOROS	.	.	.	.	.	20.6% (86)	.	-9 (90)
EQUATORIAL GUINEA	.	.	.	.	.	.	.	-8 (81)
LIBERIA	(89)	.	.	29.6% (86)	89 (86)	19.0% (84)	2.0% (86)	-118 (87)	
REUNION	.	.	.	34.8% (81)	-20 (81)	31.3% (81)	3.5% (81)	75 (81)	
SOMALIA	0.0% (89)	3.0% (89)	42.8% (89)	.	.	.	.	-157 (89)
SUDAN	(89)	.	.	.	.	.	.	-83 (81)
ZAIRE	-2.0% (89)	1.9% (89)	59.4% (89)	.	-728 (87)	36.8% (88)	7.1% (88)	-643 (90)	
					-377 (81)	26.8% (81)	1.3% (81)	-611 (81)	
SUMMARY	(MRY) (81)	-1.0% @ . % @	2.4% @ . % @	51.1% @ . % @	29.6% & 34.8% &	-210 & -199 &	23.6% & 29.0% &	3.9% & 2.4% &	-155 & -288 &
REGION SUMMARY (MRY)	(81)	0.7% @ . % @	2.6% @ . % @	18.3% @ . % @	42.2% & 24.8% &	5 & -421 &	14.6% & 20.5% &	2.7% & 2.4% &	166 & -1,061 &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

AFRICA BUREAU

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	17,389b	-	-
DEVELOPMENT FUND FOR AFRICA	786,955cde	800,000j	775,600
ECONOMIC SUPPORT FUND	59,280fg	28,300jk	19,300
PL 480 - TITLE Ia	14,000	-	-
PL 480 - TITLE IIa	208,968	97,769	120,751
PL 480 - TITLE IIIa	74,400	115,400	116,700
TOTALS	1,161,303hi	1,041,469	1,032,351

Footnotes:

- a) See Food for Peace section of Statistical Annex for program detail.
- b) Includes \$4,872,896 in ARDN funds; \$6,178,930 in Health funds; \$1,806,764 in EHR funds; \$2,760,000 in PSEE funds and \$1,770,000 in Sahel Development Program funds. Of the \$17,389,000 Development Assistance funds obligated, \$494,765 in ARDN funds were prior-year deobligated funds reobligated; \$667,049 in EHR funds were prior-year deobligated funds reobligated; \$4,378,131 were section 517 ARDN recoveries and \$639,715 were section 517 EHR recoveries; and \$1,777,000 were Sahel Development Program recoveries reobligated.
- c) Includes \$28,537,420 of section 517 DFA recoveries reobligated in FY 1991.
- d) Includes \$6,500,000 of DFA funds from the FY 1990 Dire Emergency Supplemental Appropriations Act (P.L. 101-302).
- e) Includes \$49,733,902 for Southern Africa Development Coordination Conference (SADCC) program in FY 1991; \$50,266,098 in FY 1992; and \$50,000,000 in FY 1993.
- f) Of the \$59,280,744 Economic Support Funds, \$24,361,409 were prior-year ESF deobligated funds reobligated; \$6,032,235 were section 517 ESF recoveries reobligated.
- g) Includes \$10,000,000 of ESF funds from the FY 1990 Dire Emergency Supplemental Appropriations Act (P.L. 101-302).
- h) Excludes \$12,000,000 of FY 1991 DFA Funds transferred to Operating Expenses.
- i) Excludes following funds transferred to Central Programs: \$9,565,000 in DFA NOA transferred to S&T Bureau; \$1,880,000 in DFA NOA transferred to FVA Bureau; \$680,000 in DFA NOA transferred to PPC Bureau; \$877,000 in Health NOA transferred to S&T; \$475,000 in ARDN NOA transferred to S&T; \$110,000 section 517 DFA recoveries transferred to S&T; \$2,368,000 in Health prior-year deobligated funds transferred to OFDA; \$6,807,044 in ARDN prior-year deobligated funds transferred to OFDA; \$51,213 in EHR prior-year deobligated funds transferred to OFDA; and \$218,546 in PSEE prior-year deobligated funds transferred to OFDA.
- j) Excludes \$20,743,608 of DFA and \$3,412,900 of ESF carry-over funds planned for obligation in FY 1992.
- k) At the time of printing no FY 1992 appropriations have been enacted. FY 1992 amount shown is the Agency request level and is subject to change.

AFRICA OVERVIEW

I. MEETING THE CHALLENGE THROUGH THE DEVELOPMENT FUND FOR AFRICA

The years following the enactment of the Development Fund for Africa (DFA) have witnessed a pace of economic, social and political change unprecedented since the majority of the nations of sub-Saharan Africa won independence. The economic and political liberalization spreading in the region is encouraging, but fragile. There are many positive signs that the people of Africa are responding to the development challenges of the region in order to create a better life for the next generation. We must note, though, that at the same time growing health menaces, and continued unabated population growth threaten both the social progress made to date and the viability of the resource base.

The African people themselves are making the critical difference in Africa. Well over half the continent is attempting economic reform. Many countries have begun to open their political systems. Ethiopia and Angola have achieved peace settlements and are putting in place market economies and multiparty democracies. South Africa's historic transition toward a non-racial democracy continues to move forward. For the continent, the payoffs are registering in economic growth. The economic reformers are averaging almost 4% annual growth in output, and the gap between food production and population growth is closing.

The DFA is the right tool for addressing Africa's pressing development problems and the tremendous diversity in challenges and opportunities. The DFA's flexibility allows A.I.D. to concentrate resources and achieve measurable results. In Africa, A.I.D. has used the DFA to decentralize planning and implementation in order to more effectively calibrate our assistance to the continent's diverse economic, political and social conditions. Through decentralization, we have encouraged local participation in program design and implementation. The problems we tackle directly relate to assuring that Africans attain a higher standard of living through economic development, while at the same time addressing the political and social dimensions of the development process.

An important aspect of our ability to respond to African development realities lies in the mix of assistance modalities. Projects, including capital projects and grants to private and voluntary associations, are and will continue to be A.I.D.'s primary mode of assistance. Food aid continues to support humanitarian and development objectives. The critical new dimension under the DFA has been the flexibility to integrate sector assistance with traditional project and food aid activities.

Sector assistance helps African governments make policy changes that radically improve sectoral prospects for sustainable development. Historically, donors have focused assistance on project activities without helping governments address the policy environment. Many of these projects have indeed improved the social and economic well-being of the recipients. But they often have not been sustainable beyond the flow of donor resources. Through sector assistance programs, A.I.D. can work with governments -- and in many cases local communities -- to find policy solutions that will make development investments pay off.

The principal concept underlying sectoral support is policy transition. Most policy changes are costly in their early stages. They may, for example, cause prices to rise in urban centers when markets are deregulated. They can create budgetary crises when the real costs of health care get put on government budgets. The cash resources provided under sectoral programs help governments finance the cost of transition. In agriculture, many sectoral programs can be combined with food aid to create an immediate increase in food supplies that can ease the impact of market liberalization and protect the food insecure.

Early evidence presented in this document demonstrates that sectoral reform programs can lead to a broadening of political power and more equitable distribution of benefits to poorer population groups. Without basic liberalization, many African economies will be overwhelmed by declining employment and incomes and burgeoning poverty. By dealing with broad objectives in social sectors such as primary education, health care and family planning, A.I.D. sector assistance programs can directly improve the lives of the poor majority of Africans. Both macroeconomic trends and micro-level

monitoring provide firm reinforcement that the DFA is having the desired impacts.

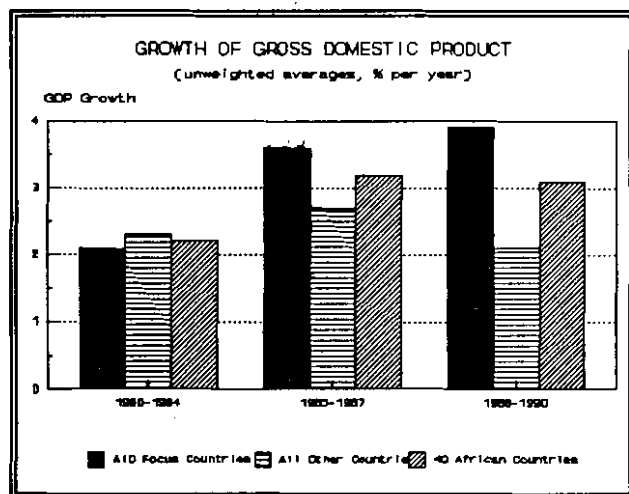
A. Positive Economic Developments in Sub-Saharan Africa

In the late 1980s, sub-Saharan Africa started to rebound economically. As economic growth went from modest levels in the late 1970s to disastrously low rates in the early 1980s, standards of living fell to levels not seen since independence. But from 1988 to 1990, rates of growth recovered to low but increasing levels, averaging 3.1% per year. While the recovery is fragile, there are hopeful signs of a more durable turnaround. In food security and the social sectors, too, there are some good reasons to question Afro-pessimism and to look forward to higher living standards for the majority of Africans.

A.I.D. focuses its assistance to Africa in 22 countries, which are generally those most committed to policy reform and where we are more likely to have a significant, positive impact on development. As the discussion in this and later sections shows, these "focus countries" have enjoyed stronger performance than other countries in sub-Saharan Africa, and our assistance is making meaningful contributions.

Stronger Economies¹

Economic growth in the A.I.D. focus countries has been significantly higher than elsewhere in sub-Saharan Africa (see Figure 1). During the 1988-90 period, they averaged 3.9% growth per year, nearly double their 2.1% growth rate of the 1980-84 period. In the same period, the other countries' growth rate fell from 2.3% in 1980-84 to 2.1%. Also, growth in the focus countries has been more widespread, as the number growing at rates of at least 3% per year doubled over the decade, from 8 of 22 in the 1980-84 period to 16 of 22 during 1988-90. While three-fourths of the focus countries grew at rates exceeding 3.0% during 1988-90, only one-third of the other countries did so.



The economic growth achieved by the focus countries has occurred despite a slackening of long-term lending, particularly private lending, and has only partly been due to growth in official development assistance. A major factor has been solid export growth. While African export performance cannot be compared to that of East Asia, it is nonetheless respectable among A.I.D.'s focus countries, improving from -0.2% annually in the 1980-84 period to 5.3% per year during 1988-90, and an impressive 8.6% in 1990 alone. This is much better than the export performance of the other countries, which rose from .9% annually during 1980-84 to only 2.5% in 1988-90. The growth performance in the focus countries is primarily attributable to the changes African governments have made in policies which affect the ability to export, such

as freeing up foreign exchange markets and reducing import barriers and red tape. Assuring that economic growth is broadly based was a continuing concern during the period of adjustment (see box).

¹ African economic data are notoriously bad; they fail to capture the trends in informal, unrecorded activity and suffer from incomplete reporting of formal economic activity. If the measurement errors and omissions do not vary wildly from year to year, the trends reported here on the basis of the best available data indicate the beginnings of a turnaround in Africa with significantly better growth and export performance among A.I.D.'s focus countries. Nonetheless, the results should be interpreted with caution.

Policy Reform and Poverty

The issue of how structural adjustment policies affect the poor in Africa is one which concerns many working in African development, including A.I.D. In FY 1988, A.I.D. commissioned Cornell University to undertake a research project on the impact of policy reform on the poor in nine sub-Saharan countries. The work will be completed in 1993, but current findings show that the poor are either unaffected or benefit from adjustment programs in most countries. Adjustment programs, moreover, can help developing countries redirect resources towards productive purposes and make investments in human development. While adjustment has not generally hurt the poor, it has affected the material well-being of significant groups such as civil servants or workers laid off from state-owned companies who are vulnerable and need assistance to adapt to rapidly changing economic structures.

Several significant results from the nine country studies are:

- *Government spending has not declined as a percentage of gross national product (GNP).*
- *Public expenditure on social services, generally, and health and education, in particular, were as likely to rise as to decline after adjustment; moreover, the share of budget resources allocated to the social sectors tended to increase following adjustment. Further analysis will examine resource allocations within the social sectors to confirm whether governments have increased spending for primary education, basic health care and other social services which focus on the poor.*
- *Prior to adjustment, public subsidies were not targeted to the poor, so elimination of subsidies largely affected administrative bureaucracies and the better-off classes. The poor were basically unaffected by cuts in subsidy programs.*
- *Africa's poor are primarily rural, derive a large share of their income from crops they produce and consume directly, and have diversified sources of income off-farm. Changes in prices of goods produced by the rural poor have improved their possibilities for increasing incomes as a result of adjustment, except for farmers producing commodities in which the world prices have fallen.*
- *Devaluations did not increase the price of food, which is the major budget item in poor households. As a result, the purchasing power of the poor did not fall during adjustment.*
- *The few country studies which permit conclusions about the real incomes of the poor show that these incomes were not affected by policy reform in several countries, give ambiguous results for Ghana, but show that real income of the poor did fall in Cote d'Ivoire.*
- *In general, the evidence from the nine country studies suggests that moving quickly to reform markets and institutions will not hurt the poor. However, it cannot be concluded that such reform will quickly benefit the poor.*

Economic performance in Africa would have been better were it not for its external debt burden, which remains a drag on development. Debt service payments in 1989 were \$8.8 billion. This represented about 60% of official development assistance. Confidence in African economies is weak among potential investors. Excluding Nigeria, which is in a unique position in Africa due to its oil revenue, long-term private lending continued to decline throughout the 1980s from a high of \$4.6 billion to sub-Saharan Africa in 1980 to only \$2.2 billion in 1989. In contrast, net official development assistance to sub-Saharan Africa (again excluding Nigeria) increased from \$7.4 billion in 1980 to \$13.5 billion in 1989.

Owing to more vigorous export growth, debt relief and improving economic management, A.I.D.'s focus countries perform better in servicing their debt than do other sub-Saharan countries. In fact, focus countries are meeting well over half of their payments while the others are struggling to pay just 40%.

Though A.I.D. is encouraged by the focus countries' improving economic performance, much needs to be done. First, about a third of the focus countries are not even achieving modest growth rates of 3%. Secondly, although focus country growth rates have averaged 3.9%, this is barely above the rate of population growth and not high enough to assure meaningful improvements in

living standards for most Africans in this generation. African countries must increase their economic growth. Lastly, with declining terms of trade, widespread political and economic instability and uncertain climatic conditions, Africa's gains are too easily reversible. The progress we are helping to foster is fragile and we need to reinforce it.

Food Security

A key aspect of improved economic performance in sub-Saharan Africa is increased food security. Food security is fundamental to the well-being of the poor in Africa and is particularly challenging, given both vulnerability to drought on the one hand, and lack of foreign exchange for food imports to augment insufficient domestic food production, on the other. A.I.D. therefore considers food security to be both a reflection of a country's level of development and a necessary condition for a country to achieve productivity gains as well as sustainable and broad-based economic growth.

The most significant progress in improving African food security has been on food availability. Despite relentless population pressure and repeated droughts in sub-Saharan Africa, annual foodgrain production increases are catching up with population growth. Food production throughout the 1980s has been increasing at slightly more than 2% per annum for the 1980s. Improved domestic production is attributed to post-adjustment policy reforms -- particularly market liberalization -- as well as the increasing use of higher-yielding technologies and relatively favorable weather.

Nonetheless, statistics show a slight drop in aggregate foodgrain availability from levels attained in the early 1980s. Sub-Saharan Africa imported less foodgrain commercially as foreign exchange reserves were squeezed ever harder. Food aid levels declined from the record levels set during the drought in the earlier part of the decade. Part of the problem rests with statistical failure. Much of Africa's food trade was channelled early in the decade through parastatal agents and was easily recorded in national accounts. The onset of liberalized markets later in the 1980s brought private farmers and traders directly into the marketplace, causing significant shares of domestic trade to go unrecorded. The trend toward private trade has fundamentally restructured and improved production incentives, but in the short run it has confused the aggregate statistical picture.

The real test of improved food security is increased household access. Improvement in access is a long-term challenge which requires increasing incomes for the poor so that they can purchase more food. Very preliminary research results, discussed in following sections, show that the nutritional status of the rural poor improved in many countries, suggesting that their household access to food is indeed improving. But the results are not, at this stage, conclusive. Together with African governments and other donors, A.I.D. continues to analyze the access of African households to food, and we will continue to translate the lessons from our analysis into more effective assistance programs.

B. A Summons to Democracy

A summons to democracy is being heard throughout Africa. Over two-thirds of the countries in the region within the past two years have either opened up their political systems, or their leaders have made clear commitments to democratic societies.

In 1991 alone, important first steps toward more open and competitive political systems occurred in 19 African countries.

The free and fair election in Zambia allowed a legitimate, peaceful and significant change in government and subsequent move toward free-market, accountable and transparent policies. In Mali, steady progress on the part of the government in implementing democratic reforms has resulted in solid popular support. This has made possible a renewed commitment to economic reform and the principles of market-driven economic growth, despite the belt-tightening which will undeniably affect Malian society in the short- and medium-term. In Niger, the ambitious pace of democratization sets the stage for significant changes in economic development trends. The end of Ethiopia's civil war brought about new freedoms affecting everyone's daily life. These changes are delicate but promising, and stand in stark contrast to Kenya. Kenya, in FY 1992, was reduced from its budgeted aid level of \$39.1 million to \$19.1 million as a reflection of U.S. concerns over economic performance, human rights violations and recent political events. This decision articulates U.S. concern over restrictions on freedom of expression and human rights by the Government of Kenya, the need for greater openness and accountability on the part of the government, and its failure to carry out policy reforms necessary for

economic development.

Africans have become increasingly concerned with "governance." Much of the protest movement has focused on improving the accountability and the responsiveness of African governments to average citizens. In international and bilateral fora, Africans are talking about issues of governance, including accountability, legitimacy, responsiveness, openness and public management transparency and effectiveness.

Although many African governments are committed to a transition to more democratic, open societies and more accountable leaders, the consolidation of democratic institutions will be a long road. Emerging democratic institutions are tenuous, old elite relationships continue to exist, civil society is weak or non-existent, and much of the demand for change has been urban based. More sobering is the extreme difficulty of establishing and maintaining democratic societies in the context of continuing harsh economic conditions.

C. The Social Sectors: Progress and Challenges

The human problems of Africa are immediate and poignant. Resolution of these problems is particularly challenging because it requires behavioral change, which is the longest-term and most difficult to accomplish. Though the economic and political picture in sub-Saharan Africa is beginning to brighten, there are dark clouds on the horizon with respect to important measures of human well-being. Life-threatening diseases in some instances outpace the ability of medical science or the human psyche to respond, while in other cases the sustainability of service delivery systems is fragile, at best. The inability to service Africans' health, education and other welfare needs, and continued environmental degradation, are symptomatic of the underlying problem of the rapid growth in population.

Health Status

According to basic health indicators, sub-Saharan Africa has made good progress in the 1980s. In just a decade, due in part to immunizations and the use of oral rehydration therapy (ORT), life expectancy at birth increased from 47 years in 1980 to 51 in 1990. In the 14 A.I.D. child survival emphasis countries in Africa, average national immunization coverage reached 60% in 1990. In those same countries, mothers' use of ORT for their children with diarrhea increased from an average of under 10% in 1985 to 40% late in the decade.

However, HIV/AIDS (human immunodeficiency virus/acquired immunodeficiency syndrome), and resurgent malaria threaten to halt or reverse the social and economic gains made in many African countries. AIDS kills people in their most productive years. This affects the trained labor force of a

DEMOCRACY AND GOVERNANCE

Across the continent, Africans are making their voices heard in demanding changes in their governments. More participation, more accountable government policies, and more democratic freedoms are goals that Africans want for themselves. African leaders are asking for A.I.D. assistance as governments and non-governmental organizations (NGOs) examine ways to build democratic societies after a generation of mostly authoritarian rule.

A.I.D. is committed to supporting African-led initiatives for democracy and improved governance. During FY 1991, A.I.D. obligated \$30.6 million for direct support of these initiatives and plans to increase assistance levels to over \$40 million in FY 1992. A.I.D.'s regional and bilateral programs are designed to assist with immediate necessities, as prioritized by Africans themselves. These include helping Africans redraft constitutions, establish free press laws, carry out free and fair elections, develop new NGOs and other independent associations and increase participation in the political process. A.I.D. also plans to assist Africans to develop longer-term democratic institutions and to decentralize power and authority in countries committed to a process of change, such as Mozambique, Guinea-Bissau, Rwanda, Ethiopia, South Africa and Zambia. In each case, the emphasis is to help African countries grapple with tough technical issues in the transition to more open societies so that the resulting strategies reflect local needs and thus stand a better chance of success.

Increasingly, our foreign assistance levels will reward positive African performances in democratization, human rights, and the quality of governance. Democracy and governance are incorporated into our decisions regarding country budgets. The aim is to encourage political processes that provide adequate freedom of expression, and participation and accountability in public policy matters.

country, making investment in education unproductive as the young and educated become infected. Families are disrupted, children become orphaned, and the aged are left without support.

AIDS is already the leading cause of death in some urban centers of Africa. In many African cities, current HIV-infection levels could cause a doubling or tripling of the total adult mortality rate and a 50% increase in the child mortality rate during the 1990's. HIV is spreading to rural areas and may become the leading cause of death among all young and middle-aged African adults by the end of the decade. As HIV infection levels continue to increase rapidly throughout Africa, infection rates of 25%-30% of urban-dwelling adults currently are not uncommon in many African capital cities. Rural adult infection rates are already at or exceeding 10%-15% in several countries.

Malaria in sub-Saharan Africa also is an increasingly significant problem, the dimensions of which are unlike those seen anywhere else in the world today. Approximately 80% of the 267 million people infected with malaria are Africans; 90%-95% percent of malaria-related deaths in the world are in Africa. Each year, more than 1.5 million people in sub-Saharan Africa (1 million are children) die from malaria.

A variety of factors has contributed to the rise of malaria-related morbidity and mortality. Population and political and economic pressures have forced Africans to leave non-malaria endemic areas (such as in Ethiopia, Somalia, and the Sudan) to live and work in endemic areas without the benefit of natural immunity. Long-term migrants, as well as seasonal laborers and nomadic populations, suffer some of the gravest consequences because of their transient status. Recent urbanization trends in Africa have caused increases in both the population and disease vector pools. Population movements as well as various climatic factors have introduced malaria into areas that had been previously malaria-free. The extensive spread of drug-resistant malaria parasites, as well as resistance to previously effective insecticides, also have significantly exacerbated the impact of malaria in Africa.

Population Dynamics

There has been progress in reducing population growth, but its not enough. From 1980 to 1989, the total fertility rate for sub-Saharan Africa dropped slightly from 6.8 to 6.6. In a few countries, the drop has been impressive; in Kenya, the total fertility rate fell from 8.0 in 1980 to 6.6 in 1990.

With a population growth of 3.2% per year (which implies a population doubling time of 22 years), African countries cannot keep pace with the growing demand for primary health care and basic education. The growth rate further pressures the economy to produce sufficient food and to create the jobs needed to keep up with labor force growth. Simultaneously, the strain placed on the relatively fragile natural resource base by the sheer numbers of people who are expected to derive a living from it must be relieved. These problems require a long-term, unwavering commitment to their solution. Africans, with the help of outside resources - notably the United States in the case of family planning - are making slow but steady progress toward stabilizing population growth. Accelerating the pace of economic growth and social well-being demands, though, a sharp reduction in fertility rates across the continent.

II. FY 1993 REQUEST

A.I.D. requests \$775.6 million to further the objectives of the Development Fund for Africa (DFA) and \$19.3 million in Economic Support Funds to support U.S. strategic and political interests in selected African countries. In addition, A.I.D. requests \$120.7 million in P.L. 480 Title II resources, for which transport costs are included within the global P.L. 480 Title II program, and \$116.7 million for P.L. 480 Title III, including transport costs. A.I.D. will continue to take advantage of the new Title III authority in program planning and will ensure close integration between DFA and food aid programs to achieve maximum development impact.

In FY 1993, A.I.D. proposes to provide assistance to 32 African countries and to a consolidated group of small countries through a streamlined program modality. The FY 1993 portfolio includes two new

programs in Angola and Ethiopia to meet the enormous rehabilitation needs and a greatly expanded program for disadvantaged South Africans. The proposed DFA program incorporates several changes which are responsive to Congressional concerns expressed both in consultations with A.I.D. and in Committee reports. These include efforts to further focus and concentrate DFA resources in a limited number of countries where they will be used most effectively and to use management resources as efficiently as possible.

One modification this past year is initiating a new assistance model for small African countries. Programs designed in accordance with this model accommodate U.S. interests in furthering development in these countries, while reducing the management intensity and responding to the need to maintain an acceptable level of accountability. Assistance will be provided through such options as regional training, Peace Corps, human rights programs, special self-help, short-term democracy and governance programs, as well as emergency food aid as needed, and, where justified, a single grant in a single sector implemented preferably by a private and voluntary organization (PVO). Initially, seven country programs will be carried out under this new model: Central African Republic, Comoros, Congo, Equatorial Guinea, Mauritius, Sao Tome and Principe, and Sierra Leone.

In the effort to focus resources in a limited number of sectors within country programs, A.I.D. continues to emphasize the critical sector priorities set out in the DFA authorization legislation. As in the past, A.I.D. expects to meet or exceed the three 10% targets in health, population and natural resources management and the 5% target in AIDS through a combination of DFA and central program funds.

In FY 1992 and FY 1993, A.I.D. will expand or initiate programs in health (including child survival and AIDS) in Cameroon, Gambia, Malawi, Mozambique, Nigeria, Tanzania, Togo and Zambia; in population in Kenya, Madagascar, Rwanda, Senegal, Swaziland and Tanzania; in natural resources management in Burkina Faso, Cameroon, Gambia, Kenya, Madagascar, Mali, Rwanda, Senegal, Swaziland and the Southern Africa Regional Program; and basic education in Guinea, South Africa and Uganda. All of these are in addition to already-funded, ongoing programs.

A.I.D. will continue to place high priority on seeking and integrating local views in the planning and implementation of its programs, and will continue to collaborate and coordinate with PVOs, including U.S., international and local and community-based groups. In a great many of our programs, these organizations provide the critical link to ensure grass-roots participation, and we consider them integral to the success of our development efforts. Over the FY 1991-93 period, we will provide approximately 18% of the DFA budget through PVOs in each year. In our efforts to collaborate and coordinate more closely with U.S. PVOs, A.I.D. has retained a focal point of

PVO INITIATIVES PROJECT

A.I.D. is using the regional PVO Initiatives project to establish stronger links with African NGOs through their U.S.-based PVO partners. The three-year old project is an effective vehicle for establishing and strengthening African grass-roots NGOs by providing access to financial and human resources.

A major feature of this project is the Partnership Initiative Fund (PIF), which provides small grants to NGOs. To date, 21 grants have been awarded for activities such as developing domestic and export markets, strengthening women's enterprise and income-generating activities, improving sanitation and waste disposal practices, and providing financial management assistance. PIF also facilitates information sharing among NGOs in agribusiness and small enterprise development.

There have been numerous successful PIF grants. Through a U.S.-based PVO, Aid to Artisans, their partner NGO in Ghana was able to train craftspeople in product design, production and marketing for export, resulting in a new product line of handicrafts which is now exported to the United States. The success of the activity resulted in the NGO obtaining \$75,000 in other grant funds to continue product development. A Kenyan NGO, Tototo Industries, developed small business training materials in cooperation with World Education, a U.S. PVO. These were subsequently translated into French by a Malian NGO - all in an effort to foster south-north NGO relationships. In Senegal and the Gambia, Private Agencies Collaborating Together (PACT) and a regional local NGO partner collaborated to disseminate needed technology on oilseed processing.

contact for the Africa region; has supported networking activities such as a quarterly newsletter; and has maintained a forum, the PVO Liaison Task Force, for dialogue with the PVO community. To

strengthen host country PVOs, A.I.D., through the Africa region's PVO Initiatives project, has successfully implemented a small grants program, the Partnership Initiatives Fund (see box).

A.I.D. also proposes to provide \$50 million for the Southern African Regional Program to support the efforts of the Southern Africa Development Coordination Conference (SADCC), including the ten majority-ruled states of southern Africa. The FY 1993 A.I.D. program will focus on improving (1) the competitiveness of the region's private sector through transport sector capital projects and related operational efficiency activities; (2) natural resources management and (3) agricultural research coordination.

During FY 1992 and beyond, A.I.D. will persist in its support for the objectives of the Gray Amendment. In FY 1991, A.I.D. concluded more than \$37 million in contracts and grants with disadvantaged enterprises for the Africa region. New efforts are underway. (see box).

GRAY AMENDMENT

A.I.D. continued its support for the objectives of the Gray Amendment (Sec. 567) in FY 1991 in Africa. A.I.D. executed more than \$37 million in contracts and grants with disadvantaged enterprises. This figure is \$7 million above the FY 1991 target level of \$30 million set by A.I.D.

In Africa, A.I.D. substantially exceeded its legislative target in FY 1991, as it has for each of the last five years. However, A.I.D. is committed to exceeding targets by an even greater margin in FY 1992 and beyond. To that end, senior management of the Africa program has taken a number of steps to encourage field missions and Washington offices to make better use of the capabilities and experience of Gray Amendment entities in implementing A.I.D.'s assistance program in Africa.

In the Africa region, field missions are establishing an early identification system for potential projects and contracts for disadvantaged enterprise utilization, as well as a monthly reporting requirement on progress. In A.I.D./W, an advisory group was created to provide policy and program direction for Gray Amendment entities, and to respond to implementation problems.

Other organizational and procedural changes have played a positive role, such as the designation of a Gray Amendment liaison officer in each field mission and Washington office for the Africa region. Organizational changes for the Africa region have ensured that the main contacts for Gray Amendment entities are the geographic offices, allowing for more direct access to information on upcoming contract and grant opportunities. In addition, A.I.D. continues to conduct outreach activities, such as participation in business conferences, sponsorship of trade and investment missions with the Overseas Private Investment Corporation (OPIC), and working with African governments to promote American investment in Africa, as an important element of the Africa region's Gray Amendment program.

A.I.D. is forging new approaches to engender participation at all levels of society in African countries, reaching beyond its continued effort to involve local groups in their own development. Broader market access and participation continues to be a principal theme of our economic development programs, as competition not only has positive economic outcomes, but gives more individuals a stake in their society. Building on this theme, A.I.D. is embarking on a course of expanding non-governmental input into, and support for, economic and political reform measures in Africa. This transition to a participatory society requires changes in the roles and expectations of both government and the private and non-governmental sectors. A first step in this process for A.I.D. is to deliberately engage the non-governmental sector in the formulation and implementation of specific policy reform programs, and in the development of new strategies and approaches to development. A.I.D. also is exploring ways to strengthen the ability of the non-governmental sector to play a substantial role in shaping societal choices over time.

III. IMPACTS OF U.S. ASSISTANCE UNDER THE DFA

The flexibility that A.I.D. has derived from the Congressional decision to create the DFA carries with it special responsibilities. The principal one is to manage the program of assistance to Africa for results. A.I.D. is

also responding to Congressional concern that progress toward achieving the objectives of the DFA be demonstrated. The following section reports on some of those results.

Four years after the enactment of the DFA, we can begin systematic reporting on the difference that A.I.D.'s assistance has made in the lives of Africans under each of the four strategic objectives of A.I.D.'s Action Plan for implementing the DFA. We have developed a monitoring and evaluation system in fulfillment of the mandate to evaluate progress, and are using this to identify and report on

results achieved and lessons learned.

A. STRATEGIC OBJECTIVE 1: IMPROVING MANAGEMENT OF AFRICAN ECONOMIES

Fundamental lessons from three decades of African development experience are clear: for Africa to achieve broadly-based and sustainable economic growth, development needs to be private-sector led, and for this to occur, governments should perform fewer, only essential tasks, which they must do much better. Governments must get out of the business of producing and marketing. But for the private sector to take over these areas, governments must provide a positive enabling environment, including setting of appropriate policies and investing in essential public goods, such as physical infrastructure, human capital, and sustainable management of natural resources.

In the 1980s, most governments of Africa began to apply these lessons, to varying degrees implementing the kinds of economic reform programs which lead to major changes in what governments do and how they do it. Late in the decade, many of these programs began to bear fruit as economies stabilized and economic growth rebounded. Just as A.I.D., along with other donors, must assume part of the responsibility for Africa's decline, it can also claim some measure of success for the turnaround that is now becoming evident. Already we are seeing the impacts of joint initiatives with African countries in:

- Improved stability in African economies through better management of debts and better fiscal and monetary policies; and
- Improved equity and efficiency in providing key public services, particularly health, family planning, education and transportation infrastructure.

Improved Stability

Although improved stability is generally beyond the influence of A.I.D. alone, it is of crucial importance for African countries and all donors who, together, have had a positive impact.

A.I.D. contributions to economic stability are coordinated through international fora, chiefly the Special Program of Assistance (SPA) for Africa. The SPA provides quick-disbursing, sector assistance and debt relief to support the stabilization and adjustment efforts of 24 poor, debt-distressed African countries. While the SPA includes the World Bank, African Development Bank and International Monetary Fund (IMF), most SPA resources are provided by bilateral donors. In the first SPA period (1988-90), A.I.D. was the fifth largest bilateral donor. In the second period (1991-93), our pledge makes us the second largest bilateral donor, after the Japanese. Also important, A.I.D. has provided substantial intellectual inputs, such as standardizing local currency use and accounting procedures among donors and helping to formulate a new initiative in public expenditure reviews to assist African governments to improve their budget planning and expenditures.

In FY 1991, A.I.D., under Section 572 of the 1989 Appropriations Act, forgave \$409.4 million in debt owed by 12 African countries to the United States for concessional economic assistance loans (Development Assistance and Economic Support Fund). This brings total debt forgiveness under Section 572 to \$787.5 million for 17 sub-Saharan African countries in the last two fiscal years. (These amounts include principal and interest). Also in FY 1991, eight African countries benefitted from \$416.2 million in forgiveness of food aid debt under Section 411(a) of the Agricultural Trade Development and Assistance Act of 1954. The largest beneficiaries of U.S. debt forgiveness have been Ghana, Kenya, Tanzania and Zambia. While total U.S. debt forgiveness of \$1.2 billion is less than 1% of sub-Saharan Africa's total debt stock of about \$176 billion, in a few countries forgiveness has been more significant, such as in Ghana where the United States forgave 6% of the total debt stock.

The impact of government policy reforms, supported by our assistance and that of other donors, has been significant. Particularly in A.I.D. focus countries, which are undertaking the greatest reforms, and where our resources have been concentrated, improvements in fiscal management, the balance of payments and investment have been encouraging.

Better fiscal management is indicated by average fiscal deficits, which are lower for focus countries than for other African countries. Excluding Cameroon, an oil exporter which has gone from a strong surplus during the oil boom to a steep recession-induced deficit, the focus countries have reduced their average fiscal deficit from 5.5% of GDP in 1983 to 5.0% in 1990. In the other countries, the average deficit grew as a percentage of GDP, from 6.7% in 1983 to 7.4% in 1989.

The balance of payments has improved in the focus countries, where the current account deficit fell from 9.3% of GDP in 1980 to 4.5% in 1989. The balance-of-payments deficit for the other countries (excluding Nigeria, with its huge swings due to oil prices) improved more slowly, falling from 7.1% of GDP in 1980-84 to just 5.7% in 1988-90.

In investment, also, the performance of A.I.D. focus countries was better than that of other countries in sub-Saharan Africa. While investment for the focus countries increased slightly as a proportion of total economic activity, rising from 19.0% of GDP in 1980-84 to 20.1% for 1988-90, it fell for the other countries, from 21.1% in 1980-84 to 18.9% in 1988-90. Since GDP growth rates were significantly higher in focus countries, it appears that their efficiency of investment was greater too.

Data on private investment are incomplete, but they point to a "wait and see" attitude for many African and foreign investors. African governments must demonstrate their commitment to the liberal market policies they have recently put in place before investors will perceive a sufficiently attractive economic environment. Also, many investors are waiting to see how the political upheavals of transition to multi-party democracies will influence the investment climate. Investment is recovering slowly and the economic recovery of recent years, though real, is still fragile.

Improved Equity and Efficiency in Providing Public Services

A major concern about structural adjustment in Africa is that it might result in less government involvement in areas where the public sector should remain, such as health and education. As noted earlier, preliminary findings from A.I.D.-supported research in nine adjusting African countries do not substantiate this fear. In those countries, public expenditure on social services generally, and health and education in particular, was as likely to rise as to decline after adjustment. Additional data from 1988-89 suggest that social sector spending is gaining in importance relative to other sectors.

Improved Stability in Ghana

The case of Ghana illustrates that sustained commitment to policy reform, supported by donors, can lead to improved economic stability and growth. Economic growth in Ghana has turned around from a negative 4.6% in 1983 to an average of about 5% since economic reforms were started in 1984.

Following independence, inappropriate government policies gradually eroded Ghana's once comparatively high standard of living and well-developed economic and social infrastructure. The government's focus on costly, capital-intensive public sector investments, pervasive administrative controls, and maintenance of an overvalued exchange rate led to massive disequilibria in the economy. Fiscal and balance-of-payments deficits climbed, parallel markets proliferated, and inflation reached 142% in 1983. By then, the black market exchange rate was many times the official rate and real per capita income had fallen by 30% in the two and a half decades since independence. By the early 1980s Ghana had the most distorted economy in sub-Saharan Africa.

In 1983 the government of Ghana launched an Economic Recovery Program, and since then, with donor support, it has maintained a strong commitment to policy reform. Over the last eight years the government has restored fiscal and monetary discipline and reduced price distortions by: devaluing the cedi and liberalizing the foreign exchange market; introducing price reforms, including the elimination of price controls on 8,000 commodities; eliminating excess liquidity in the economy and reducing budget deficit financing by the domestic banking system. The results have been impressive: inflation fell to less than 20% by May 1991; the volume of exports expanded at an average rate of 10% annually from 1983 to 1990, and the ratio of debt service to exports fell from a high of 68% in 1988 to 38% in 1990.

While Ghana's economic turnaround has been notable, much remains to be done. Perhaps the best evidence for this is the tepid response of the private sector to date. Although private investment has grown from 2.9% of GDP in 1983 to 8.7% in 1990, much of this growth has been confined to gold mining, cocoa and timber. Much more work is necessary on the enabling environment, ranging from taxes to business registration procedures and consistency of the legal framework.

Equity and Ownership in Education

A.I.D.'s education initiatives in Africa have stressed greater equity among all population groups and local ownership of the education process. These programs are designed to rectify imbalances: rural versus urban, gender, and ethnic. These programs are new. Their impact to date is observed through changes in improved government practices: increased capacity to recognize inequity problems; willingness to address those problems; and strengthened effort and resolve to implement reforms. Ghana is an example of this pattern.

Ghana originally felt that equity in education was not a major problem. After reviewing data from A.I.D.'s education sector assessment which demonstrated pronounced educational imbalances (primarily for rural versus urban students), the education ministry designed an A.I.D.-supported pilot project to assess education quality, the retention of students in rural areas, the direct costs of education for the poor, and parental willingness to enroll rural children - especially girls - and keep them in school. Within a four-month period, the ministry selected six activity sites, held a workshop for involved district officers and teachers, and implemented activities in 44 schools in 28 districts, 50% of which were in the most rural areas of Ghana. Evaluations of the pilot activities have demonstrated the most effective approaches, which will be expanded to a nationwide incentive program to be implemented in 1994.

Another principle behind A.I.D.'s basic education programs in Africa is broad-based ownership of primary and secondary schooling. More than solely participation, ownership means taking responsibility for the provision of schooling by the community, including PVOs and the commercial sector. The objective is to engage larger segments of society that those directly involved in the education process. Community and PVO ownership makes the education system more responsive, accountable and sustainable.

A.I.D. is support ownership ideas through: grants that require broad stakeholder involvement in education reform; cooperation with the commercial private sector on curriculum development; support of media and training initiatives for community and PVO groups; and using matching funds to stimulate community and PVO education improvements.

Education studies in Mali showed that primary school enrollment was decreasing - parents found formal education costly and sometimes irrelevant. In partnership with the government and other donors, A.I.D. used this analysis to introduce policies, forums and initiative to develop ownership as a solution. All stakeholders, including donors, met in 1990 to share expectations for education reform and designed a system of matching grants in response to community and PVO advocates. These grants complement community efforts to improve primary schools via classroom rehabilitation, well and latrine construction, learning materials and income-generating enterprises, such as carpentry ventures and gardens. A.I.D. funding increased in 1991 due to the success of these early efforts. Primary school enrollment is stabilizing, and even increasing, in parts of Mali where A.I.D. is working.

While the level of expenditures for public services may not be a major concern overall in Africa, it is in certain countries, particularly where military expenditures are high. Even in countries where expenditure levels for social sectors overall may be reasonable, the distribution may be inappropriate for assuring broad-based impact, such as too much being spent for higher education and not enough for basic education. A.I.D. hopes that the SPA, through its new public expenditure initiative, can attack these issues comprehensively, throughout Africa, first by enabling donors and African governments to gain a much better understanding of actual budget outlays, and then by encouraging African governments to make more appropriate budget decisions.

A.I.D. is already encouraging several African governments to provide more funding for the social sectors and to improve the equity and efficiency of that funding. In education, for example, since 1989 A.I.D. has initiated sector assistance programs in Mali, Ghana, Guinea, Benin, Malawi, and Namibia, and it has revised older programs in Botswana, Lesotho and Swaziland.

The problems affecting education systems in Africa have been among the most severe in the world. The supply of places for children in African primary schools is expanding considerably slower than the population. Low quality and poorly-managed education programs yield the world's highest repetition and drop-out rates and the world's lowest levels of literacy and numeracy acquisition. Africa suffers from profound gender, regional, ethnic and urban-rural disparities in access to schooling, in general, and to effective schooling, in particular.

When A.I.D. designed education projects in the 1970s and 1980s, they reflected a narrowly focused and technical input-oriented project approach to solving these problems. Evaluations of these projects showed that the systemic and interrelated nature of African education sector problems required a broader and more holistic solution. A.I.D.'s new sector assistance programs attack these problems by supporting policy reforms designed to establish more efficient and equitable allocation of financial

resources. This includes reallocating education ministry budgets and expenditures to primary education from higher education or from other sectors and increasing the level of budgeted resources for pedagogic materials and support. Other measures that current sector programs are introducing include: 1) expanding community and local participation in education; 2) increasing the financial and managerial authority of local education authorities; 3) introducing policies to directly raise the efficiency of the system, including multi-grade and double-shift teaching; 4) introducing educational assessment programs; 5) developing a rational and appropriate curriculum; and 6) implementing incentives (or dismantling regulations) to encourage increased private sector provision of educational services.

B. STRATEGIC OBJECTIVE 2: STRENGTHENING COMPETITIVE MARKETS

The changing global environment, particularly the collapse of the Soviet Union, has drastically changed the nature of debate on African economic development. In the dialogue with African countries, there is no question of whether growth should be market-driven and based on the emergence of a strong and diverse private sector. The issue has become how to create competitive markets that will bring incentives to producers and, through greater efficiencies in processing and distribution, reduce prices for consumers.

A.I.D. actively supports private sector development in countries committed to market-based growth by:

1. Promoting an enabling environment for private enterprise;
2. Strengthening market incentives for private production; and
3. Reducing physical barriers to business and trade.

Although the process of market development is nascent in Africa, A.I.D.'s early experiences discussed below demonstrate that market-based growth can generate employment, increase rural incomes, provide better prices for consumers and even improve social services.

Promoting an Enabling Environment

As a first step, market development requires that governments allow the private sector to at least compete on equal terms with parastatals. In Uganda, A.I.D. worked with the government to analyze the coffee sector and to rescind the parastatal marketing board's export monopoly. Private cooperatives stepped in to export coffee directly, using technical assistance to set up a public tendering process. In 1991, their first year as exporters, the cooperatives exported 7% of Uganda's coffee, received higher prices than the parastatal marketing board, and created the competition necessary to drive the restructuring of the board into a commercial company.

The private sector also has demonstrated that it can successfully compete to handle sensitive imports such as fertilizer. Cameroon, Madagascar, Tanzania, Niger, Ghana and Kenya have all successfully deregulated imports and distribution and eliminated subsidies without negatively affecting farmers. In Cameroon, the private sector now delivers fertilizer at \$50 per ton compared to the parastatal price of \$280.

Simplified regulations for business and trade also have increased the volume of private sector activity. Since the Mozambican government legalized private competition with the parastatal agricultural marketing agency and simplified regulations for private wholesale trade in 1990, private traders have virtually driven the parastatal marketing agency out of commodity trade. Rwanda, Ghana and Mali are all taking steps to streamline business registration and revamp investment and commercial codes. In Rwanda, administrative delays to register a new business have been slashed by up to two years and up-front cash outlays reduced. In Mali, the number of new businesses registering in the first quarter of 1991 alone reached 80% of the total number of business starts in 1990.

Strengthening Market Incentives

Improved regulatory environments have proved most successful when governments have also

eliminated centrally administered price controls and allowed markets to intermediate between buyers and sellers. In Mozambique, the government enhanced its marketing reforms by dropping an archaic fixed-pricing system for agricultural commodities in favor of market-based pricing for maize, beans and rice. Despite serious security problems throughout much of the country, farmers with a minimum of stability are producing more -- and impact is being registered in improved child nutrition. From 1989 to 1990 -- a period of relatively constant food aid levels and consistent weather -- growth faltering in children under five improved in each of the country's ten provinces.

The positive impact of deregulating food prices is not unique to Mozambique. Market and price liberalization resulted in lower real food prices in Ghana, Tanzania, Guinea, Malawi, Gambia and Mali. In Senegal, deregulation of cereal markets for millet, sorghum and maize significantly reduced marketing margins and allowed a greater share of the retail price to make its way to farmers. By contrast, Guinea-Bissau's failure to liberalize pricing and marketing for rice contributed to a 20%-25% decrease in production from 1990-1991.

Rationalization of pricing policy has proved equally important in stimulating exports, particularly in encouraging new investments in non-traditional trade. In Uganda, the rapid increase in vanilla exports stemmed directly from a reform of the exchange rate system which offers better returns to exporters. The new foreign exchange regime encouraged a private Ugandan firm to secure a contract with McCormick's, the U.S. spice company. The firm paid farmers about six times the price they had received for vanilla in 1989, and tripled the producers on line. In Mali, the government's decision to lift export taxes has reduced the marketing cost per head of livestock from \$20 to \$8.60, vastly increasing the potential for regional trade.

Reducing Physical Barriers to Business and Trade

In some countries, high marketing costs have precluded new investments and frustrated attempts to generate employment. More significantly, high entry and marketing costs can hinder competition among traders to buy domestic crops and make them available to consumers at reasonable prices. In short, when competition is thin, neither farmers nor urban consumers may benefit from market reforms.

In Tanzania and Ghana, A.I.D. is working successfully with government and the private sector to reduce physical trade constraints by institutionalizing programs to build and maintain feeder roads. The Ghana program will rehabilitate 10,000 - 12,000 kilometers of feeder roads through contracts with the private firms which receive start-up loans and training in labor-intensive construction. As of September 1991, 41 firms were under contract. A survey of businesses where roads have been completed indicates that complaints about land transport dropped from 72% to 39%. In Tanzania, a similar construction approach also is producing significant results: increased mobility, especially in the rainy season, improved movement of crops, better supply of agriculture inputs and consumer goods, increased public transport, and increased marketing choices for agricultural producers.

In Uganda, A.I.D. financing and technical assistance helped a private manufacturer of pharmaceuticals overcome high start-up costs in a non-traditional field for private investment -- a factory to produce oral rehydration salts (ORS). State-of-the-art mixing and packaging equipment was purchased from U.S. suppliers. The factory is now fully operational, meets World Health Organization (WHO) and U.S. standards, and was on target to produce 1.65 million ORS packets by the end of 1991. The bulk of 1991's output was provided to the national diarrheal disease control program as a loan repayment by the manufacturer. Starting in October, packets were produced for commercial sale, with distribution and promotion covering most of the country.

The Employment Challenge

Through the 1990s, the greatest challenge for Africa's private sector may be to generate employment to meet a burgeoning labor force. Kenya estimates that it must create 4.3 million new jobs by the year 2000 if the aggregate number of unemployed is not to increase. To meet this demand, the vast majority of the jobs must come from small-scale, private sector growth: 1.8 million jobs from small

farms, and 1.9 million jobs from the informal sector. Other African countries are likely to face similar circumstances.

The positive side is that small-holder agriculture and the informal sector respond quickly to opportunities for growth. In most African cities, increased government tolerance of informal trade has sparked major peri-urban economic growth. A recent study in Mozambique demonstrates that Maputo's informal sector produces greater income for about 750,000 peri-urban residents than the formal sector -- with virtually no inputs from government other than the right to trade. Projects in Kenya and with South Africa's black majority have tested group lending approaches on micro loans that help expand employment, particularly among women, and have had high repayment rates. In agriculture, price and market liberalization have demonstrated that the farm sector can retain laborers if made profitable. The key issue, discussed below, will be the strategies we employ to maintain such potential increases in productivity from Africa's natural resources and from its people.

C. STRATEGIC OBJECTIVE THREE: DEVELOPING THE POTENTIAL FOR LONG-TERM INCREASES IN PRODUCTIVITY

African economies are largely agricultural, and, at least until the end of the 20th century, the continent's comparative advantage will continue to be in developing its agricultural sector. However, the interest in short-term productivity gains in agriculture must be balanced against the fragility of the African natural resource base. Technological and institutional solutions for today must include stewardship of these resources for the next generation.

Similarly, investments in human capacity development must look toward the future. Sustainable economic productivity rests on a healthy, well-trained work force, capable of adapting to new economic opportunities as they arise. Currently, two rising health threats, the HIV/AIDS pandemic and malaria, are substantially reducing the gains that were realized in the late 1980s in lowering infant and child morbidity and mortality. With continued high population growth rates, coverage of health and education services is problematic, even with the efficiency gains noted under Strategic Objective 1 (Improving Economic Management). Thus, in addition to improving health status and providing more people with the basic skills to enter the labor force, balancing growth in the economy and growth of the population is critical to sustainable improvements in the lives of Africans.

A.I.D. programs that contribute to developing the potential for long-term increases in productivity yield results slowly, as they require profound changes in human behavior. Some of the investments made over a decade ago in higher-yielding agricultural technologies are now being widely adopted and are raising incomes, while many investments in natural resources management to stabilize these higher yields are at early stages. Similarly, in a number of countries in which A.I.D. has nurtured family planning programs for a decade or more, substantial declines in total fertility rates are now evident.

Improved Natural Resources Management

A.I.D. realizes that a key aspect of assuring lasting increases in agricultural productivity is sustainable management of the natural resource base. The first step is establishing conditions that will encourage changes in actions by individual farmers, pastoralists and others, followed by the behavioral change, which, in turn, leads to more efficient use of their resources and to continued growth in income and improved welfare.

No farmer on the margin of existence in Africa will use resources more efficiently unless he or she will benefit directly. There is often at least a perceived conflict between short-term gain, or even survival, and the longer-term objectives of the individual and of society in general. The first step in providing the incentives for a farmer to consider adopting technologies that have both short- and long-term payoff is often to change the policy framework. The farmer needs certain conditions of land tenure to benefit from any fixed investment, price policy reform to make such investments more affordable and an appropriate regulatory and fiscal policy framework, so that individual decisionmaking is not usurped nor profits taxed away. In its policy dialogue and sector adjustment programs, A.I.D. often takes the lead role in setting the preconditions for long-term resource management.

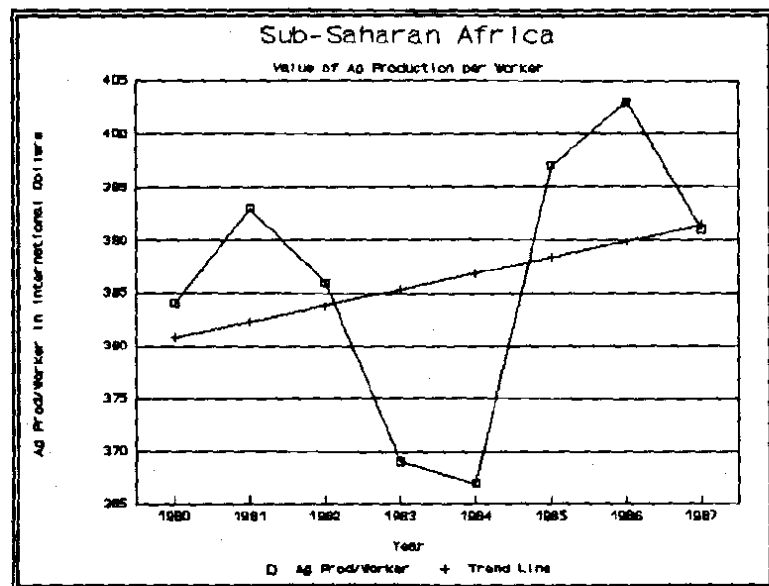
In Lesotho, where wool provides a substantial share of farm income, the government, with A.I.D. support, has encouraged the establishment of local range management areas (RMAs). Within the RMA, local people set limits on resource use, both in terms of the number of animals permitted and the schedule of use of the land. The oldest of the RMAs was established in 1983 as an A.I.D.-supported experiment in local management. Results reported in 1990 and 1991 show significant checking and reversal of deterioration of the range on the one hand, and a substantial increase in the quality and value of the animals on the managed range. Moreover, stocking rates are down due to active culling and marketing of animals. This is the ultimate indicator of a change in behavior and in values among participating farmers, whose reasons for keeping large numbers of animals include prestige as well as economic value. Given these results, the formation of other RMAs is now being encouraged by the Government of Lesotho.

Conservation of biodiversity often goes hand in hand with the maintenance of agricultural productivity in Africa. The most obvious link is through the sustainable use of natural products such as woods, fibers, fruits, seeds, honey, and meat. For example, meat from wild animals is the most important source of protein in much of central Africa. The potential value of many other natural species to humans remains untapped. Continued discovery of natural pharmaceuticals in Madagascar, for example, demonstrate that the United States has a stake in assuring the conservation of species whose value may become clear only in the future, as medical research progresses.

ENVIRONMENTAL QUALITY

Environmental quality includes protection of the African elephant, conservation of biodiversity, tropical forest protection, and mitigation of global climate change. A.I.D. has supported the African Elephant Conservation Consultative Group and national ministries in the 1991 publication of elephant conservation plans for individual countries in west, central, and east Africa. Recent surveys funded by A.I.D. in Cameroon suggest that both commercial and subsistence hunting of small forest antelopes can be permitted without adversely affecting natural populations of this species. Meanwhile, Uganda, with A.I.D. support, is addressing the issue of sustainable use by developing a permit system to ensure that local villages will have a continued supply of mountain bamboo within the new Bwindi National Park.

In respect to tropical forests and global climate change, the Central Africa Global Climate Change project begun during FY 1991 addresses the triple role of the great forests of the basin of the Zaire River in the sequestration of carbon from the atmosphere, the maintenance of biodiversity, and the provision of ecosystem services to local people. In Rwanda, the Mountain Gorilla project and the Nyungwe Forest project have reduced poaching of endangered primates and also provided direct employment and income from tourism to adjacent communities.



Accelerated Agricultural Technology Development and Transfer

One key aspect of increasing sustainable economic growth in sub-Saharan Africa is generating and making available new, more efficient and higher-yielding agricultural technologies. The existence of these technologies will permit African farmers to increase the returns to their labor as they respond to both domestic and international market signals. The intensification of agricultural productivity is one part of a formula for balancing the resource base with the population it must maintain.

While African agricultural productivity (measured as value of agricultural output per agricultural worker) fell significantly in the 1970s due to drought and external shocks to the African agricultural economies, these trends were reversed for

the period 1980-87 (see Figure 2). The data indicate that, while food production did not quite keep pace with population growth, the agricultural sector did increase its productivity due to a significant increase in receipts from non-food commodities. Although the data on the agricultural labor force are incomplete for 1988-90, a review of agricultural output suggests continued growth due primarily to almost 5% average annual growth for non-food commodities in A.I.D.'s focus countries.

A key contributor to increasing agricultural labor productivity is the adoption of technologies that intensify yields. A.I.D. has recognized the importance of technology development and transfer since the 1960s. The approach taken in the late 1980s and early 1990s, however, is much different from our initial efforts. While the work of the 1960s-70s generated some very useful products such as Kitale maize in Kenya, the continued evolution of these technologies was not sustainable on the basis of Africans' resources alone. Not only did the host country research institutions require substantial development and overhaul, many of the research programs were not geared to meet the demands of their farm and agribusiness clientele, nor were they sufficiently linked with their counterpart researchers in other countries. These findings led A.I.D. to shift the focus from the narrow objective of technology generation and release to a broader approach addressing research management and linkages with the host country private sector. We also have moved to strengthen demand-driven research linkages between African countries and the International Agricultural Research Centers and among the research systems of neighboring countries.

These efforts, which took place in the 1980s, raise prospects that as markets are adjusted and resources reallocated, the future impact of agricultural technology development and transfer will be even greater.

Improving the Human Resource Potential

Natural resources are only one component of productivity in sub-Saharan Africa. The other critical ingredient is the human population. Poor health detracts from labor productivity. An untrained work force leads to inefficiencies in the economy. Most importantly, high population growth rates threaten the sustainability of any economic productivity gains.

Toward a Healthier Work Force

In a decade of economic collapse, war, drought and political turmoil, the continued decline in infant and child mortality stands out as a startling success. In the 14 A.I.D. child survival emphasis countries

Farmers Are Adopting New Technologies

A recent evaluation of African agricultural research reveals significant levels of impact from previous and ongoing U.S. investments. In Kenya, as in most other African countries, the A.I.D. effort in agricultural research has focused on food crops, which are a source of income as well as sustenance for most producers. The development of a hybrid maize technology appropriate for Kenyan agro-ecological conditions has allowed the country to keep up with one of the most rapid population growth rates in the world with less recourse to imports than would have been the case had farmers continued using old technologies. It is estimated that, each year, the increase in production is saving an estimated \$40-\$50 million of foreign exchange which is being reinvested in the local economy—largely for the importation of manufacturing inputs. Equally significant is the finding that while the total land area devoted to maize has increased, the share of land planted to maize has diminished relative to other, higher-profit crops. During the late 1950s and early 1960s, maize accounted for 49% of value and 35% of cropland. Twenty years later, maize accounted for only 26% of the planted area and 18% of value. Farmers, assured of a cheap staple food, have felt free to transfer scarce land resources to more valuable crops such as tea, coffee or pyrethrum, which yield a higher economic return and increase rural families' consumption and savings.

Agricultural intensification is not confined to Kenya alone.

- *Lesotho is reporting an enormous (nearly eight-fold) increase in the sale of improved pinto bean seeds in 1991 over 1990;*
- *Malawi is reporting a 40% increase in the sale of improved variety maize seed; and*
- *Rwanda is showing a 233% increase in the number of households using improved bean varieties since 1987.*

Taken together, these increases support the expectation that during the next decade, with average rainfall, a liberalized policy environment, and political stability, we can expect to see accelerated increases in agricultural productivity both per labor and land unit.

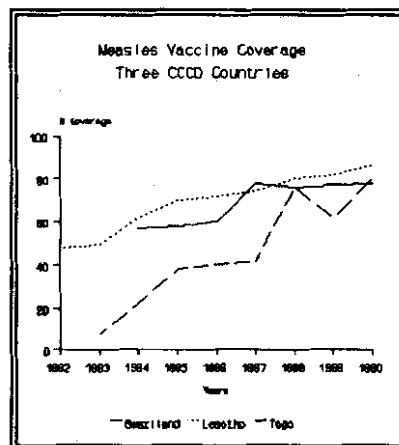
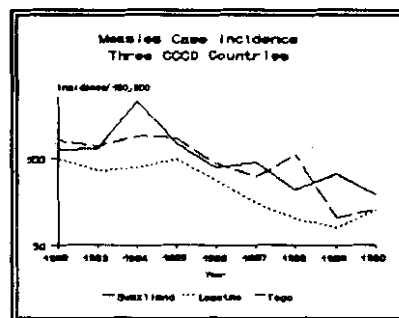
in Africa, infant and child mortality rates decreased 15% and 17.5%, respectively, since 1981. The spread of low-cost primary care interventions, immunization and oral rehydration therapy (ORT), which has constituted the core of A.I.D.'s and other donors' child survival strategy, has been an important contribution to this success.

National childhood immunization coverage rates in the 14 emphasis countries reached an average of 60%, doubling from about 30% in the mid-1980s. Five of these countries, Burundi, the Central African Republic, Lesotho, Malawi and Swaziland, attained coverage rates of 75% or more for the third dose of polio and diphtheria-pertussis-tetanus (DPT) vaccines. In the 12 countries where data are available, the percent of pregnant women receiving two doses of tetanus toxoid (TT) vaccine increased from 25% during the mid-1980s to over 40% by the late 1980s. Beyond increasing coverage, some African countries have documented sustained decreases in the incidence of vaccine-preventable diseases, such as measles (see box) and polio. Immunization efforts throughout Africa have benefitted from strong collaboration among ministries of health, A.I.D., UNICEF, WHO, Rotary and other partner agencies.

Child Survival and Measles

Substantial reductions in the number of measles cases reported over the last few years have been documented in Togo, Swaziland and Lesotho. Togo and Swaziland reached historically low levels of measles incidence during 1990. As depicted in the lower graph, the three countries also report significant increases in vaccine coverage during this period.

Togo, Swaziland and Lesotho are assisted by the regional A.I.D.-funded Africa Child Survival Initiative-Combating Childhood Communicable Diseases (ACSI-CCCD) project. Through this project, several African countries have made tremendous strides in program monitoring and the development of health information systems. These countries are now able to track progress and respond promptly to population and program trends and developments.



Measles Vaccine Coverage

Significant progress has also been made in the promotion of oral rehydration therapy (ORT) to prevent death from diarrhea-related dehydration. In the 14 child survival emphasis countries, mothers' use of ORT for their children with diarrhea has increased from an average of under 10% in 1985 to an average of 40% during the late 1980s. Within the same time frame, community access to oral rehydration solution has increased threefold from an average of about 20% to nearly 60%. One hospital in Lesotho reported that the case fatality rate for dehydration due to diarrhea has been cut by about one-half since the opening of the ORT treatment unit.

Threats to Progress in Better Health

Despite success in the implementation of these child survival interventions, sustainability and continued progress are not assured. African economic realities and emerging issues, such as HIV/AIDS and resurgent malaria, threaten to slow or reverse progress made to date in reducing child mortality.

Over 6 million persons are infected with HIV in sub-Saharan Africa. This translates into about one in every 40 African adults, and represents almost two-thirds of the estimated global total of infected persons. This includes roughly 2.5 million women, or about 80% of the global total of infected women, and an equal number of infected men, accounting for more than 40% of the global total of infected men. Most of the women infected are of child-bearing age, and HIV transmission from the mother to fetus or infant is a widespread and increasing problem. As of 1990, approximately 500,000 African infants had been born infected with HIV. By the end of the 1990s, an additional 10 million or

more infants may be stricken.

A.I.D. has funded AIDS prevention and control activities in 38 African countries since FY 1988. As A.I.D. has gained experience in HIV/AIDS prevention and control in Africa, the following activities have become key elements: monitoring the HIV/AIDS problem; increasing government and public awareness of the problem; assisting African countries with the development and implementation of AIDS prevention programs; and conducting applied research aimed at improving preventive measures.

Reducing HIV/AIDS Transmission Rates

Notwithstanding the bleak picture painted by the still-growing numbers of HIV-infected individuals in Africa, and the lack of effective treatments or cures, A.I.D. has begun to realize small gains in changing behaviors, with the expectation that transmission rates can be lowered. This has required significant innovation and flexibility, but new directions are beginning to emerge.

- *With A.I.D. support, several private voluntary and non-governmental organizations have developed the capacity to enter the field of HIV/AIDS prevention and make an impact on the problem. In turn, they have had an impact on country programs funded by other donors. A condom social marketing program in Zaire (implemented by Population Services International) has demonstrated convincingly the effectiveness with which private sector resources can be employed to provide HIV/AIDS education and promote HIV prevention. The Zaire social marketing project repackages A.I.D.-donated condoms under a popular local brand name and distributes them through its own sales force to pharmacies, private medical centers and hospitals, hotels, bars and nightclubs, wholesalers, and other consumer-oriented commercial outlets. As an indicator of its unprecedented coverage, 90% of the pharmacies in metropolitan Kinshasa participate. Sales have increased steadily, from 1 million in 1988, to 9 million in 1990 and over 18 million by November 1991.*
- *The Zaire AIDS mass media project, also implemented by Population Services International, complemented the social marketing activity by educating the population through radio, television and print media as well as popular music and live theater. Collaboration with Zaire's National AIDS Committee was instrumental in assuring culturally appropriate message development (broadcast and print in all five national languages), obtaining official approval of all messages, and assuring free airtime. A project-associated research activity has documented behavioral change by Zairians.*
- *An early impact of the regional HIV/AIDS Prevention in Africa (HAPA) project was the evaluation of newly developed rapid tests for HIV. This multicenter trial, conducted in Ghana, Kenya, Senegal and Zaire, evaluated both screening and confirmatory tests for HIV in field laboratories. The recently published results showed that these tests are as sensitive as the currently used methods (ELISA and Western Blot) and perform well in field testing. These technologically appropriate tests require neither instrumentation nor electricity, require minimally trained technicians, and are also much faster to perform and much less expensive than currently used technologies. This assessment led to a major policy change by the Government of Kenya to purchase rapid HIV tests for use in emergency situations such as emergency blood transfusion services and for routine use in district and rural hospitals. Other African countries are following suit, and these research findings will be very helpful to health program planners in many countries.*

As noted earlier in this report, sub-Saharan Africa is experiencing a growth in infection and death rates due to malaria. The factors - including migration to endemic areas, urbanization, climate and the presence of drug-resistant malaria parasites - are formidable foes and will take their toll on the declines in morbidity rates observed in the late 1980s.

A.I.D., along with other donors, has renewed its attention to the malaria threat. Using the findings of two recent comprehensive studies, lessons from practical experience, and other ongoing analyses, A.I.D. is developing a malaria control strategy for field missions to use in increasing their involvement in supporting host country malaria control programs in Africa. One dimension of the strategy will be policy dialogue. In Tanzania, A.I.D.'s policy analysis helped convince the government to waive duty taxes on the importation of insecticide-impregnated bed nets, reducing their cost from approximately \$25 to \$4, and making them more widely accessible. This strategy, furthermore, will emphasize community participation, the development of locally sustainable interventions, and establishing innovative, cross-sectoral approaches to expand malaria control beyond the health sector.

Slowing the Population Growth Rate

Support for family planning programs remains an essential element of U.S. development assistance in Africa.

The United States has been a leader in policy dialogue with African countries on the implications of high population growth rates for the sustainability of other gains, such as value-added

in agriculture, enhanced child survival and increased school enrollment levels. Nineteen of the 22 DFA focus countries have family planning as a major component of their A.I.D. development assistance programs.

Fertility in sub-Saharan Africa remains the highest in the world by a considerable margin. In general, a high value is placed on fecundity in African societies. It is only in the past few years that A.I.D. has been able to demonstrate a decline in the total fertility rate - an estimate of average births per woman - in any sub-Saharan countries where we support family planning and population policy development. This may signal a significant change in values related to children and to the role of women in society. In each country in which fertility has declined, an increase in contraceptive prevalence has been documented. From 1984 to 1988/89, use of modern methods among married women in Kenya increased from 10% to 18%, while in Botswana it increased from 18% to 32% and in Zimbabwe from 27% to 36%. Other countries are also showing promising results. In Rwanda, the most densely populated nation in Africa, contraceptive prevalence shot up from less than 4% in 1988 to the present level of nearly 11%, after A.I.D. began an innovative community-based program. Use of modern methods in Senegal has increased steadily in urban areas, where A.I.D.-supported family planning services are concentrated, from 6.6% in 1986 to 10.4% in 1991.

The results of A.I.D.'s commitment to family planning in Kenya are well documented. Since 1977, use of modern contraceptives has more than tripled, while the proportion of married women wanting no more children has nearly tripled as well--from 17% to 49%; an additional 26% of married women want to space future births. Since the late seventies, the average size of the ideal family has plummeted from 7.2 to 5.8 in 1984 and to 4.4 in 1989. Moreover, a recent assessment concluded that A.I.D. support has been a major reason for the overall impact and success of Kenya's family planning program.

Taking advantage of private sector distribution systems is becoming an increasingly popular and effective means of expanding contraceptive distribution and sales. Such contraceptive retail-sales programs, with A.I.D. support, have been mushrooming throughout the continent. In Zaire, sales of vaginal foaming tablets increased eightfold in 1988 to nearly 2 million in 1991. Other A.I.D.-supported programs, in Cameroon and Zimbabwe, for example, also are showing promising results.

D. STRATEGIC OBJECTIVE 4: IMPROVING FOOD SECURITY

Food security can be defined as having been met when all people at all times have access to sufficient food to meet their dietary needs for a productive and healthy life. We believe there are three important components to the concept of food security: availability, access, and utilization. The data suggest that domestically produced food availability is beginning to increase, most markedly in the DFA focus countries. At the same time, we are finding that improved access and utilization are longer-term changes which will result from successful overall economic development, including increased purchasing power among lower income groups.

In Africa, A.I.D. has used an effective combination of DFA and P.L. 480 resources to bring about results in terms of both availability (aggregate food supply) and access (ability of individuals to purchase the food they need). Most dramatically, those countries that help themselves by undertaking economic policy reforms are achieving the best results in terms of assuring food security and reducing dependence on donor food imports.

Food Availability

Given the importance of agriculture in the economies of African countries, improvements in agricultural performance are closely linked to the availability and access dimensions of food security. In more than 70% of the DFA focus countries, A.I.D. is contributing to food availability through development programs and projects aimed at improving agricultural production and productivity. Several of these country programs and projects are comprehensive enough to contribute significantly to food security. In Mali, for example, our support for cereal market reform has contributed to increases in investment and productivity of the rice subsector.

The performance of DFA focus countries during the 1988-1990 period is encouraging; per capita foodgrain availability from all sources edged back up toward the record levels of the mid-1970s. More noteworthy, net domestic production climbed significantly above the record-low levels of the early 1980s. Foodgrain availability from commercial imports held steady, but well below the record-high levels of the pre-structural adjustment period.[see box]

In contrast, among the non-focus DFA countries total foodgrain availability per capita fell, led primarily by a sharp decline in commercial imports as foreign exchange reserves virtually vanished. Availability from domestic production improved only slightly over the levels of the mid-1980s, and food aid sources remained steady. Thus, as the 1990s opened, total foodgrain availability in the non-focus countries fell to some 15% below that of the DFA focus countries. For these same countries, a review of daily caloric intake trends, however, indicates that while per capita intake has fallen from the 1970s, the magnitude is less than 5%. One partial explanation is an increasing shift away from cereals to roots, tubers and other high caloric and lower price food commodities.

U.S. food aid commodities have augmented domestic food availability in African countries, and has contributed to a reduction in the year-to-year instability of food supplies. U.S. food aid resources in the form of the new Title III Food for Development program authorized under the 1990 Farm Bill (P.L. 480), also have been used in support of economic policy reform to improve food security. For example, in FY 1991, balance-of-payments savings through the provision of food aid, coupled with the local currencies generated from the sale of food aid commodities, have directly supported liberalization of agricultural markets in Mali, Guinea, Kenya, Mozambique, and Ghana.

The United States also has provided massive amounts of emergency food aid throughout Africa but particularly in the Horn, the Sahel, Liberia, Mozambique and Angola. This food aid -- which totaled nearly \$420 million in FY 1991 -- provides a food safety net for vulnerable groups and dampens annual instabilities in food supply and prices (see box).

Access to Food

Increased food availability at the national level does not automatically result in adequate access to food by the household. Access to food is thought of in terms of the distribution of income and endowments, i.e., purchasing power. Weak purchasing power limits the capacity of low-income households to produce or procure sufficient food. Increases in effective purchasing power are brought about in two ways: 1) by increasing disposable income or 2) by lowering the cost of food commodities.

Much of the increase in disposable income in the late 1980s has occurred in the rural informal sector

Policy Reform and Access to Food

Before economic policy reform measures were undertaken in many African countries, a large proportion of consumers were paying artificially high prices for food. This was true even though official prices were often set below market-clearing levels. In such cases, shortages in official markets contributed to the emergence of parallel markets where food commodities were purchased at prices that reflected true market costs and risk premiums, driven higher by the inefficiencies imposed by inappropriate policies.

In the Cornell University multi-country study of the impacts of policy reform on the poor, the evidence suggests that access to food by poor households has improved in the wake of reform.

Food prices have declined in Ghana. The consumer price of maize declined at 1.6% per year following adjustment. An appreciable decline was found for rice as well as for sorghum, millet, gari and yam. Only cassava prices did not show a downward trend.

In pre-reform Guinea, officially-priced rice was available in Conakry at prices subsidized by as much as 70%. Access to that subsidized rice was skewed toward better-off households, however, and even those households were forced to supplement their rice supply at parallel market prices that were up to 3.5 times higher than the official price. After state marketing controls were dismantled and imports and commercial trade liberalized, real rice prices plummeted and supplies became more abundant.

In Tanzania, open-market prices for maize, rice and beans have been dropping since 1983. In Malawi, a downward movement in maize prices has been recorded since the adjustment process began. By 1988-89, real maize prices hit their lowest point since data collection began in 1975-76. Finally, in Somalia, despite a more than 100% real exchange rate devaluation in the mid-1980s, maize prices actually fell, and rice prices remained relatively unchanged.

Increased Famine Preparedness

One of the most vulnerable groups in Africa remains the innocent victims of famine. In an effort to save lives and preserve U.S. and African financial resources, major emphasis has been placed on improving famine preparedness and early warning systems within Africa. A.I.D.'s Famine and Early Warning System (FEWS) project is succeeding in providing the U.S. Government with timely information while simultaneously strengthening African institutional capacity to respond to food shortfalls before they develop into full-fledged famine situations.

The FEWS project was developed in response to the 1984-85 drought and famine tragedy in the Horn of Africa and today covers the five Sahelian countries plus Sudan and Ethiopia. The system, which relies on satellite imagery combined with field verification, has been consistently upgraded and its technology refined since inception. Famine was once again a major problem in the Horn in 1991, and FEWS successfully predicted the food crisis. U.S. food assistance, totaling nearly \$420 million, was delivered on time to avert widespread starvation. In 1992, FEWS is a state-of-the-art tool that has become one of the stalwart forces against impending disaster.

Another benefit of the FEWS project has been improved joint collaboration with other donors. Information sharing has helped ensure adequate and timely donor response.

A.I.D. has used FEWS and other projects to reinforce the local capacity to forecast and monitor food needs in a number of African countries. Strengthened capacity in Africa to make sound decisions in a timely and cost-effective fashion will be key to achieving increased famine preparedness. For example, the A.I.D.-funded Sahel Regional Institutions project supports crop and cereal assessment in Sahelian countries through the Network for the Prevention of Food Crises in the Sahel.

Ultimately, however, technology cannot win the battle against man-made disasters. Recent trends indicate that the major causes of food emergencies in Africa during the 1990s will not only be drought, but also political conflict and civil strife. Early warning systems can help, but their effectiveness is limited in situations such as Somalia, Zaire, Mozambique, Liberia and Sudan. The long-term answer in these cases are responsible governments acting to implement sound policies to avert human suffering.

in sub-Saharan Africa. The income earned from off-farm, agriculturally related employment complements on-farm earnings to increase net family income and, hence, the ability to improve household food security. Income earned in urban areas contributes to the food security not only of the urban household but, often, of the extended rural family through remittances.

As commodity markets are liberalized in sub-Saharan Africa, short-term gains in access are being realized via a decline in the cost of food commodities. During the past few years, the focus of A.I.D.'s efforts has been concentrated on this approach to improving access. The reform measures must then be complemented by investments in market infrastructure and in programs that will strengthen the capacity of private sector market participants.

In addition to improved access, food security also can be enhanced when utilization is improved. A.I.D. is working with selected vulnerable populations in African countries to improve utilization of food consumed by individuals, particularly children (see box next page).

IV. Africa: Sound Foundations for Human Development

The foundations for African economic development are solidifying. As in the rest of the world, experience has demonstrated that open and participatory societies give people a stake in their economic development. When given the opportunity to work hard and earn a profit from their efforts, Africans have responded. That is not to say that external support is not needed: Africa is desperate for resources to improve technology, expand health care and promote sound education for its children. But the foundation for development lies with the African people. They must sustain economic growth. Their success may depend on whether African governments indeed strengthen the human resource base and give people the freedom and incentives needed to exercise initiative and contribute productively to their societies.

Africa presents a challenge of commitment. It will take decades for development in Africa to become self-sustaining. Even under the most optimistic scenarios, continuing high population growth rates will force Africans to wait 25 years to double annual incomes from \$250 to a still poor \$500. On a macroeconomic scale, Africa has lost a huge share of its world export markets to more competitive developing nations -- so much so that every year it costs the continent about the same in lost trade receipts as it receives in foreign aid. In the vast majority of Africa's countries, foreign aid accounts for 80% of public investment and 60% of recurrent expenditures.

The African people are clearly demanding from their governments radical change in the policies that

Malnutrition

In order to increase the effective utilization of resources at the household level to improve individual food security, A.I.D. has been supporting programs to promote improved child-feeding practices, including exclusive breast-feeding in the first four months of life, and improved weaning practices. These types of programs have been proven effective in reducing malnutrition, with potential cost-savings to poor families.

A recent World Bank review of nutrition interventions in Africa identified several A.I.D.-supported PVO projects as effective models for improving child nutrition. These include the AFRICARE Child Survival project in Imo State, Nigeria and Catholic Relief Services' Maternal and Child Health (MCH) program in Togo. A 1991 evaluation of the AFRICARE project showed a reduction of malnutrition in the under-three population from 30% to 19% over a two-year period. This project focused on improving basic child-feeding practices through the production and sales of local, high-quality weaning foods and growth monitoring of young children by the communities themselves. The Government of Nigeria has asked AFRICARE to replicate their program in other areas.

To support the promotion of optimal infant-feeding practices, WELLSTART has trained over 60 African health workers in eight countries in lactational management. A.I.D.'s Nutrition Communication project is working in Burkina Faso, Mali, Swaziland and Niger to assist the governments and PVOs to design effective communication and nutrition education programs. In September 1991, A.I.D. supported a West African conference on nutrition and child survival. Policy makers from eight countries participated and issued a declaration that emphasized the importance of integrating improved child feeding strategies into ongoing child survival, MCH and family planning programs. As a result of this conference, A.I.D. will be providing additional assistance to Cameroon, Senegal and Togo in FY 1992 to integrate infant-feeding practices into ongoing child survival programs.

entrenched them in poverty and dependency. Governments are responding. In many countries, political freedom may be at its highest point since independence. The trend is upward, and it is infectious. Greater liberty in one country affects the aspirations of neighboring citizens.

All these developments will improve the payoffs from donor assistance to Africa. Pressures for improved governance will allow donor resources to be used effectively and have a lasting impact. Increased accountability will help external resources get to the intended beneficiaries. With growing domestic commitment to market economies, prospects for continued growth are becoming stronger. These prospects, combined with Africa's pressing needs, create a compelling case for renewed efforts to support the continent's development. There is no other region in the world where U.S. support can have a more profound impact on people's lives.

ANGOLA

Total U.S. Aid \$ 38 Million (1977-90)
 Ratio of U.S. Aid To Total ODA 2.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.04 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(.)
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) . (.) . (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) . (.) . (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(.) . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (.)
 As % of Total Export Earnings..... (.) . %

POPULATION

Total Population...(Thousands, Mid 1991) 8,668
 Population Growth Rate..... (1978) 2.0% (1992) 2.7%
 Population (1991) By Age Group:
 (0-14yrs) 43.2% (15-64yrs) 54.4% (65+ yrs) 2.4%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) 6.7 (1991) 6.7

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(.) . %

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) .(.) .(.)
 Total Imports(\$ Millions, US) (.) .(.) .(.)
 Of Which % From U.S.(.) . %
 Major Imports MACHINERY & ELECTRICAL EQUIP; FOOD; VEHICLES
 Total Exports(\$ Millions, US) (.) .(.) .(.)
 Of Which % to U.S.(.) . %
 Major Exports
 Trading Partners: UNITED STATES; BRAZIL; PORTUGAL

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Beverages ; Fibers ; Vegetables, fr
 Ag. Imports:(1989) Meat products ; Dairy products; Beverages

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2016
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 44.3 Male 42.4 Female 46.2
 (1970) Total 35.5 Male 34.6 Female 36.5
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 155
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 47% (1990) Measles 38% (1990)
 Diphtheria(DPT3) 23% (1990) Polio(3) 23% (1990)

Population with Reasonable Access to Safe Water Supply
 (1985) 31%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (1985) Male 49% (1985) Female . %

ANGOLA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	596	0	0
DEVELOPMENT FUND FOR AFRICA	0	13,000	15,000
PL 480 - TITLE II ^a	6,846	2,708	10,106
TOTALS	7,442	15,708	25,106

a. See Food for Peace section of statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	0	0	4
FOREIGN NATIONAL	0	1	1
TOTALS	0	1	5

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

ANGOLA

Development Problem

Although politically Angola appears to be moving toward peace, its economy is shattered, in need of reform and could act as a destabilizing force in the country's efforts to achieve political stability. Angola has among the highest infant and child mortality rates in the world. Over one million of Angola's rural population have left their homes and farms to escape the fighting. In addition, four consecutive years of drought in central and southern Angola have reduced agricultural production by 75% in the region. It is estimated that 1.9 million Angolans in southern and central Angola have been severely affected by the drought and civil war. It will take many years to rebuild the country and restructure the economy.

A.I.D. Strategy

There are legislative prohibitions on U.S. development assistance to Angola. An exception to these prohibitions was emergency and disaster relief activities administered by the Bureau for Food and Humanitarian Assistance and prosthetics assistance. A.I.D. has provided approximately \$34.5 million in humanitarian and emergency assistance to Angola since FY 1989. In FY 1992, a Presidential waiver lifting legislative restrictions on U.S. development assistance to Angola is expected to be signed by the end of January 1992. A.I.D. plans to provide approximately \$14.5 million in support of democratization, reintegration and retraining of former combatants, resettlement of refugees and medical assistance, particularly to children. For the near future, the A.I.D. program for Angola will continue to concentrate on rehabilitation of this war-ravaged country. This approach is a prerequisite to a more traditional development program.

Other Donors

Other donors include the European Community, the United Nations, the British, Swedes, Canadians and Portuguese.

FY 1993 Program

In FY 1993, A.I.D. requests \$15 million from the Development Fund for Africa and \$10 million of P.L. 480 Title II resources to continue supporting the rehabilitation and development of Angola. Areas which will receive attention include infrastructure rehabilitation, possibly through food for work programs; a continued effort to reintegrate former combatants and displaced persons into society; and social sector support, particularly in the areas of education, health, prosthetics and acquired immune deficiency syndrome (AIDS).

Mission Director: To Be Determined

PROJECT TITLE Infrastructure Rehabilitation		PROJECT NUMBER 654-0004 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (in thousands of dollars)		
FY 1993 DFA 8,000	LIFE OF PROJECT FUNDING DFA 8,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To assist in the reintegration of former combatants into society and to assist in the rehabilitation of Angola's infrastructure.

Project Description: The project will facilitate the reintegration of former combatants into society by providing them gainful employment through food for work activities. These activities will be directed toward the rehabilitation of Angola's war-damaged infrastructure, including roads, dams, bridges and rail.

Sustainability: Project sustainability issues will be factored into the design of the project.

Relationship to A.I.D. Strategy: For the near future, the A.I.D. program for Angola will continue to concentrate on the rehabilitation of this of this war ravaged country. Reintegration of former combatants is a first step toward this goal.

Host Country and Other Donors: Other donors include the European Community, the United Nations, the British, Swedes, Canadians and Portuguese.

Beneficiaries: The principal beneficiaries will be former combatants, but their families will benefit as well.

Major Outputs:

- Rehabilitation war-damaged infrastrucute including roads, dams, bridges and rail
- Employed former combatants

A.I.D.-Financed Inputs:

	(\$000)
- Food	\$4,000
- Technical Assistance	\$1,000
- Training	\$1,000
- Commodities	<u>\$2,000</u>
Total	\$8,000

PROJECT TITLE Social Sector Rehabilitation and Support		PROJECT NUMBER 654-0005 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA 7,000	LIFE OF PROJECT FUNDING DFA 7,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To assist in the rehabilitation of Angola's social sector.

Project Description: The project will assist in the rehabilitation of Angola's social sector which has severely deteriorated during 31 years of warfare. The sectors in which the project will focus its attention include education and health.

Sustainability: Project sustainability issues will be factored into the design of the project.

Relationship to A.I.D. Strategy: For the near future, the A.I.D. program for Angola will continue to concentrate on rehabilitation of this war-ravaged country. The social sector is the principal area of focus for AID support.

Host Country and Other Donors: Other donors include the European Community, the United Nations, the British, Swedes, Canadians and Portuguese.

Beneficiaries: The beneficiaries of this project will be the people of Angola, principally the poor.

Major Outputs:

- Rehabilitated Education Sector
- Rehabilitated Health Sector

A.I.D.-Financed Inputs:

Will be determined at project design it is anticipated that AID will provide

	(\$000)
- Technical Assistance	\$2,000
- Training	\$3,000
- Commodities	<u>\$2,000</u>
Total	\$7,000

Benin

BENIN

Total U.S. Aid \$ 88 Million (1959-90)
 Ratio of U.S. Aid To Total ODA 2.0% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.08 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 380
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 0.0%
 Government Budgetary Expenditures as a % of GNP... (.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 222 External Public Debt as % of GNP...(1989) 63.9%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 19
 As % of Total Export Earnings..... (1989) 5.7%

POPULATION

Total Population...(Thousands, Mid 1991) 4,832
 Population Growth Rate..... (1978) 2.8% (1992) 3.3%
 Population (1991) By Age Group:
 (0-14yrs) 48.3% (15-64yrs) 49.0% (65+ yrs) 2.7%
 Married Women Aged 15-44 yrs. Using Contraception...(1982) 26.8%
 Total Fertility Rate...(1970) (1991) 7.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(.) .%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1984) -60(85) -50(86) -210
 Total Imports(\$ Millions, US) (.) (.) (86) 435
 Of Which % From U.S.(.) .%
 Major Imports OIL; MACHINERY
 Total Exports(\$ Millions, US) (1984) 210(85) 238(86) 225
 Of Which % to U.S.(.) .%

Major Exports COTTON; PALM OIL; CRUDE OIL

Trading Partners: FRANCE; NETHERLANDS; UNITED STATES

AGRICULTURE

Agricultural Production as % of GDP...(1988) 38%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Fibers ; Oil crops & fe; Vegetable oils
 Ag. Imports:(1989) Cereals ; Tobacco and pr; Live animals

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2178
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 50.5 Male 48.7 Female 52.1
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 119
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 92% (1991) Measles 70% (1991)
 Diphtheria(DPT3) 67% (1991) Polio(3) 67% (1991)

Population with Reasonable Access to Safe Water Supply
 (1985) 57%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 63.0 Female 43.0
 Secondary (1986) Total 16.0 Female 9.0
 Adult Literacy Rate (1985) Male 37% (1985) Female 16%

BENIN

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	19,800	10,000	9,000
ECONOMIC SUPPORT FUND	1,357	0	0
PL 480 - TITLE IIIa	1,503	1,357	1,843
TOTALS	22,660bc	11,357	10,843

a. See Food for Peace section of statistical annex for program detail.
 b. Excludes \$200,000 of FY 1991 bilateral funding obligated through regional projects.
 c. Includes \$1,357,000 of ESF prior-year deobligated funds reobligated in FY 1991.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	0	3	5
FOREIGN NATIONAL	0	1	1
TOTALS	0	4	6

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	14	0	14	15	5	20	10	0	10
THIRD COUNTRY									
BILATERAL ^d	5	0	5	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	19	0	19	15	5	20	10	0	10

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

BENIN

Development Problem

In March 1991, the Republic of Bénin successfully emerged from 15 years of autocratic Marxist-Leninist rule. The people, through an open National Conference, developed a new Constitution, and through free elections declared their preference for an open society, a government of law, and a market economy. Bénin is at the forefront of Africa's sea change in favor of democratic political systems and open, liberalized economies. It is dismantling its statist central economy under a comprehensive structural adjustment program supported by the International Monetary Fund (IMF), the World Bank (IBRD) and bilateral donors. The United States has pledged its development assistance as part of this effort.

A.I.D. Strategy

Since late 1970s, A.I.D. had maintained a low profile, bilateral assistance program in Bénin consisting essentially of one rural water supply activity. In FY 1991, due in large part to Bénin's pioneering role in successfully achieving democratic pluralism through peaceful political change and in developing and undertaking a comprehensive economic restructuring, A.I.D. significantly increased its assistance, launching a new \$57.5 million multi-year primary education restructuring program. This program is the centerpiece of A.I.D.'s present and future assistance to Bénin. Through it, A.I.D. is assisting Bénin not only to improve its human resource base, but also to reinforce its commitment to democracy, an open society, and a market economy. This sector assistance program provides the financial and technical resources necessary to reform the basic education system. During FY 1992-1994, A.I.D. is expected to phase out of the water supply activity as local organizations are identified to expand this successful program nationwide.

Other Donors

The major donors are working under a common umbrella to assist in restructuring Bénin's economy, specifically to lower fiscal expenditures and increase revenues. In 1991, the United States was the fourth largest bilateral donor, providing 8.5% of bilateral funding. The leading bilateral donors are France, Germany, Switzerland, and the United States, in that order. Leading multilateral institutions are the IMF, the IBRD, and the United Nations.

FY 1993 Program

The requested \$9,000,000 from the Development Fund for Africa will finance increments to the ongoing primary education restructuring program and a final contribution to the rural water supply program. Food commodities will be provided under a P.L. 480 Title II program for a continuation of Catholic Relief Service's child survival activities.

A.I.D. Representative: Thomas F. Cornell

BOTSWANA

Total U.S. Aid \$ 302 Million (1965-90)
 Ratio of U.S. Aid To Total ODA 13.9% (1986-89)
 Yearly U.S. Aid Per Capita \$ 1.74 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,600
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 9.0%
 Government Budgetary Expenditures as a % of GNP... (.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 36.4%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 69
 As % of Total Export Earnings..... (1989) 3.6%

POPULATION

Total Population...(Thousands, Mid 1991) 1,258
 Population Growth Rate..... (1978) 5.1% (1992) 2.7%
 Population (1991) By Age Group:
 (0-14yrs) 45.4% (15-64yrs) 51.2% (65+ yrs) 3.4%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 33.0%
 Total Fertility Rate...(1970) (1991) 4.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(.) . %

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1984) -6(85) -15(86) 247
 Total Imports(\$ Millions, US) (.) (.) (86) 600
 Of Which % From U.S.(.) . %
 Major Imports FOODS; VEHICLES; TRANSPORT EQUIP; TEXTILES
 Total Exports(\$ Millions, US) (1984) 595(85) 510(86) 847
 Of Which % to U.S.(.) . %
 Major Exports DIAMONDS; COPPER; NICKEL; MEAT; CATTLE
 Trading Partners: ; ;

AGRICULTURE

Agricultural Production as % of GDP...(1988) 3%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Meat products ; Cereals ; Vegetables, fr
 Ag. Imports:(1989) Sugar ; Cereals ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2348
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 61.6 Male 58.6 Female 64.7
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 43
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 92% (1990) Measles 78% (1990)
 Diphtheria(DPT3) 86% (1990) Polio(3) 82% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 54%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 114.0 Female 117.0
 Secondary (1986) Total 32.0 Female 33.0
 Adult Literacy Rate (1985) Male 73% (1985) Female 69%

BOTSWANA

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	49	0	0
DEVELOPMENT FUND FOR AFRICA	7,610	7,000	6,300
TOTALS	7,659^{ab}	7,000	6,300

a. Includes \$610,353 of DFA Section 517 recoveries reobligated in FY 1991.
 b. Includes \$48,635 of DA prior-year deobligated funds reobligated in FY 1991.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	7	7	7
FOREIGN NATIONAL	6	6	6
TOTALS	13	13	13

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	72	10	82	63	6	69	50	8	58
REGIONAL ^e	25	2	27	27	8	35	0	8	8
THIRD COUNTRY									
BILATERAL ^d	0	2	2	0	5	5	0	5	5
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	97	14	111	90	19	109	50	21	71

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

BOTSWANA

Development Problem

Botswana's impressive macroeconomic performance, as reflected in an average annual growth rate of 10% during the past decade, is primarily the result of diamond exports and tends to mask major development problems. More than 70% of the population lives at or near subsistence levels. There is a persistent unemployment rate of 25% to 30%, with nearly 20,000 young people entering the labor force annually. The population growth rate is 3.4%; more than half the population is under the age of 15. Human Immune Deficiency Virus/Aquired Immune Deficiency Syndrome (HIV/AIDS) is becoming a serious problem. Due to the country's arid climate, it is highly dependent on imported food. Virtually all its fuel, chemicals, machinery and clothing are also imported. Basic education, relevant training, general workforce development, a diversified economy and sustaining recent growth in new jobs are critical to maintaining the progress made in improving the social and economic well-being of the population and assuring equitable access to the benefits of development.

A.I.D. Strategy

The A.I.D. program is designed to increase employment and improve the ability of students to acquire the additional skills training required to fill available jobs in the modern sector. A.I.D. also is providing assistance to improve and expand family planning service delivery. Through the Southern Africa Regional Program (SARP) A.I.D. supports natural resources management, regional agricultural research and training coordination. Private sector development has been stimulated through A.I.D. support for strategy studies, conferences and workshops and through A.I.D.-sponsored management and financial training. In education, A.I.D. has helped establish a much-improved capacity to support primary and secondary education including in-service training, curriculum development, and an improved student assessment and evaluation system. A.I.D.'s continuing efforts in population have directly contributed to the successful integration of maternal and child health and family planning services and decentralization of authority.

Other Donors

In 1989, the United States was the third largest bilateral donor, providing about 13% of bilateral funding. The other leading bilateral donors are Norway, Sweden, Canada and the United Kingdom. The European Economic Community and multilateral donors, including the World Bank, the African Development Bank, World Food Program and the United Nations Development Program, are also active. A.I.D. collaborates with these donors in improving management capacity, skills development, private sector development, health and family planning, and natural resources management.

FY 1993 Program

Funding of \$6.3 million through the Development Fund for Africa will support continuing activities in primary and junior secondary curriculum development and teacher education programs, private sector employment generation and related policy reform. Southern Africa Regional Program funds will support natural resources management.

Mission Director: Howard Handler

BURKINA FASO

Total U.S. Aid \$ 308 Million (1961-90)
 Ratio of U.S. Aid To Total ODA 5.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.18 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 320
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 1.0%
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1987) 293
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1985) 14 (1986) -2 (1987) 7

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 26.9%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 32
 As % of Total Export Earnings..... (1989) 11.9%

POPULATION

Total Population...(Thousands, Mid 1991) 9,360
 Population Growth Rate..... (1978) 2.3% (1992) 3.1%
 Population (1991) By Age Group:
 (0-14yrs) 47.6% (15-64yrs) 48.9% (65+ yrs) 3.4%
 Married Women Aged 15-44 yrs. Using Contraception...() . %
 Total Fertility Rate...(1970) (1991) 7.1

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...() . %

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1983) -310(84) -203(85) -321
 Total Imports(\$ Millions, US) () () (85) 497
 Of Which % From U.S.() . %
 Major Imports GRAIN; DAIRY PRODUCTS; PETROLEUM; MACHINERY
 Total Exports(\$ Millions, US) (1983) 147(84) 202(85) 176
 Of Which % to U.S.() . %
 Major Exports OILSEEDS; COTTON; LIVE ANIMALS; GOLD
 Trading Partners: FRANCE; COTE D'IVOIRE; UNITED STATES

AGRICULTURE

Agricultural Production as % of GDP...(1988) 37%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Fibers ; Live animals ; Oil crops & fe
 Ag. Imports:(1989) Cereals ; Dairy products; Vegetables, fr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2055
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 52.2 Male 51.5 Female 53.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 119
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 84% (1991) Measles 42% (1991)
 Diphtheria(DPT3) 37% (1991) Polio(3) 37% (1991)
 Population with Reasonable Access to Safe Water Supply
 (1985) 65%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1989) Total 31.0 Female 24.0
 Secondary (1989) Total 6.0 Female 4.0
 Adult Literacy Rate (1985).Male 21% (1985) Female 6%

BURKINA FASO

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	4,062	3,000	2,700
DEVELOPMENT ASSISTANCE	400	0	0
PL 480 - TITLE II^a	8,288	6,212	6,134
TOTALS	12,750 ^{bc}	9,212	8,834

a. See Food for Peace section of statistical annex for program detail.
 b. Includes \$1,362,000 of Section 517 DFA recoveries reobligated in FY 1991.
 c. Excludes \$300,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	5	5	5
FOREIGN NATIONAL	11	11	11
TOTALS	16	16	16

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	15	9	24	11	11	22	8	7	15
REGIONAL^e	10	0	10	9	0	9	9	6	15
THIRD COUNTRY									
BILATERAL^d	19	8	27	12	21	33	8	20	28
REGIONAL^e	0	0	0	0	0	0	0	0	0
TOTALS	44	17	61	32	32	64	25	33	58

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

BURKINA FASO

Development Problem

Burkina is a landlocked Sahelian country with a per capita gross national product of \$320. The majority (87%) of the labor force is engaged in agriculture, which accounts for 38% of gross domestic product. Economic growth is constrained by periodic droughts, environmental degradation, inadequate agricultural technologies, a high population growth rate, and public policies that discourage private sector investment.

A.I.D. Strategy

A.I.D.'s strategy in Burkina Faso focuses on contributing to improvements in the agriculture and health sectors. In the agriculture sector, the objectives are increased productivity and improvements in rural incomes. The Agricultural Research and Training Support project, implemented by Purdue University and Winrock International, directly involves farmers in the research process and in testing the economic viability of new technologies. Environmental degradation, related ultimately to food security, is being addressed in the Pilot Village Natural Resources Management project which provides grants to private and voluntary organizations (PVOs) to test and adapt proven technologies at the village level.

A.I.D. is a major donor in the health sector and is the lead donor in family planning and AIDS prevention. The Family Health and Health Financing project, building on the successes of previous A.I.D. interventions, contributes to lowering fertility rates and improving delivery and management of health services. Main components consist of family planning, child survival, diarrheal disease control, nutrition communication activities, and a condom social-marketing program aimed at preventing the spread of AIDS and other sexually transmitted diseases. Other components of the project address financial sustainability of primary health care facilities and improved strategic planning and cost recovery. A.I.D. also collaborates closely with U.S. and local PVOs which carry out child survival activities at the community level.

Other Donors

In 1991, including P.L. 480, the United States was the sixth largest bilateral donor, providing about 6% of bilateral funding, and the twelfth largest donor overall, with about 3% of total donor funding. The leading donors now in Burkina Faso are the European Community, France, West Germany, Canada, the Netherlands and the United Nations.

FY 1993 Program

A.I.D. requests \$2.7 million in Development Fund for Africa resources to continue supporting ongoing efforts in the health and agricultural sectors. P.L. 480 Title II resources will reach an estimated 374,000 beneficiaries by improving child nutrition and by supporting other rural development activities.

A.I.D. Representative: Wilbur G. Thomas

BURUNDI

Total U.S. Aid \$ 99 Million (1961-90)
 Ratio of U.S. Aid To Total ODA 2.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.08 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 220
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 4.0%
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (1981) 234 () (1985) 195
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () (1981) -55

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 76.5%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 34
 As % of Total Export Earnings..... (1989) 29.2%

POPULATION

Total Population...(Thousands, Mid 1991) 5,831
 Population Growth Rate..... (1978) 2.4% (1992) 3.2%
 Population (1991) By Age Group:
 (0-14yrs) 46.6% (15-64yrs) 50.5% (65+ yrs) 2.9%
 Married Women Aged 15-44 yrs. Using Contraception...(1987) 8.7%
 Total Fertility Rate...(1970) 6.6 (1991) 6.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...() . %

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () (90) -202
 Total Imports(\$ Millions, US) (1988) 227(89) 244(90) 290
 Of Which % From U.S.() . %
 Major Imports CAPITAL GOODS; PETROLEUM PRODUCTS; FOODS
 Total Exports(\$ Millions, US) () () (90) 88
 Of Which % to U.S.() . %
 Major Exports COFFEE; TEA; HIDES; SKINS

Trading Partners: GERMANY; BELGIUM-LUXEMB; IRAN

AGRICULTURE

Agricultural Production as % of GDP...(1988) 49%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Beverages ; Cereals ; Fibers
 Ag. Imports:(1989) Sugar ; Cereals ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2193
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 52.4 Male 50.3 Female 54.3
 (1970) Total 41.8 Male 40.5 Female 43.1
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 109
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 97% (1990) Measles 75% (1990)
 Diphtheria(DPT3) 86% (1990) Polio(3) 86% (1990)

Population with Reasonable Access to Safe Water Supply
 (1986) 30%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 70.0 Female
 Secondary (1986) Total 4.0 Female 3.0
 Adult Literacy Rate (1985) Male 43% (1985) Female 26%

BURUNDI

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	12,457	15,000	13,500
PL 480 - TITLE II^a	8	0	0
TOTALS	12,465 ^b	15,000	13,500

a. See Food for Peace section of statistical annex for program detail.
b. Excludes \$1,995,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	6	8	9
FOREIGN NATIONAL	4	4	4
TOTALS	11	12	13

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	12	18	30	37	61	98	31	60	91
REGIONAL^e	14	0	14	13	0	13	8	0	8
THIRD COUNTRY									
BILATERAL^d	0	22	22	0	47	47	0	50	50
REGIONAL^e	0	0	0	0	2	2	0	0	0
TOTALS	26	40	66	50	110	160	39	110	149

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

BURUNDI

Development Problem

Burundi is a small, landlocked country of 5.3 million inhabitants, with an annual per capita income of \$225. It has the second highest population density in Africa and a largely subsistence agricultural economy. Fifty-five percent of urban residents and 85% of the rural population live below the absolute poverty line. The country's limited resource base and its near-total reliance on coffee exports for foreign exchange earnings, combined with an annual population growth rate of over three percent, significantly impede its economic growth and improvements in its standard of living. While Burundi is still largely self-sufficient in food production, land pressures and deteriorating soil conditions are having an increasingly negative impact on protein intake and per capita food production. Other development problems include longstanding tensions between the country's two major ethnic groups and the historical lack of an entrepreneurial class.

A.I.D. Strategy

Burundi's government has recognized that progress in democratization, amelioration of ethnic tensions, and the growth of its economy are inextricably linked. It therefore embarked on a program of structural adjustment in 1986, and is now entering the third phase of this program. The primary thrust of the structural adjustment program is to liberalize the economy and reduce the dominance of the public sector. To date, several currency devaluations have taken place, import/export rules have been liberalized, and efforts have been made to either close parastatals or require them to operate under performance contracts. A.I.D.'s strategy complements Burundi's structural adjustment efforts by providing an enabling environment that will support creation and expansion of business in Burundi. A.I.D. will help Burundi adopt policy reforms which will expand employment and increase incomes through development of small and medium-sized enterprises, exports and market towns. A.I.D.'s principal mechanism for supporting such reforms is the Burundi Enterprise Promotion Program. Its companion project, the Burundi Enterprise Support and Training project, provides technical assistance and training to broaden the intellectual framework for such reforms. Through these two programs, A.I.D. hopes to relieve the numerous constraints which presently hinder efficient domestic and international trade and day-to-day business operations as well as provide Burundians with the analytical skills and capacity to be able to make informed judgments concerning the changing economic environment as the economy grows. Additionally, A.I.D. supports ongoing activities related to Burundi's needs in the areas of family planning, child survival and acquired immune deficiency syndrome (AIDS), small-farming systems research, and human resource development.

Other Donors

During 1989, official development assistance disbursements amounted to \$217.2 million. Of this total, \$98.5 million was provided by bilateral donors and \$118.7 million by multilateral sources. The World Bank was the largest multilateral donor. France, the Federal Republic of Germany, and Belgium, respectively, were the largest bilateral donors.

FY 1993 Program

The \$13.5 million requested from the Development Fund for Africa for FY 1993 will provide continued funding for the Burundi Enterprise Promotion Program; the Enterprise Support and Training project; AIDS Technical Support and the Program Development and Support project.

A.I.D. Representative: Glenn Slocum

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FY 1993 Program

The \$13.5 million requested from the Development Fund for Africa for FY 1993 will provide continued funding for the Burundi Enterprise Promotion Program; the Enterprise Support and Training project; AIDS Technical Support and the Program Development and Support project.

A.I.D. Representative: Glenn Slocum

Cameroon

CAMEROON

Total U.S. Aid \$ 342 Million (1960-90)
 Ratio of U.S. Aid To Total ODA 10.4% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.30 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,000
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 2,232
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1982) -168 (1983) 89 (1989) -346

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()

240 External Public Debt as % of GNP...(1989) 33.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 135
 As % of Total Export Earnings..... (1989) 7.2%

POPULATION

Total Population...(Thousands, Mid 1991) 11,390
 Population Growth Rate..... (1978) 2.6% (1992) 2.7%
 Population (1991) By Age Group:
 (0-14yrs) 43.6% (15-64yrs) 53.3% (65+ yrs) 3.1%
 Married Women Aged 15-44 yrs. Using Contraception...(1978) 3.1%
 Total Fertility Rate...(1970) (1991) 5.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 63%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1983) -71(84) 119(85) 160
 Total Imports(\$ Millions, US) () () (85) 1,620
 Of Which % From U.S.() . %
 Major Imports MACHINES, ELECTRICAL & TRANSPORT EQUIP; CHEMICAL PRO
 Total Exports(\$ Millions, US) (1983) 1,437(84) 1,480(85) 1,780
 Of Which % to U.S.() . %
 Major Exports PETROLEUM PRODUCTS; COFFEE; COCOA; TIMBER
 Trading Partners: FRANCE; UNITED STATES; NETHERLANDS

AGRICULTURE

Agricultural Production as % of GDP...(1988) 26%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Beverages ; Fibers ; Vegetable oils
 Ag. Imports:(1989) Cereals ; Tobacco and pr; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2183
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 51.0 Male 49.1 Female 53.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 118
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 74% (1990) Measles 38% (1990)
 Diphtheria(DPT3) 44% (1990) Polio(3) 42% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 30%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 109.0 Female 100.0
 Secondary (1986) Total 26.0 Female 20.0
 Adult Literacy Rate (1990) Male 70% (1990) Female 50%

CAMEROON

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE DEVELOPMENT FUND FOR AFRICA	423 18,020	24,000	21,600
PL 480 - TITLE IIa	0	92	0
TOTALS	18,443b	24,092	21,600

a. See Food for Peace section of statistical annex for program detail.
b. Excludes \$1,995,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	15	15	14
FOREIGN NATIONAL	15	15	15
TOTALS	30	30	30

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	29	6	35	60	7	67	54	7	61
REGIONAL ^e	20	47	67	14	40	54	7	24	31
THIRD COUNTRY									
BILATERAL ^d	1	21	22	1	17	18		22	22
REGIONAL ^e		4	4		4	4		3	3
TOTALS	50	78	128	75	68	143	61	56	117

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

CAMEROON

Development Problem

Cameroon's rapid economic growth since between 1970 came to an abrupt halt in 1986 due to steep declines in the prices of its major exports: coffee, cocoa and oil. Export earnings were cut by almost one-third and inefficiencies in the Government's fiscal management system were exposed. The country was suddenly faced with an economic and financial crisis. The Government is now undertaking reforms supported by the International Monetary Fund (IMF) and World Bank, but progress has been uneven and, in 1991, exacerbated by nationwide strikes organized by opposition parties to extract political concessions from the Government. A high population growth rate and low health indicators also continue to constrain growth.

A.I.D. Strategy

A.I.D.'s objective in Cameroon is to help generate sustained, broad-based economic growth by developing a market-oriented private sector and by increasing the efficiency of the public sector while decreasing its role. The program promotes policy reforms, particularly in the marketing of fertilizer, coffee, and cocoa, and includes projects supporting agricultural research and higher agricultural education, as well as rural health care, family planning, and acquired immune deficiency syndrome prevention.

The A.I.D.- assisted economic reform program has led to the liberalization of the Arabica coffee marketing system and to the establishment of new internal marketing arrangements which were successfully applied in the 1990/91 coffee campaign. The once powerful, though inefficient, produce marketing parastatal has been dissolved. The fertilizer market has also become much more efficient, as evidenced by the increased number of small private traders and their response to market signals.

One of A.I.D.'s more innovative initiatives has been assistance to the Government's effort to establish a free trade zone. This intervention has proven to be a valuable catalyst in getting the government to liberalize policies related to the export-processing sector, thereby reducing public sector involvement in the economy.

Cost-recovery or revenue-generating mechanisms have been successfully introduced through the higher agricultural education and rural health care projects. In the latter case, the Government has formally adopted a community co-managed and co-financed strategy as national policy.

Other Donors

The United States is the sixth largest donor after the World Bank, France, the African Development Bank, West Germany and Canada, and provides about 6% of total external assistance. U.S. assistance in support of policy reforms is complementary to the World Bank structural reform program, and is coordinated closely with the World Bank and/or other bilateral donors in the agriculture, health and natural resources sectors.

FY 1993 Program

The requested \$21.6 million from the Development Fund for Africa for FY 1993 will support, principally, continued policy reform in the agriculture sector, and new efforts in natural resources management health. It also will provide continued support for family planning, higher agricultural education, rural health, and selected academic and vocational training.

Mission Director: Jay P. Johnson

PROJECT TITLE Natural Resources Management		PROJECT NUMBER 631-0081 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA 1,000	LIFE OF PROJECT FUNDING 10,000 DFA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To develop and implement economically and environmentally rational approaches to natural resources management, conservation, and exploitation.

Project Description: Cameroon's natural resources have tremendous production potential if properly exploited. Commercial interests, however, have already begun to exploit these resources, particularly forests, without regard to environmental consequences. There is only limited appreciation in Cameroon for the long-term benefits of natural resource management. A.I.D. plans to help the Government of the Republic of Cameroon (GRC) to develop a sound environmental policy, to educate policy makers and the general population on environmental matters, and to develop rational schemes of natural resource exploitation and preservation. Among other things, this project will focus on biodiversity, soil fertility and soil erosion, protect plant vegetation, develop a rational natural resource management policy; and evaluate and redirect natural resource activities.

Sustainability: Project sustainability will be assured by developing within the GRC a constituency for environmentally sound resource management with an understanding of the consequences of continued environmental abuse. It also will provide the impetus for policy and legislative action in the natural resource sector.

Relationship to A.I.D. Strategy: A.I.D. strategy emphasizes sound public sector policy, efficient governmental administration and management, and the creation of a rational environment for private sector operations. This project will provide the basis for action in all three areas as they concern environmental resources.

Host Country and Other Donors: The project will be coordinated closely with the GRC and with related projects of the World Bank, Canada, the United Kingdom, and France.

Beneficiaries: Rational protection and exploitation of Cameroon's environmental resources will directly benefit the populations of targeted areas and private sector entrepreneurs involved in natural resources-related activities.

Major Outputs: Government policy and strategy in place concerning natural resources management; baseline data and inventories underway in key areas, and forests and plant vegetation protected.

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

Technical Assistance	6,500
Commodities	2,000
Training	<u>1,500</u>
Total	10,000

PROJECT TITLE Program of Reform in the Agricultural Marketing Sector (PRAMS) II		PROJECT NUMBER 631-0085 [X] GRANT 631-0086 [] LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA 5,000(NPA); 1,000(PA)	LIFE OF PROJECT FUNDING 20,000 (NPA); 5,000(PA) DFA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To put into place, with minimal social costs, an orderly process of liberalization and privatization of internal and external trade in the cocoa and robusta coffee subsectors.

Project Description: A.I.D. plans three non-project assistance activities aimed at liberalizing and privatizing the marketing of (1) the arabica coffee subsector, (2) the robusta coffee and cocoa subsectors, and (3) the pesticide subsector. Under PRAMS I, authorized in August 1990, A.I.D. is assisting the Government of Cameroon (GRC) to liberalize and privatize the marketing of arabica coffee. PRAMS I has already produced encouraging results. The GRC has begun payment of arrears to farmer cooperatives, and has instituted reforms exceeding the planned policy agenda such as dissolving the marketing board, modifying the stabilization fund, and relating pricing to world market values. PRAMS II will support GRC efforts to liberalize and privatize the robusta coffee and cocoa subsectors.

Sustainability: Sustainability will be achieved under PRAMS I and II through the revision of pricing policy, the liberalization and privatization of marketing operations, the repayment of arrears owed by the national marketing board to private economic operators, and the transparency of rules and procedures which govern the marketing of cocoa and coffee.

Relationship to A.I.D. Strategy: This project will contribute to the goal of sustainable broad-based economic growth by reducing unnecessary government involvement in the coffee and cocoa subsectors and by helping the private sector to expand.

Host Country and Other Donors: A.I.D. has been working closely with the French, the European Economic Community and with the World Bank and the International Monetary Fund under the structural adjustment program to liberalize the marketing of coffee and cocoa and to reestablish the financial balance of those commodity systems.

Beneficiaries: The project will benefit (1) small farmers through the payment of arrears and obtaining a larger share of the international price, (2) private traders through liberalization and privatization of the market, and (3) the Government through savings on subsidy payments.

Major Outputs: A liberalized, privatized marketing system for cocoa and robusta coffee; a transparent and discretion-free role for the GRC in monitoring the coffee and cocoa marketing system; an expanded, more viable private sector; and an increase in the quality and quantity of cocoa and robusta coffee produced.

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

Performance Grants (Non Project Assistance)	20,000
Technical Assistance	4,000
Studies and Monitoring	<u>1,000</u>
Total	25,000

PROJECT TITLE Maternal Child Health and Child Survival II		PROJECT NUMBER 631-0090 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (in thousands of dollars)		
FY 1993 DFA 4,200	LIFE OF PROJECT FUNDING 10,000 DFA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1998	ESTIMATED PROJECT COMPLETION FY 2000

Purpose: To increase the effectiveness of Cameroon Government health services provided to women and children in South and Adamaoua provinces.

Project Description: The Maternal Child Health and Child Survival II (MCH/CH II) project will improve the functioning of primary health care supervision, logistics, and information systems in South and Adamaoua provinces where community-financed services were first launched under the MCH/CS I project. Once these systems are functioning well, the project will support expansion to new underserved areas within the province. Integrated services will be expanded to include diarrheal disease control, schistosomiasis and AIDS control. A policy reform component will assist the Government of Cameroon to remove restrictions on local cost-recovery efforts, and to improve health worker performance and accountability.

Sustainability: The project aims to develop and institutionalize a sustainable primary health care program which is community-financed and managed and delivers fully integrated curative, preventive and promotive services. Activities will focus on improving the management systems required to make community financing viable, and on assuring an appropriate legal framework for community financing and management of health services.

Relationship to A.I.D. Strategy: The MCH/CS II project directly addresses A.I.D.'s objective of increasing the efficiency with which public services in agricultural research, higher agricultural education, and health are provided.

Host Country and Other Donors: The MCH/CS II project is part of a multi-donor effort supported by the French, Germans, Swiss, Belgians, and the United Nations Children's Fund. A World Bank health sector program to be designed within the next two years also will support this initiative. The Ministry of Public Health is actively supporting primary health care improvements through in-kind contributions, budgetary resources, and by promoting important legal reforms.

Beneficiaries: The direct beneficiaries will be approximately 400,000 women and children in South and Adamaoua provinces who will receive affordable and quality health care services.

Major Outputs: Community co-financed and co-managed primary health care available in over 100 health areas with functional health centers; a supervisory system functioning in the two provinces; a functioning health management information system; and operations research conducted to determine alternative health financing mechanisms and primary health care models.

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

Technical Assistance	5,000
In-country Training and other local costs	1,000
Other direct costs	1,000
Commodities	2,000
Operations research	<u>1,000</u>
Total	10,000

Cape Verde

CAPE VERDE

Total U.S. Aid \$ 95 Million (1975-90)
 Ratio of U.S. Aid To Total ODA . . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 1.54 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1990) 842
 Average Annual Real Per Capita GNP Growth Rate.(. - .) . %
 Government Budgetary Expenditures as a % of GNP...(1988) 31.2%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1986) 102 (1987) 103 (1988) 92
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 248 External Public Debt as % of GNP...(1989) 66.6%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 5
 As % of Total Export Earnings..... (1989) . %

POPULATION

Total Population...(Thousands, Mid 1991) 386
 Population Growth Rate..... (1978) 1.1% (1992) 3.0%
 Population (1991) By Age Group:
 (0-14yrs) 48.2% (15-64yrs) 47.9% (65+ yrs) 3.9%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) (1991) 6.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total140.0% Urban 10.0% Rural 30.0%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 45%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) -110(87) -113(88) -117
 Total Imports(\$ Millions, US) (.) (.) (.) (88) 162
 Of Which % From U.S.(.) . %
 Major Imports PETROLEUM; FOODS; CONSUMER GOODS; INDUSTRIAL PRODUCT
 Total Exports(\$ Millions, US) (1986) 34(87) 41(88) 44
 Of Which % to U.S.(.) . %
 Major Exports FISH; BANANAS; SALT
 Trading Partners: PORTUGAL; NETHERLANDS; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 15%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Vegetables, fr ; Beverages ; Cereals
 Ag. Imports:(1989) Cereals ; Beverages ; Vegetable oils

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2470
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 61.4 Male 59.5 Female 63.3
 (1970) Total 51.2 Male 47.3 Female 55.0
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 63
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 97% (1990) Measles 79% (1990)
 Diphtheria(DPT3) 88% (1990) Polio(3) 87% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 63%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 108.0 Female 105.0
 Secondary (1986) Total 14.0 Female 12.0
 Adult Literacy Rate (1989) Male 85% (1989) Female 78%

CAPE VERDE

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	2,300	3,000	2,700
ECONOMIC SUPPORT FUND	1,144	0	0
PL 480 - TITLE II ^a	408	0	1,726
TOTALS	3,852^{bc}	3,000	4,426

a. See Food for Peace section of statistical annex for program detail; excludes an FY 1991 Section 416 (b) grant valued at approximately \$3,100,000 including transport.
 b. Excludes \$1,400,000 of FY 1991 bilateral funding obligated through regional and central projects.
 c. Includes \$1,144,000 of ESF prior-year deobligated funds reobligated in FY 1991.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	3	2	2
FOREIGN NATIONAL	1	1	1
TOTALS	4	3	3

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	3	2	5	2	4	6	5	9	14
REGIONAL ^e	20	9	29	25	8	33	29	8	37
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	8	8	0	8	8
REGIONAL ^e	2	1	3	8	2	10	6	2	8
TOTALS	25	12	37	35	22	57	40	27	67

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

CAPE VERDE

Development Problem

The principal development challenges facing Cape Verde are to increase incomes and employment opportunities for its people, while conserving its limited natural resource base, and to develop a greater foreign exchange-earning capacity. U.S. interests, based partly on strong historical and family ties between the United States and Cape Verde, are both developmental and humanitarian. The United States endorses the country's recent transition to multiparty democracy and economic liberalization.

A.I.D. Strategy

The A.I.D. strategy in Cape Verde has two major objectives: 1) developing an export sector which will permit Cape Verde to provide employment for its population and earn the foreign exchange needed to import food and other essential commodities; and 2) improving agricultural productivity and preserving the natural resource base. This strategy is being implemented primarily through two projects and a food aid program. The Export Development Services project aims to develop a policy environment supportive of export-oriented enterprises, taking advantage of Cape Verde's location, its hard-working, relatively well-educated population, and productive potential in areas such as marine products and tourism. The project includes technical assistance in investment policy development, feasibility and marketing studies, brokering financial packages to increase the export of goods and services, and other support to Cape Verde's Center for Investment and Export Promotion. Beginning in FY 1992, the Watershed and Applied Research Development project will combine activities carried out previously under the Food Crop Research and Watershed Development projects. Under these projects, approximately 23,000 acres of land were protected by the planting of 4.2 million trees and the construction of earthworks and rock walls. Badly needed seasonal employment was provided annually for 4,000 rural laborers, representing about two-thirds of the families living in the project's 13 watersheds. The National Agricultural Research Institute (INIA) was strengthened and new crop varieties were developed. The new project will link natural resource infrastructure development and applied research activities, with greater focus on environmental constraints. Construction and maintenance of soil and water conservation structures will continue, with expanded INIA participation in on-farm trials of new crop varieties, soil and water conservation research, and improved monitoring techniques. Payment for the workers on these projects will continue to be provided through the sale of P.L. 480 food, through a U.S. private and voluntary organization (PVO). The project will be managed by a U.S. PVO or a Title XII university.

Other Donors

For the period 1986-1989, the United States provided approximately 8.5% of bilateral donor funding and about 5.8% of total official development assistance to Cape Verde. The European Community and several of its member countries provide larger percentages of donor assistance.

FY 1993 Program

The requested \$2,700,000, from the Development Fund for Africa, will provide continued funding for the two major ongoing investments: the Export Development Services project and the Watershed and Applied Research Development project. Short and long-term technical and academic training programs, emphasizing mid-level managerial and entrepreneurial skills, will continue to be financed through regional programs, as will support to family planning. P.L. 480 Title II resources will be channeled through an American private and voluntary organization to help ensure food security and reinforce A.I.D.'s natural resource management program in Cape Verde.

A.I.D. Representative: Thomas C. Luche

Chad

CHAD

Total U.S. Aid \$ 221 Million (1961-90)
 Ratio of U.S. Aid To Total ODA 8.2% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.38 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 190
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) -1.0%
 Government Budgetary Expenditures as a % of GNP...() %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1986) 73
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () ()

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()

252

External Public Debt as % of GNP...(1989) 31.6%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 5
 As % of Total Export Earnings..... (1989) 2.3%

POPULATION

Total Population...(Thousands, Mid 1991) 5,130
 Population Growth Rate..... (1978) 1.8% (1992) 2.1%
 Population (1991) By Age Group:
 (0-14yrs) 44.2% (15-64yrs) 54.1% (65+ yrs) 1.8%
 Married Women Aged 15-44 yrs. Using Contraception...() %
 Total Fertility Rate...(1970) 5.3 (1991) 5.3

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1986) 83%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () ()
 Total Imports(\$ Millions, US) () () ()
 Of Which % From U.S.() %
 Major Imports MACHINERY & TRANSPORT EQUIP; INDUSTRIAL GOODS; PETRO
 Total Exports(\$ Millions, US) () () ()
 Of Which % to U.S.() %
 Major Exports COTTON; LIVESTOCK PRODUCTS
 Trading Partners: FRANCE; CAMEROON; NIGERIA

AGRICULTURE

Agricultural Production as % of GDP...(1988) 47%
 Disposable Income Spent On Food
 Food: .% ()

Ag. Exports:(1989) Fibers ; Live animals ; Oil crops & fe
 Ag. Imports:(1989) Cereals ; Sugar ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2095
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 39.6 Male 38.7 Female 40.6
 (1970) Total 32.3 Male 29.7 Female 35.0
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 138
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 59% (1989) Measles 34% (1989)
 Diphtheria(DPT3) 22% (1989) Polio(3) 22% (1989)

Population with Reasonable Access to Safe Water Supply
 () .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 51.0 Female 29.0
 Secondary (1987) Total 6.0 Female 2.0
 Adult Literacy Rate (1985) Male 40% (1985) Female 11%

CHAD

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	13,400	13,000	11,700
PL 480 - TITLE II ^a	1,530	221	0
PL 480 - TITLE III ^a	5,100	0	0
TOTALS	20,030^b	13,221	11,700

a. See Food for Peace section of statistical annex for program detail.
b. Excludes \$1,600,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	10	8	9
FOREIGN NATIONAL	0	0	0
TOTALS	10	8	9

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	1	27	28	28	20	48	25	20	45
REGIONAL ^e	8	0	8	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL ^d	5	14	19	27	10	37	25	20	45
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	14	41	55	55	30	85	50	40	90

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

CHAD

Development Problem

The challenges facing Chad have always been difficult: a harsh climate, recurrent drought and a landlocked location. Two decades of intermittent civil strife, including the recent change of government, as well as foreign incursions, have exacerbated these challenges. Low rainfall and a poor harvest again created food shortages in 1991. The security problems and poor environmental conditions have stymied economic growth--Chad's gross national product per capita is \$190--and increased budget deficits. In response to these conditions, the Government of Chad's priorities are to promote political and economic integration by improving transport, rehabilitating the cotton sector, promoting small business, increasing food security, and improving access to services.

A.I.D. Strategy

A.I.D. strategy emphasizes progress towards sustainable economic growth through: (a) increased agricultural income and productivity; (b) reduced maternal and child mortality; and (c) improved transport infrastructure.

A.I.D. achievements through the agricultural Private Voluntary Organization Development Initiatives project have resulted in increased private sector agricultural activities and new employment opportunities being generated in this sector. Key constraints that continue to hinder further expansion of the private sector are being addressed through the Agricultural Marketing and Technology Transfer project, which began in FY 1991. This project is improving the market information system, promoting agribusiness development, performing policy studies, and encouraging policy reform. A.I.D.-supported efforts in health have yielded a functioning health information system and have rehabilitated about 15 rural health centers. The continuing Child Survival project is assisting the Ministry of Health to manage a diarrheal disease control program, begin a prenatal care program, promote child spacing, and improve the Ministry's administration and planning. Achievements under Phase I of the Strengthening Road Maintenance project include the rehabilitation of the physical assets of the National Roads Agency, training in equipment repair and road maintenance, and construction of 65 kilometers of priority roads. The Phase II project will build on these achievements and also will develop a road maintenance capability in the private sector.

Other Donors

In 1988, the United States, with about 14% of bilateral contributions, was the third largest bilateral donor and the fifth largest donor overall, with about 8% of total donor funding. Other leading donors are France, the World Bank, the European Community, Italy, West Germany and the United Nations.

FY 1993 Program

A.I.D. requests \$11.7 million from the Development Fund for Africa (DFA) to initiate the Phase II Strengthening Road Maintenance project and to provide continued support for ongoing activities in child survival and agriculture. Private and voluntary organizations (PVOs) will continue to implement some of these critical programs.

A.I.D. Representative: Bernard D. Wilder

PROJECT TITLE Strengthening Road Maintenance II		PROJECT NUMBER 677-0067 [X] GRANT [] LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA - 2,100	LIFE OF PROJECT FUNDING DFA - 19,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: Continue to improve the Chadian road maintenance agency's ability to maintain roads efficiently and to develop a private sector capability to perform road maintenance and selected support activities.

Project Description: In 1985, the Chadian Government and A.I.D. began the Strengthening Road Maintenance project. Project achievements to date include: establishing the capacity of the National Roads Agency (OFNAR) to maintain roads; creating a central shop to maintain vehicles and a warehouse to store spare parts; training Chadian personnel in equipment repair and road maintenance; and constructing a 65-kilometer road. OFNAR has borne an increasing share of the project's recurrent costs. A follow-on project was envisioned to build on the original ground-breaking, institution-building efforts.

This Phase II project will improve the systems for managing road maintenance operations. Varying road maintenance standards will be established, based on traffic patterns and importance for agricultural marketing. It also will include a system to monitor and control inventory use and to replenish material. Private businesses will be enlisted with increasing frequency both to maintain roads and to provide support services to OFNAR, which would improve its contracting capabilities. This project's agenda also includes road rehabilitation and more extensive periodic maintenance.

Sustainability: As management systems are consolidated, OFNAR will become less dependent upon technical assistance to meet its objectives. As in Phase I, OFNAR will continue to pay an increasing share of the project's recurrent costs so that, by year three of this project, OFNAR will be bearing 100% of the project-related recurrent costs from its own account. Contracting to private companies should help control costs while expanding private sector capacity and activity.

Relationship to A.I.D. Strategy: This project will contribute to A.I.D.'s strategic objective of increasing the efficiency of agricultural marketing. High transport costs are presently a major constraint to agricultural marketing. The road maintenance program will lead to more reliable, less costly, road transport as travel times and vehicular wear and tear are reduced.

Host Country and Other Donors: A.I.D. activities are closely coordinated with other donors under the Transport Sector Adjustment Program, which was developed in concert with the Chadian Government, the World Bank, France, Germany and the European Community. Joint financing with the World Bank will be considered for this project.

Beneficiaries: Consumers, producers, and transporters will benefit from reduced transport costs. Chadian entrepreneurs capable of maintaining roads or delivering related services also will benefit.

Major Outputs: Major outputs will include yearly routine maintenance on approximately 830 kilometers of road; periodic heavier maintenance on 230 kilometers; 80 kilometers of road rehabilitation; and at least 25% of total operations and support contracted to the private sector.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance	5,500
Commodities	5,000
Private contracts	5,000
Other costs	<u>3,500</u>
TOTAL	19,000

COTE D'IVOIRE

Total U.S. Aid \$ 90 Million (1961-90)
 Ratio of U.S. Aid To Total ODA 1.0% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.03 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 790
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 1.0%
 Government Budgetary Expenditures as a % of GNP...() %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1984) 2,074
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () (1984) -206

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()

258

External Public Debt as % of GNP...(1989) 96.4%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 343
 As % of Total Export Earnings..... (1989) 10.3%

POPULATION

Total Population...(Thousands, Mid 1991) 12,978
 Population Growth Rate..... (1978) 4.0% (1992) 3.9%
 Population (1991) By Age Group:
 (0-14yrs) 47.0% (15-64yrs) 51.1% (65+ yrs) 2.0%
 Married Women Aged 15-44 yrs. Using Contraception...() %
 Total Fertility Rate...(1970) (1991) 6.8

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 58%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () (.86) 1,119
 Total Imports(\$ Millions, US) () () (.86) 2,526
 Of Which % From U.S.() %
 Major Imports MANUFACTURES & SEMIFINISHED PRODUCTS; CONSUMER GOODS
 Total Exports(\$ Millions, US) () () (.86) 3,645
 Of Which % to U.S.() %

Major Exports COCOA; COFFEE; TROPICAL WOODS; COTTON

Trading Partners: FRANCE; NETHERLANDS; UNITED STATES

AGRICULTURE

Agricultural Production as % of GDP...(1987) 27%

Disposable Income Spent On Food
 Food: .% ()

Ag. Exports:(1989) Beverages ; Fibers ; Vegetables, fr
 Ag. Imports:(1989) Cereals ; Live animals ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2378
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 54.3 Male 52.4 Female 56.5
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 97
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 39% (1989) Measles 35% (1989)
 Diphtheria(DPT3) 42% (1989) Polio(3) 35% (1989)

Population with Reasonable Access to Safe Water Supply
 () .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1985) Total 70.0 Female 58.0
 Secondary (1987) Total 19.0 Female 12.0
 Adult Literacy Rate (1985) Male 53% (1985) Female 31%

COTE D'IVOIRE

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	6,320	7,000	6,300
ECONOMIC SUPPORT FUND	6,000	4,000d	0
PL 480 - TITLE Ia	0	0	0
PL 480 - TITLE IIa	1,700	0	0
TOTALS	14,020bc	11,000	6,300

a. See Food for Peace section of statistical annex for program detail.
b. Excludes \$975,000 of FY 1991 bilateral funding obligated through regional and central projects.
c. Includes \$3,232,235 of Section 517 ESF recoveries and \$1,163,534 prior-year ESF deobligated funds reobligated in FY 1991.
d. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amount shown is the Agency request level and is subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	0	3	3
FOREIGN NATIONAL	0	0	0
TOTALS	0	3	3

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	15	15	0	25	25	0	25	25
REGIONAL ^e	21	11	32	18	10	28	15	10	25
THIRD COUNTRY									
BILATERAL ^d	0	4	4	0	11	11	0	11	11
REGIONAL ^e	0	3	3	0	6	6	0	6	6
TOTALS	21	33	54	18	52	70	15	52	67

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

COTE D'IVOIRE

Development Problem

Cote d'Ivoire had been considered one of Africa's economic success stories. However, since 1981, sharp declines in the world market prices of its principal exports, cocoa and coffee, and inappropriate economic policies have resulted in a sharp contraction of the economy, leading to decreases in real income and increasing unemployment. The country's economic problems have been compounded by population pressures resulting from high fertility and migration from neighboring countries. A number of economic reform measures undertaken during the 1980s were inadequate to stimulate growth. By 1990, Cote d'Ivoire's gross national product per capita had dropped from over \$1,000 to below \$740. Meanwhile, lagging government revenues led to large fiscal deficits and the accumulation of massive public debts. In 1990, the Government of Cote d'Ivoire (GOCI) began implementing reforms more seriously and rapidly, but it faces major challenges in placing the economy on a competitive footing. International Monetary Fund (IMF) and World Bank agreements are in place, and in November 1991 the Paris Club agreed to reschedule roughly \$724 million in debt. However, difficult choices remain as the GOCI pursues democratic pluralism and the implementation of its structural adjustment program.

A.I.D. Strategy

Beginning in FY 1990, A.I.D. assistance to Cote d'Ivoire increased significantly. Economic Support Funds have assisted Cote d'Ivoire with debt repayments. Development Fund for Africa resources are concentrated in the health sector, supporting child survival, acquired immunodeficiency syndrome prevention, and family planning programs. In addition, a municipal development activity supports efforts to strengthen the management capacity and financial viability of selected municipalities in Cote d'Ivoire, to increase their capacity to provide urban services through private sector mechanisms, and to replicate sound management models through other Ivoirian cities.

Other Donors

The IMF and World Bank have taken the lead in supporting Cote d'Ivoire's efforts to stabilize its economy. COCI recently negotiated new agreements with IFI's, and is in compliance with them. Resource transfers by these institutions, by the European Economic Community, and by France permit the GOCI to meet its immediate financial requirements while it undertakes necessary structural reforms. Other significant donors include Japan, Germany, Belgium, Canada, Switzerland and the African Development Bank. The U.S. ranks fifth among bilateral donors.

FY 1993 Program

A.I.D. requests \$6.3 million from the Development Fund for Africa to continue ongoing development activities, focussed upon health and family planning.

Mission Director: Frederick Gilbert (Director of the Regional Economic Development and Support Office for West and Central Africa)

DJIBOUTI

Total U.S. Aid \$ 42 Million (1978-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.93 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP()
 Average Annual Real Per Capita GNP Growth Rate.(-) . %
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1988) 125
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1985) 5 (1986) -8 (1988) -4

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 33.2%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 12
 As % of Total Export Earnings..... (1987) 6.4%

POPULATION

Total Population...(Thousands, Mid 1991) 381
 Population Growth Rate..... (1978) 8.1% (1992) 2.7%
 Population (1991) By Age Group:
 (0-14yrs) 43.2% (15-64yrs) 54.6% (65+ yrs) 2.2%
 Married Women Aged 15-44 yrs. Using Contraception...() . %
 Total Fertility Rate...(1970) (1991) 6.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 79%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () ()
 Total Imports(\$ Millions, US) () () ()
 Of Which % From U.S.() . %
 Major Imports FOODS & BEV.; TRANSPORT EQUIP; CHEMICALS; PETROLEUM
 Total Exports(\$ Millions, US) () () ()
 Of Which % to U.S.() . %
 Major Exports HIDES & SKINS; COFFEE
 Trading Partners: FRANCE; BAHRAIN; ETHIOPIA

AGRICULTURE

Agricultural Production as % of GDP...() . %
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Live animals ; Beverages ; Cereals
 Ag. Imports:(1989) Tobacco and pr ; Cereals ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...()
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 47.9 Male 46.2 Female 49.6
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 118
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 95% (1990) Measles 85% (1990)
 Diphtheria(DPT3) 85% (1990) Polio(3) 85% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 43%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary () Total . Female .
 Secondary () Total . Female .
 Adult Literacy Rate () Male .% () Female .%

DJIBOUTI

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	4,018 ^a	3,000 ^b	2,000
TOTALS	4,018	3,000	2,000

a. Includes \$1,035,040 of ESF prior-year deobligated funds reobligated in FY 1991.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amount shown is the Agency request level and is subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL			
FOREIGN NATIONAL			
TOTALS	0	0	0

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
 b. Program is managed by the A.I.D. Regional Office in Nairobi.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	14	0	14	13	0	13	12	0	12
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	14	0	14	13	0	13	12	0	12

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

DJIBOUTI

Development Problem

The city-state of Djibouti, with a population of approximately 450,000 and 65,000 refugees, has an economy that is dependent on excellent sea, rail and airport facilities; support of a French military garrison; and the re-export of consumer goods. While such services account for about three-quarters of the gross domestic product of the nation, the average annual per capita income is only about \$300. Djibouti has limited natural resources and almost all food is imported. Traditional political stability has degenerated into an insurgency by the Afar tribe against the Issa-dominated government. High unemployment aggravates social tensions. Yet the Government maintains an open economy and encourages a policy of support for refugees and drought victims from Ethiopia and Somalia. The principal development problems are increased financial imbalances, a large trade deficit, public indebtedness and a large external foreign debt. Djibouti's strategic location at the junction of the Red Sea and the Gulf of Aden, and its sea and airport facilities are important to U.S. political and military interests in the Horn of Africa and the Persian Gulf region.

A.I.D. Strategy

A.I.D. strategy is to assist the government to reduce its deficit and expand its resource base, thereby supporting economic and political stability in Djibouti. Over the last decade, A.I.D. has financed the development of human resources (\$4.6 million); geothermal energy resources (\$4.7 million); fisheries (\$3.3 million); and an ongoing A.I.D./International Bank for Reconstruction and Development project to improve the living conditions of the urban poor (\$5.5 million). Since FY 1988, A.I.D.'s Economic Support Fund (ESF) program has been an annual cash grant to finance the repayment of eligible multilateral and international debt.

Other Donors

Receiving in excess of \$200 per capita in foreign aid, the Government of Djibouti is almost totally dependent on donor assistance to finance most recurrent and capital expenditures. France, the largest donor, supports technical assistance personnel in all sectors of the economy. Saudi Arabia, Kuwait and Italy, the next largest donors, focus on the transport and energy sectors. A.I.D.'s assistance fills a niche occupied by no other donor.

FY 1993 Program

A.I.D. is requesting \$2.0 million of ESF resources for a cash grant to finance the repayment of eligible multilateral debt of the Government.

Director, Regional Economic Development Services Office, East and Southern Africa (REDSO/ESA):
Fred C. Fischer (Resident in Nairobi).

ETHIOPIA

Total U.S. Aid \$ 785 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 5.7% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.09 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 120
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 0.0%
 Government Budgetary Expenditures as a % of GNP...(1990) 41.5%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (1987) 1,896
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1985) -420 (1986) -393 (1987) -365

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 48.3%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 245
 As % of Total Export Earnings..... (1989) 33.9%

POPULATION

Total Population...(Thousands, Mid 1991) 53,191
 Population Growth Rate..... (1978) 1.8% (1992) 3.1%
 Population (1991) By Age Group:
 (0-14yrs) 45.9% (15-64yrs) 51.4% (65+ yrs) 2.7%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) (1991) 7.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 76%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -599(89) -529(90) -601
 Total Imports(\$ Millions, US) (.) (.) (90) 1,262
 Of Which % From U.S.(.) . %
 Major Imports FOOD; FUELS; CAPITAL GOODS
 Total Exports(\$ Millions, US) (1988) 654(89) 695(90) 661
 Of Which % to U.S.(.) . %
 Major Exports COFFEE; HIDES
 Trading Partners: USSR; UNITED STATES; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 38%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Beverages ; Live animals ; Oil crops & fe
 Ag. Imports:(1989) Cereals ; Vegetable oils; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 1544
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 51.3 Male 49.8 Female 52.9
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 114
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 57% (1990) Measles 37% (1990)
 Diphtheria(DPT3) 44% (1990) Polio(3) 44% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 14%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 35.0 Female .
 Secondary (1987) Total 15.0 Female 12.0
 Adult Literacy Rate (.) Male .% (.) Female .%

ETHIOPIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	1,740	0	0
DEVELOPMENT FUND FOR AFRICA	0	40,000	40,000
PL 480 - TITLE II ^a	51,378	19,423	39,180
PL 480 - TITLE III ^a	0	15,000	15,000
TOTALS	53,118^b	74,423	94,180

a. See Food for Peace section of the statistical annex for program detail.
b. Includes \$1,740,000 in FY 1991 DA funds.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	4	9	13
FOREIGN NATIONAL	4	4	4
TOTALS	8	13	17

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS^f	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).
f. Number of participants to be determined.

ETHIOPIA

Development Problem

Statistically the poorest country in the world, Ethiopia has just emerged from a 17-year civil war. Ethiopia is suffering from the destruction of infrastructure, the displacement of a significant portion of its population, and the stultifying effects of the economic policies of the former Mengistu government. Episodes of drought-linked famine and influxes of refugees from its war-torn neighbors, Sudan and Somalia, have aggravated this situation. With the country's material resources diminished and its financial resources exhausted, the new Transitional Government of Ethiopia (TGE) now faces the difficult task of reconstruction. In the short time the TGE has been in power, it has committed itself to democratic principles and processes, including the release of all political prisoners, and economic reform. Embarking on a three-year economic recovery program in 1992, the TGE is currently negotiating a reconstruction program with the World Bank. Regional elections are scheduled for early 1992, and a new constitution will be drafted and national elections will be held by 1994. However, if Ethiopia is to overcome the legacy of war and famine expeditiously, it will need substantial assistance from the donor community.

A.I.D. Strategy

Until this year, no U.S. development assistance could be provided to Ethiopia because of legislative sanctions, including Section 518 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1991, the "Brooke Amendment", incurred by the former regime. All U.S. assistance since 1985 has been in the form of an emergency food and disaster relief program, conducted through non-governmental organizations (NGOs). Subject to the resolution of outstanding Brooke sanctions, A.I.D.'s proposed transitional strategy will focus on support for the reconstruction of basic education facilities; importation of emergency pharmaceuticals; transportation equipment for the private sector; assistance in the prevention and control of AIDS; support for democracy and governance initiatives; training and technical assistance to advance economic reform; privatization of the fertilizer distribution system; and importation of industrial raw materials and spare parts for industry, especially agricultural processing. To a great extent, this assistance will be provided with private, voluntary and non-governmental organizations assistance. Beneficiaries will include children, small farmers and employees of small and medium-sized enterprises. A multi-year Title III program is proposed to begin in FY 1992. This will support key economic policy and organizational changes necessary for a successful transition from dependency on humanitarian food relief to sustainable, domestic food security. In addition, A.I.D. will continue its relief program through assistance to displaced persons, including demobilized soldiers, and a Title II program to address immediate food aid needs due to recurrent drought conditions. Programs to support the integration of orphans into the community and provision of prosthetics for those disabled in the war will also be continued.

Other Donors

As the result of a multi-donor planning mission to Ethiopia in November 1991, donors have pledged a \$600 million recovery assistance program to restart key productive sectors, rebuild damaged and deteriorated infrastructure and respond to urgent social needs. Other donors include the World Bank and members of the European Economic Community. The U.S. contribution to this program will total approximately \$60 million over two years.

FY 1993 Program

The \$40 million requested from the Development Fund for Africa for FY 1993 will provide continued funding for the Support for Ethiopian Recovery Program, AIDS Prevention and Control, Support for Democracy and Governance, Economic Policy Reform and Planning, Eritrean Recovery Program, Program Support Grant and the Program Development and Support project. P.L. 480 Title II and Title III food assistance also will continue.

A.I.D. Representative: Willard J. Pearson, Jr.

GAMBIA, THE
 Total U.S. Aid \$ 107 Million (1956-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 1.23 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 240
 Average Annual Real Per Capita GNP Growth Rate.(- .) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (1982) 74
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (1981) -25 (1982) -15

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 148%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 11
 As % of Total Export Earnings..... (1989) 6.6%

POPULATION

Total Population...(Thousands, Mid 1991) 875
 Population Growth Rate..... (1978) 2.4% (1992) 3.1%
 Population (1991) By Age Group:
 (0-14yrs) 46.9% (15-64yrs) 50.4% (65+ yrs) 2.7%
 Married Women Aged 15-44 yrs. Using Contraception...(.) %
 Total Fertility Rate...(1970) (1991) 6.5

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 82%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports FOODS; MANUFACTURES; RAW MATERIALS; FUEL
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %
 Major Exports PEANUTS; FISH; COTTON LINT; PALM KERNELS
 Trading Partners: UNITED KINGDOM; JAPAN; BELGIUM-LUXEMB

AGRICULTURE

Agricultural Production as % of GDP...(1988) 27%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Vegetable oils ; Vegetables, fr; Fibers
 Ag. Imports:(1989) Cereals ; Sugar ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2397
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 48.7 Male 46.6 Female 50.8
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 132
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 99% (1991) Measles 73% (1991)
 Diphtheria(DPT3) 90% (1991) Polio(3) 93% (1991)
 Population with Reasonable Access to Safe Water Supply
 (1985) 59%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 57.0 Female 46.0
 Secondary (1987) Total 16.0 Female 10.0
 Adult Literacy Rate (1985) Male 36% (1985) Female 15%

THE GAMBIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	13,400	8,000	8,100
PL 480 - TITLE II ^a	2,189	1,383	958
TOTALS	15,589^{bc}	9,383	9,058

a. See Food for Peace section of statistical annex for program detail.
 b. Includes \$1,985,000 of DFA Section 517 recoveries reobligated in FY 1991.
 c. Excludes \$610,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	5	5	5
FOREIGN NATIONAL	5	5	5
TOTALS	10	10	10

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	18	15	33	2	11	13	4	10	14
REGIONAL ^e	12	6	18	8	15	23	0	5	5
THIRD COUNTRY									
BILATERAL ^d	0	1	1	0	4	4	0	10	10
REGIONAL ^e	0	0	0	0	2	2	0	2	2
TOTALS	30	22	52	10	32	42	4	27	31

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

THE GAMBIA

Development Problem

Between 1985 and 1990, the Government of The Gambia (GOTG) implemented an ambitious program of economic stabilization and structural adjustment to restore macroeconomic conditions necessary for sustainable growth. Despite the success of the reform program and several successive years of gross domestic product growth, real per capita income remains among the lowest in the world, and tangible improvements in the lives of most ordinary Gambians have been slow to materialize. For palpable improvements in living standards to occur, the pace of per capita income growth must be accelerated. Expansion of per capita income is constrained by a variety of factors, including a high rate of population growth, stagnant agricultural productivity, low levels of investment, inadequate basic infrastructure, and underdeveloped human resources. The essential development challenge in The Gambia is to build upon the solid macroeconomic policy framework to create new jobs and other income-earning opportunities from which ordinary Gambians can benefit directly.

A.I.D. Strategy

A.I.D.'s development strategy in The Gambia emphasizes that economic growth and equitable development are best achieved by enabling individuals in the private sector to pursue their economic interests in a policy and institutional environment characterized by openness, transparency and non-interference. Because the country's economy is dominated by agriculture, A.I.D.'s strategy also emphasizes protection of the natural resources base as a necessary condition for sustainable growth. This strategy is intended to generate additional jobs and higher wages in the formal sector and to increase rural income derived from agriculture and off-farm employment. A.I.D.-funded assistance programs have played an important role in providing the GOTG with the means to formulate, implement and sustain a comprehensive economic reform program. A.I.D. works closely with the World Bank, the International Monetary Fund, and other donors to maintain a policy framework conducive to increased private investment and growth of private enterprises. Privatization of state-owned enterprises constitutes an essential component of the overall reform program. Under two multi-year programs, A.I.D. is providing assistance to complete divestiture of the country's two largest parastatals, the Gambia Commercial and Development Bank and the Gambia Produce Marketing Board. These privatizations will contribute directly to more efficient agricultural production and marketing, increased rural incomes, and strengthening of the financial sector to support development and growth of productive enterprises. A.I.D. also is providing assistance to support tax reform, eliminate legal and regulatory constraints to private investment, strengthen the capacity of the private sector to identify and develop viable resource-based enterprises, and support policy and institutional changes needed to protect the natural resource base and enhance rural incomes.

Other Donors

In 1989, the United States was the second largest bilateral donor, providing about 17% of bilateral funding, and the third largest donor overall, providing about 10% of all official donor assistance. Other leading donors in The Gambia are Denmark, the World Bank, the United Kingdom, the European Community and Italy.

FY 1993 Program

In FY 1993, A.I.D. proposes \$8.1 million in Development Fund for Africa resources to support major ongoing activities in private sector development and natural resources management. Funds also will be utilized to support smaller projects in family planning and human resources development. P.L. 480 Title II resources totalling \$958,000 will be used to support a maternal and child health program managed by Catholic Relief Services.

A.I.D. Representative: Bonnie Pounds

PROJECT TITLE Population and Child Survival Services Access		PROJECT NUMBER 635-0238
		<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA - 150	LIFE OF PROJECT FUNDING DFA - 1,500	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1999	ESTIMATED PROJECT COMPLETION FY 2000

Purpose: To improve the impact of population programs by increasing popular awareness of and access to family planning commodities and services, as well as methods for better management of childhood diarrhea.

Project Description: The Gambian population is increasing at the very high rate of 3.4% per year. Public policy endorses family planning and seeks to lower the population growth rate. However, family planning is not widespread, and cultural and religious practices continue to favor large families. Most Population and Child Survival Services Access project activities will be implemented through two local nongovernmental organizations (NGOs): The Gambia Family Planning Association (GFPA) and The Gambia Food and Nutrition Association (GAFNA). The project will extend efforts initiated through centrally funded A.I.D. projects. PRITECH, which has been long active in The Gambia, will assist GAFNA with a childhood nutrition and diarrheal disease control. Bilateral funding will enable Population Services International to assist both GAFNA and GFPA with planning and training in health communications, social marketing and finance. RAPID will complement other A.I.D. population activities by working with national and local leaders to place project impact in The Gambian demographic context. The project will strengthen the ability of these principal NGOs and the private sector to deliver interrelated child survival and family planning services and, through extensive education and marketing, increase demand for such services. Distribution of contraceptives and oral rehydration salts (ORS) through the private sector will help to meet this increased demand.

Sustainability: It is expected that the increased use of contraceptives and ORS packets created by a social marketing strategy, coupled with the marketing principle of payment for goods received, will enhance the NGOs' cost-recovery efforts. It also is anticipated that the social marketing strategy will develop local demand to the point that it will be economically feasible for pharmaceutical importers and distributors to assume an increasingly large share of contraceptive and ORS distribution and promotion in The Gambia.

Relationship to A.I.D. Strategy: The project will strengthen the ability of private entities to finance and deliver child survival and family planning services and will contribute to the country's goal of increasing per capita income growth. Both are central to the A.I.D. country strategy.

Host Country and Other Donors: This project will support the Government of The Gambia's increased emphasis on family health services. It will complement the activities of several other donors, including United Nations, the World Bank, International Planned Parenthood Federation, and the United Kingdom.

Beneficiaries: The project's services are expected to benefit about 20% of the total population, with the most direct impact on the health and welfare of women and children receiving family planning services and ORS, respectively.

Major Outputs: Fully supported social marketing program for family planning and child survival; nationwide advertising campaigns utilizing traditional and modern media; development of commercial distribution systems; evaluation and monitoring system to measure program impact; policy changes affecting contraceptive and ORS distribution; and commercial importation and pricing of contraceptives.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance	700
Commodities	400
Support Costs	200
Training	<u>200</u>
Total	1,500

Ghana

GHANA

Total U.S. Aid \$ 642 Million (1952-90)
 Ratio of U.S. Aid To Total ODA 5.9% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.18 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 390
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) -2.0%
 Government Budgetary Expenditures as a % of GNP...(1989) 14.0%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1986) 822 (1987) 696 (1988) 741
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () ()

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 44.4%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 197
 As % of Total Export Earnings..... (1989) 22.1%

POPULATION

Total Population...(Thousands, Mid 1991) 15,617
 Population Growth Rate..... (1978) 1.5% (1992) 3.1%
 Population (1991) By Age Group:
 (0-14yrs) 44.5% (15-64yrs) 52.5% (65+ yrs) 3.0%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 12.9%
 Total Fertility Rate...(1970) 6.9 (1991) 6.3

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1985)Total . % Urban 59.0% Rural 37.0%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 51%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) -96(87) -110(88) -14
 Total Imports(\$ Millions, US) () () () 1,090
 Of Which % From U.S.() %
 Major Imports OIL; CAPITAL GOODS
 Total Exports(\$ Millions, US) (1986) 917(87) 1,026(88) 1,076
 Of Which % to U.S.() %
 Major Exports COCOA; GOLD; TIMBER

Trading Partners: UNITED KINGDOM; UNITED STATES; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1990) 49%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989)COCOA BEANS ;PINEAPPLE ; Fruit & vegeta
 Ag. Imports:(1989)CEREALS; ;SUGAR ; Fibers

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2209
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 54.5 Male 52.7 Female 56.5
 (1970) Total 48.5 Male 46.9 Female 50.2
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 86
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 81% (1990) Measles 60% (1990)
 Diphtheria(DPT3) 57% (1990) Polio(3) 56% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 56%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 73.0 Female 66.0
 Secondary (1988) Total 39.0 Female 30.0
 Adult Literacy Rate (1985) Male 64% (1985) Female 43%

GHANA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	27,980	28,000	25,200
PL 480 - TITLE IIa	4,980	6,758	5,702
PL 480 - TITLE IIIa	10,000	10,000	10,000
TOTALS	42,960^b	44,758	40,902

a. See Food for Peace section of statistical annex for program detail.
b. Excludes \$2,020,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	11	13	16
FOREIGN NATIONAL	10	10	10
TOTALS	21	23	26

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	11	11	0	10	10	0	30	30
REGIONAL ^e	15	67	82	15	30	45	10	35	45
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	20	20	0	20	20
TOTALS	15	78	93	15	60	75	10	85	95

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

GHANA

Development Problem

Since 1983, the Government of Ghana has made significant strides in reversing two decades of economic deterioration. Reforms introduced under the Economic Recovery Program (ERP) these have included liberalizing the exchange rate and trade systems, maintaining monetary and fiscal discipline, and promoting private sector and foreign investment in Ghana. To further the progress to date, it will be necessary for Ghana to create a positive environment for increasing investment and productivity. High rates of illiteracy, mortality, morbidity, and fertility exacerbate Ghana's economic problems and impede its ability to improve the conditions of average citizens. Ghana has made significant progress toward democratization; the United States is encouraging this change. A new constitution is being drafted and the public is prepared for party elections.

A.I.D. Strategy

A.I.D.'s program goal is to assist Ghana to increase economic output and to enhance the quality of the human resource base. The A.I.D. program has three foci: to increase private sector-led export production and investment; to enhance the quality of the primary education system; and to reduce the fertility rate, population growth rate and infant mortality. A.I.D. provides sector assistance to stimulate policy reforms and to finance priority sector activities in each of these areas. A.I.D.'s major family planning effort is contributing to a reduction of Ghana's 6.4 fertility rate. In addition to child survival and family planning activities in the health sector, A.I.D. also supports a comprehensive and integrated acquired immunodeficiency syndrome (AIDS) program in Ghana.

Evidence of program impact can be seen from the feeder road rehabilitation effort. A 1990 study showed that poor roads account for up to 70% of the difference between the farm gate price and the retail price of some products. In a 1991 survey, the percentage of businesses complaining about the quality of roads dropped 14% in a single year. Though still a critical problem for agricultural exports, this reaction suggests significant improvement has been made in feeder roads. As a part of A.I.D.'s strategy, funds generated from the sale of FY 1991 P.L. 480 Title III food will be used to support the renovation and maintenance of feeder roads.

Other Donors

The A.I.D. program complements World Bank activities in agriculture and education. In 1989, the United States was the fifth largest bilateral donor in Ghana and provided 4% of all development assistance commitments. Other leading donors are the United Kingdom, the World Bank, Japan, the Federal Republic of Germany, Canada and the African Development Bank.

FY 1993 Program

From the Development Fund for Africa, A.I.D. requests a total of \$25.2 million for FY 1993. All funding will finance increments for ongoing projects and programs in basic education and human resources development, productive resource conservation, family planning and health, and export promotion. In addition, A.I.D. plans to provide \$15.7 million of P.L. 480 food aid under Titles II and III.

Mission Director: Joseph B. Goodwin

GUINEA

Total U.S. Aid \$ 311 Million (1959-90)
 Ratio of U.S. Aid To Total ODA 8.6% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.32 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(.)
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 280 External Public Debt as % of GNP...(1989) 77.1%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 98
 As % of Total Export Earnings..... (1989) 13.2%

POPULATION

Total Population...(Thousands, Mid 1991) 7,747
 Population Growth Rate..... (1978) 1.9% (1992) 0.5%
 Population (1991) By Age Group:
 (0-14yrs) 44.0% (15-64yrs) 53.1% (65+ yrs) 3.0%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) (1991) 6.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 76%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports PETROLEUM PRODUCTS; METALS; MACHINERY & TRANSPORT EQ
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %
 Major Exports ALUMINA; BAUXITE; DIAMONDS; COFFEE; PINEAPPLES
 Trading Partners: FRANCE; UNITED STATES; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Beverages ; Live animals ; Vegetables, fr
 Ag. Imports:(1989) Cereals ; Sugar ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 1931
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 42.8 Male 40.7 Female 44.9
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 145
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 53% (1990) Measles 18% (1990)
 Diphtheria(DPT3) 17% (1990) Polio(3) 17% (1990)

Population with Reasonable Access to Safe Water Supply
 (1985) 20%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (1985) Male 40% (1985) Female 17%

GUINEA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	252	0	0
DEVELOPMENT FUND FOR AFRICA	28,500	26,000	23,400
PL 480 - TITLE IIa	0	775	0
PL 480 - TITLE IIIa	10,000	10,000	10,000
TOTALS	38,752^b	36,000	33,400

a. See Food for Peace section of statistical annex for program detail.
b. Includes \$251,947 of DA prior year deobligated funds reobligated in FY 1991.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	9	13	13
FOREIGN NATIONAL	4	4	4
TOTALS	13	17	17

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	3	3	3	5	8	5	10	15
REGIONAL ^e	13	49	62	15	47	62	20	60	80
THIRD COUNTRY									
BILATERAL ^d	0	20	20	0	14	14	0	20	20
REGIONAL ^e	6	60	66	10	60	70	20	80	100
TOTALS	19	132	151	28	126	154	45	170	215

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

GUINEA

Development Problem

Since independence, Guinea has become overly dependent on its rich bauxite mining industry and has neglected constraints to broader development, such as a high population growth rate, extensive illiteracy, and inadequate physical infrastructure. Twenty-five years of over-centralized decision-making and mismanagement have resulted in institutions, both public and private, that are deficient not only in trained personnel but also in the capacity to make decisions. Inadequate macroeconomic and sectoral policy formulation and lack of financial and management transparency are also major constraints to development.

A.I.D. Strategy

While mining will continue to be critical to the economy's well-being, it is clear that the economy must diversify if growth is to be sustained and benefits shared by Guineans at large. Helping Guineans meet this need for economic diversification is the basis for A.I.D.'s first objective: to increase marketed private sector agricultural output for specific commodities.

Since the advent of economic reforms in 1986, the Guinean economy has grown at an average of approximately 4.5% per annum. While this performance is impressive, the annual population growth is currently measured at 2.8%. Unless this pace of demographic growth is curtailed, the net benefits to the society of economic growth will be threatened. Thus, A.I.D.'s second objective is to increase the ability of families to determine their household size.

Current data indicate that 80% of Guinea's population is illiterate, a fact which seriously inhibits the country's ability to efficiently manage and utilize the resources available to it. Illiteracy also presents a barrier to the society's ability to take advantage of opportunities presented in a market-based economy and undermines the ability of all Guineans to fully participate in more open political systems. The third objective of the A.I.D. program thus is to improve the quality and increase the enrollment in primary schools with special emphasis on rural and female participation.

The impact of A.I.D. programs to date in Guinea has been strongest in the private sector. Liberalized agricultural pricing and marketing policies have resulted in dramatic increases in the availability of consumer goods throughout the country as private investors replaced state trading companies. Private sector importers also have replaced the state-run system for import and distribution of rice, as a result of the P.L. 480, Title III rice program. Training has also been provided to over 2,000 Guinean technical and managerial personnel in the public and private sectors.

Other Donors

The World Bank is the largest donor, followed by France. In addition to the United States, other donors include Italy, Germany, the European Economic Community, and the United Nations Development Program.

FY 1993 Program

The requested \$23.4 million from the Development Fund for Africa will continue the focus on key projects in agriculture marketing, rural roads improvement, family planning and basic education. A multi-year P.L. 480 Title III program, begun in FY 1992, will continue to facilitate more active participation of the private sector in agricultural marketing.

MISSION DIRECTOR: William J. Kaschak

GUINEA-BISSAU

Total U.S. Aid \$ 55 Million (1975-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.29 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 180
 Average Annual Real Per Capita GNP Growth Rate.(-) . %
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () ()
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () ()

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 256%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 7
 As % of Total Export Earnings..... (1989) 27.9%

POPULATION

Total Population...(Thousands, Mid 1991) 1,022
 Population Growth Rate..... (1978) 1.7% (1992) 2.4%
 Population (1991) By Age Group:
 (0-14yrs) 43.9% (15-64yrs) 53.1% (65+ yrs) 3.0%
 Married Women Aged 15-44 yrs. Using Contraception...() . %
 Total Fertility Rate...(1970) (1991) 5.8

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 80%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () ()
 Total Imports(\$ Millions, US) () () ()
 Of Which % From U.S.() . %
 Major Imports CAPITAL EQUIPMENT; CONSUMER GOODS; SEMIPROCESSED GDD
 Total Exports(\$ Millions, US) () () ()
 Of Which % to U.S.() . %
 Major Exports CASHEWS; FISH; PEANUTS; PALM KERNELS
 Trading Partners: PORTUGAL; ITALY; THAILAND

AGRICULTURE

Agricultural Production as % of GDP...(1988) 48%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Vegetables, fr ; Fibers ; Oil crops & fe
 Ag. Imports:(1989) Cereals ; Beverages ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2674
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 46.2 Male 44.6 Female 47.9
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 126
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 90% (1990) Measles 42% (1990)
 Diphtheria(DPT3) 38% (1990) Polio(3) 38% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 211%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 58.0 Female 39.0
 Secondary (1986) Total 7.0 Female 3.0
 Adult Literacy Rate (1985) Male 46% (1985) Female 17%

GUINEA BISSAU

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	3,110	5,000	7,200
PL 480 - TITLE II ^a	90	491	498
TOTALS	3,200^b	5,491	7,698

a. See Food for Peace section of statistical annex for program detail.
 b. Includes \$209,645 of Section 517 DFA recoveries obligated in FY 1991.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	4	5	5
FOREIGN NATIONAL	0	0	0
TOTALS	4	5	5

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	1	7	8	0	5	5	5	15	20
REGIONAL ^e	16	2	18	14	15	29	18	15	33
THIRD COUNTRY									
BILATERAL ^d	0	1	1	0	5	5	5	15	20
REGIONAL ^e	1	0	1	10	30	40	25	40	65
TOTALS	18	10	28	24	55	79	53	85	138

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

GUINEA BISSAU

Development Problem

With per capita gross national product only \$180, Guinea Bissau is one of the world's poorest and least developed countries. It is also among those working diligently to effect fundamental economic, democratic and legal reforms that will move the country from negative development to sustainable, broad-based growth; from an economy that is state controlled to one that is driven by the private sector; from laws and policies based on a planned economy to one based on free market signals; from government that is the instrument of a single party to one serving private sector needs; from one accountable only to a few leaders to one responsive to the concerns of the many; and from one-party rule to multiparty democracy. The Government of Guinea Bissau (GOGB) realizes that crucial social sector and infrastructure projects will simply not be sustainable until the multiple reforms it has initiated are successfully implemented. The GOGB is committed to these reforms; it realizes they are complex and essential to the sustainability of its development efforts; and it is asking for help in simultaneously managing their formulation and implementation.

A.I.D. Strategy

A.I.D.'s strategy in Guinea Bissau is to promote broad-based, market-oriented economic growth through strengthening agriculture and rural entrepreneurship and reinforcing a supportive policy and legal environment for such private sector-led, sustainable growth. While we and other donors are assisting the GOGB in various segments of their reform movement, A.I.D. is the only donor providing assistance to democratic, governance and legal reforms. A.I.D. policy dialogue has already helped reform land tenure, liberalize agricultural marketing, and modify Guinea Bissau's constitution to permit private sector participation in key economic activities that had been the sole purview of the state. The impact of these changes has been positive, including increases in the volume and value of production of the country's principal food crop, rice, and its main export, cashews. New business registrations increased 40% during the past year. A.I.D.'s assistance is now focused largely on deepening the legal and policy reforms necessary for sustained, private sector-led growth and strengthening the government's capacity to implement and monitor the impact of these reforms.

Other Donors

In 1991, the United States was the fifth largest bilateral donor, providing about 6% of bilateral funding, and the seventh largest donor overall with about 4% of total donor funding. The leading donors now in Guinea Bissau are the European Community, the World Bank, Italy, Sweden, the Netherlands and France.

FY 1993 Program

The Development Fund for Africa request for \$7.2 million will support Guinea Bissau in its ambitious program of interrelated fundamental reforms. Emphasis will be on assisting both the multiparty legislature and executive branch to formulate, adopt, implement and monitor laws that provide incentives for the private sector; improve the adjudication and enforcement of economic and business laws; and adapt the customary legal system to Guinea Bissau's changing environment. A mix of project and non-project assistance will be used for these efforts which are critical to encourage broad-based economic growth that is private sector-led and sustainable.

Mission Director: Michael Lukomski

PROJECT TITLE Legal Sector Assistance Program (NPA)		PROJECT NUMBER 657-0022 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA - 2,500	LIFE OF PROJECT FUNDING DFA - 15,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To support critical policy and legal sector reforms which impede further expansion of the private sector.

Project Description: The Government of Guinea Bissau's (GOGB) economic and political reforms were stymied by a system of laws supportive of a command economy under the control of a single political party. The companion Legal Sector Reform project (LSRP), initiated in FY 1992, will provide assistance in transforming this legal environment.

Earlier A.I.D. technical assistance identified laws requiring reform. These include: land reform to protect traditional farmers from losing their land to large concessions; banking, credit and contract laws to facilitate the development of loan programs for small farmers and businesspeople; and changes in business regulations to help extend legal protections and benefits to Guinea Bissau's expanding informal sector. Such reforms carry the risk of temporary losses of government revenues and the political opposition of influential groups benefitting from current arrangements. This proposed non-project assistance will help reduce the risks to government of reforming specific laws and will help alleviate poverty, improve the lives of the rural poor, and contribute to the creation of jobs in the private sector.

Specific conditionalities for the first year will be determined by the design team for the program. Reforms which will serve as the conditions for subsequent support will be based on lessons learned and specific legal constraints identified through the LSRP, ongoing dialogue with the GOGB, private sector and other donors, and results from A.I.D.'s Program Performance Information System.

Sustainability: The policy and legal reforms will be sustained as a direct result of growth and expansion of the private sector and through judicial enforcement.

Relationship to A.I.D. Strategy: By removing constraints on development, and by assuring that less advantaged citizens are protected under the law and can fully participate in the development process, this non-project assistance contributes to the program goal of promoting sustainable, broad-based economic growth that is market-oriented and private sector-led.

Host Country and Other Donors: The GOGB participated in all phases of the design of A.I.D.'s program of legal sector reforms. In collaborating with other donors, including the World Bank, Sweden, European Community and Portugal, in implementing stabilization and structural adjustment, A.I.D. will assume the major responsibilities for legal reforms supporting the macroeconomic programs.

Beneficiaries: Traditional small farmers; businesspeople, including entrepreneurs and modern farmers; and their new employees.

Major Outputs: Targeted policy and legal reforms.

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

Sector Assistance

15,000

PROJECT TITLE Legislative Excellence and Development		PROJECT NUMBER 657-0023 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA - 1,000	LIFE OF PROJECT FUNDING DFA - 2,500	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 2000

Purpose: To assist the Government of Guinea Bissau's (GOGB) new popularly elected, multiparty legislature to formulate, adopt and monitor the implementation of policies and laws that create incentives for increasing the private sector's contribution to economic growth.

Project Description: GOGB is transforming its political and governance system to be supportive of its economic liberalization and private sector reforms. Constitutional amendments and new laws on political parties and elections were passed in 1991. New political parties will compete in 1992 for seats in a legislature that will be responsible for formulating, adopting and overseeing the implementation of laws that will transform a command economy into one that is market-oriented and private sector-led. This project will assist the legislature to develop its capabilities to perform these new responsibilities.

The project would improve the organizational and personnel capabilities of the legislature to formulate, adopt and monitor economic and business-related laws; mechanisms would be developed to involve and respond to non-governmental groups in the process of formulating legislation; and the legislature would develop its capability to review and revise government's annual budget, especially with regard to the fiscal and financial impacts the budget would have on the private sector and the more traditional, rural segments of society.

Sustainability: The legislative body will be supported and sustained by the multiparty electoral system.

Relationship to A.I.D. Strategy: This project will help assure the formulation and oversight of private sector and market-friendly laws. In this way, the project contributes to the program goal of promoting sustainable, broad-based economic growth and directly supports A.I.D.'s program objective of reinforcing a supportive environment for private sector growth.

Host Country and Other Donors: Democracy and the development of an effective legislative are high priority GOGB goals. A.I.D. has assumed the leadership role in assisting the GOGB to formulate, through the legislative process, laws which promote a market-led economy. Other donors look to A.I.D. for leadership in assisting government to translate economic development policies into laws.

Beneficiaries: The immediate beneficiaries are the elected members of the legislature and their professional staff. Second-order beneficiaries are those positively affected by the economic and business laws adopted by the legislature.

Major Outputs: Targeted legal and policy reforms being implemented in an accountable manner.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	1,400
Training	600
Commodities	450
Evaluation	50
Total	2,500

KENYA

Total U.S. Aid \$ 904 Million (1954-90)
 Ratio of U.S. Aid To Total ODA 8.4% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.27 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 370
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 2.0%
 Government Budgetary Expenditures as a % of GNP...(1989) 28.2%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 290 External Public Debt as % of GNP...(1989) 50.5%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 364
 As % of Total Export Earnings..... (1989) 18.8%

POPULATION

Total Population...(Thousands, Mid 1991) 25,242
 Population Growth Rate..... (1978) 4.1% (1992) 3.6%
 Population (1991) By Age Group:
 (0-14yrs) 49.0% (15-64yrs) 48.8% (65+ yrs) 2.2%
 Married Women Aged 15-44 yrs. Using Contraception...(1989) 26.9%
 Total Fertility Rate...(1970) (1991) 6.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 78%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -407(88) -439(89) -481
 Total Imports(\$ Millions, US) (.) (.) (89) 2,423
 Of Which % From U.S.(.) .%
 Major Imports TRANSPORT EQUIP; CRUDE PETROLEUM; IRON & STEEL
 Total Exports(\$ Millions, US) (1987) 1,701(88) 1,876(89) 1,942
 Of Which % to U.S.(.) .%

Major Exports TEA; COFFEE; HORTICULTURAL PRODUCTS

Trading Partners: UNITED KINGDOM; GERMANY; UNITED ARAB EM

AGRICULTURE

Agricultural Production as % of GDP...(1988) 26%
 Disposable Income Spent On Food
 Food: .% (.)

Ag. Exports:(1989) Beverages ; Vegetables, fr; Cereals
 Ag. Imports:(1989) Vegetable oils ; Cereals ; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 1993
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 61.5 Male 59.5 Female 63.6
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 69
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 80% (1990) Measles 59% (1990)
 Diphtheria(DPT3) 74% (1990) Polio(3) 71% (1990)

Population with Reasonable Access to Safe Water Supply
 (.) .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 96.0 Female 93.0
 Secondary (1987) Total 23.0 Female 19.0
 Adult Literacy Rate (1985) Male 66% (1985) Female 49%

KENYA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	59	0	0
DEVELOPMENT FUND FOR AFRICA	24,010	19,100 ^d	17,200 ^d
PL 480 - TITLE II ^a	1,459	2,781	2,271
PL 480 - TITLE III ^a	10,000	0	0
TOTALS	35,528^{b,c}	21,881	19,471

a. See Food for Peace section of Statistical Annex for program detail.
b. Includes \$59,000 of DA prior-year deobligated funds reobligated in FY 1991.
c. Excludes \$990,000 of FY 1991 bilateral funding obligated through regional and central projects.
d. This level may be increased if significant political and economic reforms are implemented.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	23	19	17
FOREIGN NATIONAL	26	26	26
TOTALS	49	45	43

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	124	69	193	70	97	167	50	46	96
REGIONAL ^e	3	24	27	0	5	5	0	8	8
THIRD COUNTRY									
BILATERAL ^d	0	20	20	10	0	10	0	5	5
REGIONAL ^e	0	16	16	0	10	10	0	8	8
TOTALS	127	129	256	80	112	192	50	67	117

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

KENYA

Development Problem

Over the past decade, Kenya has worked to develop and sustain broad-based economic growth through promotion of tourism, agricultural exports, and light manufacturing. Unproductive parastatals, uncontrolled government spending, corruption, and widespread opposition to governmental measures to ensure its power have combined, however, to make 1991 a year of economic decline and political unrest. Kenya's success in economic development depends on (a) how well Kenya carries out its declared program of structural adjustment and reform; (b) how efficiently the foreign and domestic private sectors respond to the major improvements these reforms are expected to produce; (c) Kenya's ability to continue to reduce its population growth rate; and (d) continued improvements in political liberalization and governance. As of January 1992, the country has been making excellent progress in reducing population growth, has initiated major reform of the political system, and has begun focusing on governance abuses and measures for improvement.

A.I.D. Strategy

A.I.D.'s strategy is to encourage economic reform through policy dialogue while funding projects that help the poor majority. It is concentrating its resources on activities designed to achieve three major strategic objectives. Significant results have been attained under the first objective, increasing contraceptive use. A.I.D. programs to improve the availability of quality family planning services have been a major factor in this success. For example, contraceptive use has increased dramatically, from only 7% in 1977/78 to 27% in 1989, a rate of change virtually unprecedented in Africa. A.I.D. is encouraging some important steps in fulfillment of the second objective, increasing agricultural productivity and farm incomes, through projects to accelerate the development and transfer of technologies and to improve agricultural market efficiency. To achieve the third objective of increasing private enterprise employment while reversing the decline in real wages, A.I.D. is promoting growth of private sector non-traditional exports and working to increase the profitability of small and medium enterprises. Both areas have strong potential for job creation. Preliminary data indicate that firms represented in several of A.I.D.'s component projects have experienced an average annual employment growth rate of approximately 36% and have increased revenues by an annual average of over 26%. A.I.D. also finances training programs, supports the work of private voluntary and nongovernmental groups, and assists Kenya in wildlife management and conservation.

Other Donors

In 1991, the United States was the fifth largest bilateral and seventh largest overall donor, providing about 6% of bilateral and 4% of total donor funding. The leading donors in Kenya are the World Bank, the European Economic Community, Japan, the United Kingdom, the Netherlands, Germany and the United States.

FY 1993 Program

Through the Development Fund for Africa, A.I.D. requests \$17.2 million in FY 1993 for Kenya. This is a lower level than the annual totals during the 1980s, reflecting dissatisfaction with the pace of political and economic reform. In FY 1992, the U.S. withheld \$8.0 million in DFA and \$20.0 million in P.L. 480, Title III. These funds will not be forthcoming until needed reforms are carried out. DFA funding in FY 1993 will incrementally finance a number of ongoing projects in support of the objectives described above.

Mission Director: John R. Westley

LESOTHO

Total U.S. Aid \$ 282 Million (1961-90)
 Ratio of U.S. Aid To Total ODA 21.0% (1986-89)
 Yearly U.S. Aid Per Capita \$ 1.34 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1988) 470
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 5.0%
 Government Budgetary Expenditures as a % of GNP... () %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () ()
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () ()

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 37.5%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 21
 As % of Total Export Earnings..... (1989) 4.5%

POPULATION

Total Population...(Thousands, Mid 1991) 1,801
 Population Growth Rate..... (1978) 2.4% (1992) 2.6%
 Population (1991) By Age Group:
 (0-14yrs) 42.4% (15-64yrs) 53.2% (65+ yrs) 4.5%
 Married Women Aged 15-44 yrs. Using Contraception...(1977) 7.2%
 Total Fertility Rate...(1970) (1991) 4.8

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 81%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -508(89) -427(90) -569
 Total Imports(\$ Millions, US) () () (90) 656
 Of Which % From U.S.() %
 Major Imports CORN; BUILDING MATERIALS; CLOTHING; VEHICLES
 Total Exports(\$ Millions, US) (1988) 82(89) 84(90) 87
 Of Which % to U.S.() %
 Major Exports WOOL; MOHAIR; WHEAT; CATTLE; PEAS; BEANS
 Trading Partners: ; ;

AGRICULTURE

Agricultural Production as % of GDP...(1988) 16%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Fibers ; Vegetables, fr; Beverages
 Ag. Imports:(1989) Cereals ; Tobacco and pr; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2320
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 61.1 Male 59.2 Female 62.8
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 78
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 97% (1990) Measles 76% (1990)
 Diphtheria(DPT3) 76% (1990) Polio(3) 75% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 35%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 112.0 Female 123.0
 Secondary (1988) Total 25.0 Female 30.0
 Adult Literacy Rate (1985) Male 62% (1985) Female 84%

LESOTHO

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	111	0	0
DEVELOPMENT FUND FOR AFRICA	10,532	5,000	8,100
PL 480 - TITLE II ^a	971	1,218	0
TOTALS	11,614^{bc}	6,218	8,100

a. See Food for Peace section of statistical annex for program detail.
 b. Includes \$111,279 of DA prior-year funds reobligated in FY 1991.
 c. Excludes \$99,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	8	7	7
FOREIGN NATIONAL	6	6	6
TOTALS	14	13	13

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	4	0	4	13	3	16
REGIONAL ^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	30	30	0	30	30	0	30	30
TOTALS	0	30	30	4	30	34	13	33	46

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

LESOTHO

Development Problem

Lesotho is a small, landlocked, mountainous kingdom surrounded by South Africa, with limited natural resources. The economy is characterized by its dependence on South Africa, which is Lesotho's principal trading partner and the source of substantial worker remittances. The country faces growing unemployment as demand for labor in South African mines decreases, private sector expansion lags and population increases. To achieve broad-based, sustainable growth, Lesotho must expand domestic output and employment opportunities through more efficient resource allocation and expansion of productive enterprises. Continued development of a mutually beneficial economic relationship with South Africa is important for growth in the economy.

A.I.D. Strategy

The program aims at increasing income from agricultural resources and improving the human resource base. This will be done by sustaining or improving the output and productivity of selected agricultural sub-sectors and improving primary education. A.I.D. efforts have successfully supported small farmers' expanded production in vegetables, fruits and fodder and improved the responsiveness of marketing, research and training institutions to small farmers' needs. The program also has supported the removal of fertilizer subsidies and developed a prototype for rangeland management. Supported by A.I.D., and by the International Monetary Fund under an Enhanced Structural Adjustment Program, the Government of Lesotho has taken major steps toward implementing economic policy reforms to privatize agricultural inputs and initiate a nationwide grazing fee. A.I.D. has successfully supported efforts to expand access to primary education and orient the curriculum toward basic skills. The ongoing education sector reform program targets improvements in the quality and efficiency of primary education in order to provide Lesotho's people with a better basic education for more effective competition in the national and regional economies.

Other Donors

The United States is the largest bilateral donor, providing 14% of all development assistance commitments in 1989. Other leading donors are the World Bank, European Economic Community, Germany, African Development Fund, World Food Program, United Kingdom and Sweden.

FY 1993 Program

A.I.D. requests \$8.1 million from the Development Fund for Africa. Funding will support programs in the education and agricultural sectors, including the improvement of primary education, rangeland management and crop production.

Mission Director: F. Gary Towery

MADAGASCAR

Total U.S. Aid \$ 168 Million (1959-90)
 Ratio of U.S. Aid To Total ODA 5.2% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.15 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 220
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) -2.0%
 Government Budgetary Expenditures as a % of GNP...(1989) 10.1%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1987) 480 (1988) 418 (1989) 517
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -86 (1988) -81 (1989) -200

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 8.2 Months of Imports (1989)
 External Public Debt as % of GNP...(1989) 143%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 172
 As % of Total Export Earnings..... (1989) 37.4%

POPULATION

Total Population...(Thousands, Mid 1991) 12,198
 Population Growth Rate..... (1978) 2.6% (1992) 3.2%
 Population (1991) By Age Group:
 (0-14yrs) 46.6% (15-64yrs) 50.1% (65+ yrs) 3.3%
 Married Women Aged 15-44 yrs. Using Contraception...() %
 Total Fertility Rate...(1970) (1991) 6.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1980) Total 134.0% Urban 21.0% Rural 37.0%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 78%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -5(88) -32(89) 5
 Total Imports(\$ Millions, US) (1987) 315(88) 312(89) 314
 Of Which % From U.S.() %
 Major Imports EQUIP; RAW MATERIALS; ENERGY; CONSUMER GOODS
 Total Exports(\$ Millions, US) (1987) 310(88) 280(89) 319
 Of Which % to U.S.() %
 Major Exports COFFEE; VANILLA; SHELLFISH; CLOVES

Trading Partners: FRANCE; UNITED STATES; COUNTRIES OR A

AGRICULTURE

Agricultural Production as % of GDP...(1989) 41%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Beverages ; Sugar ; Vegetables, fr
 Ag. Imports:(1989) Cereals ; Vegetable oils; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1990) 2440
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 52.6 Male 50.8 Female 54.4
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 95
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 67% (1991) Measles 33% (1991)
 Diphtheria(DPT3) 46% (1991) Polio(3) 46% (1991)
 Population with Reasonable Access to Safe Water Supply
 (1985) 31%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 103.0 Female 92.0
 Secondary (1988) Total 20.0 Female .
 Adult Literacy Rate (1985) Male 74% (1985) Female 62%

MADAGASCAR

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	455	0	0
DEVELOPMENT FUND FOR AFRICA	9,600	40,000	28,700
PL 480 - TITLE II ^a	7,565	2,400	2,332
PL 480 - TITLE III	0	0	5,000
TOTALS	17,620^{b,c}	42,400	36,032

a. See Food for Peace Section of statistical annex for program detail.
 b. Excludes \$3,700,000 of FY 1991 bilateral funding obligated through regional and central projects.
 c. Includes \$455,000 in FY 1991 DA funds.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	8	14	14
FOREIGN NATIONAL	0	0	1
TOTALS	8	14	15

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	23	23	2	2	4	3	13	16
REGIONAL ^e	13	13	26	20	12	32	27	12	39
THIRD COUNTRY									
BILATERAL ^d	3	35	38	1	18	19	1	25	26
REGIONAL ^e	0	15	15	0	25	25	0	25	25
TOTALS	16	86	102	23	57	80	31	75	106

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

MADAGASCAR

Development Problem

The year 1991 was a watershed for Madagascar. In the midst of a comprehensive economic liberalization program which had resulted in a real growth rate of 3.8% in 1990, Madagascar was beginning to attract foreign and domestic private investors. However, the economic momentum generated by this program was interrupted by 7 months of strikes and economic paralysis in mid-1991. Although limited liberal political reforms initiated in 1990 were also underway, large and sustained street demonstrations in Antananarivo and some provincial capitals continued, led by an opposition demanding quicker, more fundamental political change. The Government and the opposition reached an agreement in late October to establish interim rule that will lead to a new constitution and elections within the following 18 months. In late December, a consensus government was formed that included members of the opposition. All political sides have reaffirmed their commitment to economic reform. Madagascar needs assistance to regain its growth momentum and make a successful transition to democracy, better governance, and a market economy. It continues to rank as one of the poorest countries in the world, with a per capita income of \$220. It faces high infant mortality rates (120 per 1,000), rapid population growth rates (nearly 3.2%) and environmental degradation that threaten the sustainability of development efforts and the island's unique biodiversity.

A.I.D. Strategy

A.I.D.'s major objective is to help the Malagasy achieve sustainable, broad-based, market-led economic growth. A.I.D.'s current program includes: the Madagascar Agricultural Export Liberalization Program which supports the liberalization of agricultural exports and private sector expansion; a research and extension grant which is disseminating high-yielding rice varieties and improved production techniques to small farmers; a population support project that had been postponed to 1992, which will increase contraceptive coverage, expand family planning services and improve child survival; and an environment sector assistance program, also postponed to 1992, which promotes policy and institutional changes designed to provide incentives and generate revenues for sustainable natural resources management at the community level. A.I.D. also funds marketing workshops and specialized U.S.-based training for private sector participants. We also are providing assistance in FY 1992 to assess the requirements for organizing and running free elections. A new five-year assistance strategy will be completed during FY 1992.

Other Donors

In 1992, based on planned obligations, the United States will be the second largest bilateral donor (behind France) and the fourth largest donor overall. Other major donors are the World Bank, the European Economic Community, France, and Switzerland. The United States is collaborating with the World Bank on policy reform, agriculture, the environment, population and the private sector, and with the United Nations agencies on child survival, population and health, the national census, and non-governmental and private voluntary organizations coordination.

FY 1993 Program

The Development Fund for Africa request for FY 1993 is \$28.7 million, to finance the programs and projects described above and a complementary new non-project assistance activity in the population sector. A \$5 million P.L. 480 Title III program is also being proposed, along with a \$2.3 million Title II program.

Mission Director: George Carner

MADAGASCAR

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE POPULATION POLICY REFORM		PROJECT NUMBER 687-0116/0117 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA 1,000 (PA) DFA 3,000 (NPA)		LIFE OF PROJECT FUNDING DFA 1,000 (PA) DFA 15,000 (NPA)
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To support the implementation and institutionalization of the new population policy of the Government of Madagascar (GDRM)

Project Description: In December 1990, a long-awaited population policy was accepted by the National Assembly and signed into law. Acceptance of the policy swept away major policy barriers to the rapid expansion of family planning. The next step to implementing the policy is the removal of any residual policy barriers and putting into place efficient organizational structures and administrative practices that will assure the sustainable delivery of quality services. Non-project support will be tranché against parallel policy and administrative changes to support implementation of the population policy at all levels of the government, the private community, and the central and regional sites of the primary health care system. Conditions precedent to the release of funds will include (a) legislative reforms and regulatory changes aimed at providing an environment which promotes incentives to the non-governmental and private sector to provide increased family planning services; (b) the study and adoption of alternative cost recovery and containment schemes; (c) establishment of user fee structures that will lead ultimately to sustainable maternal child health and family planning (MCH/FP) services; and (d) achievement of institutional performance indicators such as clearly defined roles and responsibilities among agencies and budget allocations based on priority activities. Technical assistance will be provided for policy analysis and policy implementation action plans.

Sustainability: Policy reforms will encourage administrative and institutional frameworks that promote efficient, sustainable use of available resources. Cost recovery/cost containment schemes will reduce unnecessary financial burdens of public and private programs.

Relationship to A.I.D. Strategy: A.I.D. has provided direct support in key economic sectors and project assistance in support of the adoption of a national population strategy. This project will complement the Population Sector Support project to be initiated in FY 1992.

Host Country and Other Donors: The GDRM has demonstrated its commitment through the adoption of its national population policy. The GDRM, in collaboration with the World Bank, the European Economic Community, the French, Swiss, United Nations and World Health Organization, has developed a \$100 million health sector support program, which this activity will complement.

Beneficiaries: The Malagasy population who ultimately receive improved and sustained MCH/FP services.

Major Outputs: Nationwide consensus strengthened in support of family planning; regulations and laws brought into conformity with the population policy; strategic planning coordinated between the donors in their support for the implementation of the population policy; lines of responsibility within ministries concerned with population issues clearly defined and followed; and alternative methods of health care financing explored in order to render sustainable, essential MCH/FP services.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Sector Support/Non-Project Assistance	15,000
Technical Assistance	1,000
Total	16,000

MALAWI

Total U.S. Aid \$ 306 Million (1956-90)
 Ratio of U.S. Aid To Total ODA 10.8% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.41 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 180
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 1.0%
 Government Budgetary Expenditures as a % of GNP...(1988) 29.5%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(1989) 79.7%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 56
 As % of Total Export Earnings..... (1989) 16.5%

POPULATION

Total Population...(Thousands, Mid 1991) 9,438
 Population Growth Rate..... (1978) 2.9% (1992) 1.8%
 Population (1991) By Age Group:
 (0-14yrs) 47.9% (15-64yrs) 49.4% (65+ yrs) 2.6%
 Married Women Aged 15-44 yrs. Using Contraception...(1984) 6.9%
 Total Fertility Rate...(1970) (1991) 7.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 77%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -127(89) -250(90) -174
 Total Imports(\$ Millions, US) (.) (.) (90) 627
 Of Which % From U.S.(.) %
 Major Imports FOOD; PETROLEUM; SEMIMANUFACTURES; CONSUMER GOODS
 Total Exports(\$ Millions, US) (1988) 322(89) 299(90) 453
 Of Which % to U.S.(.) %
 Major Exports TOBACCO; TEA; SUGAR; COFFEE; PEANUTS
 Trading Partners: UNITED KINGDOM; SOUTH AFRICA; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 34%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Tobacco and pr ; Beverages ; Sugar
 Ag. Imports:(1989) Cereals ; Dairy products; Meat products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 1912
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 49.2 Male 47.9 Female 50.6
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 136
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 97% (1990) Measles 80% (1990)
 Diphtheria(DPT3) 81% (1990) Polio(3) 79% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 55%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 66.0 Female 59.0
 Secondary (1987) Total 4.0 Female 3.0
 Adult Literacy Rate (1985) Male 52% (1985) Female 31%

MALAWI

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	54,550	30,000	25,000
PL 480 - TITLE IIa	4,594		5,601
TOTALS	59,144^{bc}	30,000	30,601

a. See Food for Peace section of statistical annex for program detail.
b. Excludes \$700,000 of FY 1991 bilateral funding obligated through regional and central projects.
c. Includes \$50,000 of DFA Section 517 recoveries reobligated in FY 1991.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	13	15	16
FOREIGN NATIONAL	4	4	4
TOTALS	17	19	20

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	45	10	55	57	8	65	16	4	20
REGIONAL ^e	22	7	29	30	8	38	16	4	20
THIRD COUNTRY									
BILATERAL ^d	1	8	9	5	10	15	0	10	10
REGIONAL ^e	0	3	3	0	6	6	6	6	12
TOTALS	68	28	96	92	32	124	38	24	62

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

MALAWI

Development Problem

In spite of Malawi's impressive macroeconomic performance, the country remains very poor. Per capita gross domestic product is one of the lowest in the world, and child mortality rates are among the highest. The population growth rate of 3.3% has led to falling per capita food production and to widespread malnutrition. Nearly 10% of the adult population is estimated to be infected by the Human Immune Deficiency (HIV/AIDS) virus. Not enough jobs are available for the increasing numbers of rural Malawians who cannot be productively employed on their shrinking farm plots. Economic growth must become more broadly based. Human rights concerns are becoming increasingly important to the U.S. and international donor community.

A.I.D. Strategy

To address Malawi's development paradox, the Government of Malawi, A.I.D. and other donors have embarked on a strategy of economic growth through poverty reduction. One major A.I.D. objective is to increase agricultural productivity and the incomes of smallholders. Past programs have led to the increased adoption of high-yielding maize varieties. A.I.D.'s new Agricultural Sector Assistance Program will remove market and pricing inequities and enable smallholders to grow high value crops and sell them at international prices. A.I.D. also is attempting to increase off-farm employment through support to small enterprise promotion institutions, reduction of unnecessary and counterproductive government regulation, and promotion of nongovernmental organization activities. One result is that Malawian credit unions have more than trebled their rural savings since 1985 and expanded microenterprise lending. A.I.D. is increasing its support to Malawi's health sector, primarily to reduce the infant mortality rate, to reduce fertility, and to reduce the transmission of HIV/AIDS infection. The program builds on recent successes: 1) introduction of new community-based health care and family planning; 2) establishment of the country's first national family planning association; 3) initiation of a social marketing program for contraceptives; and 4) introduction of a new AIDS education curriculum in the schools. A.I.D. also is supporting expansion of basic education opportunities, especially for women. Human rights and democracy/governance issues are being addressed through dialogue with the government and a planned external assessment.

Other Donors

In 1990, the United States was the third largest bilateral donor (14% of total) and the fifth largest donor overall (7% of total). The leading donors are the World Bank, Germany, Britain, the European Community, and the United States.

FY 1993 Program

A.I.D. requests \$25 million from the Development Fund for Africa in FY 1993. This will permit incremental financing for activities in agriculture, family planning, AIDS control, small enterprise development, and non-governmental organizations. A.I.D. also requests \$5.6 million in P.L. 480, Title II food aid for Mozambican refugees.

Mission Director: Carol A. Peasley

MALI

Total U.S. Aid \$ 408 Million (1961-90)
 Ratio of U.S. Aid To Total ODA 6.7% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.36 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 270
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 2.0%
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1988) 596
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1986) -125 (1987) -103 (1988) -93

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 100%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 36
 As % of Total Export Earnings..... (1989) 10.0%

POPULATION

Total Population...(Thousands, Mid 1991) 8,339
 Population Growth Rate..... (1978) 1.3% (1992) 2.5%
 Population (1991) By Age Group:
 (0-14yrs) 47.0% (15-64yrs) 49.7% (65+ yrs) 3.4%
 Married Women Aged 15-44 yrs. Using Contraception...(1987) 5.0%
 Total Fertility Rate...(1970) (1991) 7.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 82%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () ()
 Total Imports(\$ Millions, US) () () ()
 Of Which % From U.S.() . %
 Major Imports TEXTILES; VEHICLES; PETROLEUM PRODUCTS; MACHINERY
 Total Exports(\$ Millions, US) () () ()
 Of Which % to U.S.() . %
 Major Exports LIVESTOCK; PEANUTS; DRIED FISH; COTTON; SKINS
 Trading Partners: FRANCE; COTE D'IVOIRE; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 49%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Fibers ; Live animals ; Vegetable oils
 Ag. Imports:(1989) Cereals ; Sugar ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2473
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 46.1 Male 45.1 Female 47.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 114
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 78% (1990) Measles 47% (1990)
 Diphtheria(DPT3) 29% (1990) Polio(3) 29% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 17%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 23.0 Female 17.0
 Secondary (1987) Total 6.0 Female 4.0
 Adult Literacy Rate (1985) Male 23% (1985) Female 11%

MALI

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	32,105	33,000	29,700
PL 480 - TITLE II ^a	3,032	715	789
PL 480 - TITLE III ^a	6,300	3,200	3,300
TOTALS	41,437^b	36,915	33,789

a. See Food for Peace section of statistical annex for program detail.
b. Excludes \$2,500,000 of FY 1991 bilateral funding obligated through regional projects and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	15	16	16
FOREIGN NATIONAL	13	13	13
TOTALS	28	29	29

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	14	12	26	2	6	8	2	3	5
REGIONAL ^e	20	18	38	10	24	34	10	26	36
THIRD COUNTRY									
BILATERAL ^d	3	6	9	4	6	10	1	5	6
REGIONAL ^e	12	24	36	6	30	36	6	32	38
TOTALS	49	60	109	22	66	88	19	66	85

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

MALI

Development Problem

Mali's economy, with \$270 gross national product per capita, is dominated by agriculture and livestock production. Although production of the principal food crops--millet, sorghum, legumes and rice--has increased faster than population in the last few years, Mali's livelihood is built on a fragile base which can be easily upset by inadequate rainfall. Since the mid-1980s, the Government of the Republic of Mali (GRM) has pursued an extensive structural adjustment program with multi-donor support.

A.I.D. Strategy

A.I.D.'s goal in Mali is to promote sustainable economic development. A.I.D. is a major partner in development and a leader in economic policy reform, agriculture and natural resources management, health and family planning, and education. A.I.D.'s program is increasingly focused on indigenous groups and the devolution of decision-making to the community level. The Private Voluntary Organization Cofinancing project supports a variety of nongovernmental activities countrywide in child survival, natural resource management and microenterprise development.

A.I.D. can cite accomplishments in many sectors over the last decade. The Cereals Market Restructuring Program, supported with P.L. 480 resources, has had great success in removing price controls on staple grains, providing more money to producers as marketing margins have been reduced, assuring stable prices to consumers, and increasing private traders' participation in the cereals market; some recent increases in food production, especially rice, are directly attributable to reforms effected under this multi-donor program. In the area of livestock, A.I.D. has cooperated closely with the GRM to strengthen the national animal health program and increase herd vaccination rates. In the area of basic education, the A.I.D.-funded program has already trained some 3,000 teachers, increased enrollment rates, and in 1991 distributed nearly 250,000 textbooks. A.I.D.'s effort, as the largest donor to family planning programs in Mali, are helping increase use of contraceptives. In the area of policy reform, A.I.D. spearheaded the program of voluntary early departure for government employees in the late 1980s, a program designed to reduce pressure on the public sector wage bill. A follow-on project, Policy Reform for Economic Development, broadens these reforms and supports the GRM's actions to reduce governmental controls on the economy and promote economic liberalization. In collaboration with other Western donors, A.I.D. is providing material assistance (ballot boxes and voting booths) and technical advisors to Mali for the 1992 elections. A.I.D. also has been active in supporting a series of national conferences on private sector development, constitutional reform and agriculture.

Other Donors

The United States is at present the second largest bilateral donor to Mali, following France. A.I.D.'s cooperation with other donors in Mali, both bilateral and multilateral, is exemplary. Donors hold regular coordination meetings at all levels. The education sector project, the ongoing structural adjustment program, and the community health sector project were all the fruit of collaborative design between the GRM, A.I.D. and their donor partners. A.I.D. is designing the FY 1992 livestock sector program in close collaboration with the World Bank.

FY 1993 Program

A.I.D. is requesting \$29.7 million from the Development Fund for Africa to continue funding ongoing programs and to provide initial funding for two new projects: Agribusiness and Marketing Support and Mali Environmental Support. The final installment of a food for development (Title III) program will reinforce grain market liberalization.

Mission Director: Dennis J. Brennan

PROJECT TITLE Agribusiness and Marketing Support		PROJECT NUMBER 688-0263 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA - 1,000	LIFE OF PROJECT FUNDING DFA - 17,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To increase farmer and entrepreneur incomes through the diversification of rural agri-based enterprises and marketing linkages.

Project Description: Mali's low economic growth rate reflects in large measure the slow growth in agricultural incomes, production and productivity. Part of this is due to the inadequacy of institutions, policies and technologies to generate adequate growth in food and cash crop production; part reflects a policy, regulatory and institutional environment with minimal incentives for the private sector. The Agribusiness and Marketing Support project will help small farmers, village associations, entrepreneurs, suppliers and processing firms to identify economically promising crop diversification, rural enterprise and marketing opportunities. The project also will encourage private risk pooling, information sharing, and domestic and international agribusiness linkages. The role of private sector operators in the supply of agricultural inputs, marketing and transportation will be facilitated and expanded through training programs, credit and extension services. The potential for increased exports of fruits and vegetables, identified in a 1990 marketing study, will be further exploited. Market infrastructure also will be developed under this project.

Sustainability: Activities will focus on encouraging the private sector, particularly Mali's rural poor majority, to diversify crop and small enterprise activities in ways that sustain the environment and natural resource base. By increasing farmer incomes and foreign exchange earnings, these activities will be self-sustaining.

Relationship to A.I.D. Strategy: The Agribusiness and Marketing Support project fully supports the A.I.D. country objective of developing free and open markets within a framework of broad-based, sustainable economic growth. Emphasis on sustainable increases in production, private agribusiness development, and domestic, regional and international marketing underscore the Agency's objectives of: (a) encouraging increased private sector participation in the economy; (b) improving economic management through reduced government involvement in production and marketing of goods and services; (c) strengthening competitive markets through liberal trade and credit policies; and (d) developing potential for long-term increases in productivity through improved natural resources management and increased value-added activities.

Host Country and Other Donors: The Government will finance the costs for all Malian personnel and partial operating costs. Other donors, such as the World Bank, the European Community, Canada and Germany, are actively promoting private sector development and commercial opportunities in the small, medium and microenterprise sector. Their programs complement the agribusiness and marketing activities of this project.

Beneficiaries: The principal beneficiaries will be small farmers and village associations in the Haute Vallee and outlying areas extending into Region V (Mopti). Entrepreneurs supplying agricultural inputs and marketing agricultural outputs and other agribusiness operators also will directly benefit from the project activities.

Major Outputs: An active and efficient agribusiness sector with production and marketing activities that contribute significantly to small farmer and entrepreneur incomes, foreign exchange and economic growth.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	4,000
Training	2,500
Commodities	2,000
Infrastructure Improvements	1,500
Business Promotion Activities	2,500
Marketing Information Program	1,500
Other Costs (including Project Support)	<u>3,000</u>
Total	17,000

MALI

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Mali Environmental Support		PROJECT NUMBER 688-0267 [X] GRANT [] LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA - 700	LIFE OF PROJECT FUNDING DFA - 2,300	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1995	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To improve environmental and natural resources management in Mali.

Project Description: Agricultural production, the backbone of the Malian economy, is intimately linked to the sustainability of the natural resource base. Improving and preserving this base over the long term depend on the existence of both technologies and policies that enable producers and communities to use and manage resources productively and efficiently. The impact of several resource-enhancing technologies which have been developed and adopted over the past several years has been constrained by a lack of producer- and community-oriented policies necessary to create an "enabling environment" for the sustained and productive use of the resource base. The Mali Environmental Support project (MESP) is designed to enable local communities, in collaboration with the Malian Government, to establish and implement policies that enhance sound environmental and natural resource management. Building on A.I.D.'s previous activities with the National Forest Service, the project will: (1) increase the capacity of the Malian Government and local populations to analyze and formulate policies that promote the sustainable management of the natural resource base; (2) increase local awareness of the individual and collective rights and responsibilities associated with the use and ownership of forest and forest product resources; and (3) develop policy guidance and management plans to protect and conserve Mali's biodiversity, particularly native plant and animal species.

Sustainability: The project will focus on developing sound policies which sustain and improve the natural resource base and can be implemented by those who benefit directly from project interventions.

Relationship to A.I.D. Strategy: The project supports A.I.D.'s program goal of sustainable economic growth and the strategic objectives of increasing private sector participation in the economy and increasing incomes in areas of high productive potential. The project's focus on sustainable management of the natural resource base will promote agricultural production, higher farmer incomes and overall rural economic growth.

Host Country and Other Donors: The Malian Government will finance all Malian personnel and partial operating costs. Every major donor in Mali is active in promoting better environmental and natural resource management, helping to ensure in a variety of ways that rural groups and organizations are participating actively in policy formulation and decision-making. The project will be coordinated closely with these donors through a proposed series of environmental and natural resources round table discussions.

Beneficiaries: The primary target group is Mali's small rural farm families, which comprise 80% of the population. Through their increased participation in policy reform and application, and their awareness of their rights (and responsibilities) to land and other natural resources, rural Malians will have significant input into how their resource base is managed. Government officials and forest agents also will benefit from training and collaborative interaction with the project's principal beneficiaries.

Major Outputs: A forestry code that promotes conservation and responds to local needs; analytic capacity to determine the socioeconomic viability of natural resource interventions; and preservation of biodiversity.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance	250
Training	850
Commodities and Facilities	400
Informational Program and Support	500
Studies	<u>300</u>
Total	2,300

MOZAMBIQUE

Total U.S. Aid \$ 394 Million (1976-90)
 Ratio of U.S. Aid To Total ODA 6.8% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.33 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1990) 80
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1990) 51.8%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1988) 562 (1989) 635 (1990) 746
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1988) -141 (1989) -116 (1990) -182

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 3.3 Months of Imports (1989)
 External Public Debt as % of GNP...(1989) 427%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 43
 As % of Total Export Earnings..... (1989) 23.1%

POPULATION

Total Population...(Thousands, Mid 1991) 14,921
 Population Growth Rate..... (1978) 3.0% (1992) 3.6%
 Population (1991) By Age Group:
 (0-14yrs) 44.8% (15-64yrs) 52.7% (65+ yrs) 2.5%
 Married Women Aged 15-44 yrs. Using Contraception...() . %
 Total Fertility Rate...(1970) 6.8 (1991) 6.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1990) Total 60.0% Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 82%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () (89) -703
 Total Imports(\$ Millions; US) () () (89) 808
 Of Which % From U.S.(1990) 9%
 Major Imports FOOD; CLOTHING; FARM EQUIP; PETROLEUM
 Total Exports(\$ Millions, US) () () (89) 105
 Of Which % to U.S.(1990) 10%
 Major Exports PRAWNS; CASHEW NUTS; PETROLEUM PRODUCTS
 Trading Partners: UNITED STATES; ITALY; FRANCE

AGRICULTURE

Agricultural Production as % of GDP...(1989) 64%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989)PRAWNS; ;CASHEW NUTS; ;COTTON
 Ag. Imports:(1989) Cereals ; Vegetable oils; Vegetables, fr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 1730
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 47.1 Male 45.4 Female 48.9
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 137
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 99% (1991) Measles 84% (1991)
 Diphtheria(DPT3) 84% (1991) Polio(3) 84% (1991)
 Population with Reasonable Access to Safe Water Supply
 (1989) 14%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 68.0 Female 59.0
 Secondary (1988) Total 5.0 Female 4.0
 Adult Literacy Rate (1985).Male 55% (1985) Female 22%

MOZAMBIQUE

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	1,300	0	0
DEVELOPMENT FUND FOR AFRICA	51,475	36,000	36,000
PL 480 - TITLE IIa	12,499	5,257	4,795
PL 480 - TITLE IIIa	18,900	27,100	35,400
TOTALS	84,174 bcd	68,357	76,195

a. See Food for Peace section of statistical annex for program detail.
 b. Excludes \$600,000 of FY 1991 bilateral funding obligated through regional and central projects.
 c. Includes \$2,580,000 in DFA from the FY 1990 Dire Emergency Supplemental Appropriations Act (P.L. 101-302).
 d. Includes \$9,400 of DFA Section 517 recoveries reobligated in FY 1991.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	11	13	16
FOREIGN NATIONAL	2	2	2
TOTALS	13	15	18

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	0	0	0	0	0	0	0	0	0
REGIONAL^e	21	8	29	30	12	42	40	15	55
THIRD COUNTRY									
BILATERAL^d	0	0	0	0	0	0	0	0	0
REGIONAL^e	0	7	7	0	10	10	0	15	15
TOTALS	21	15	36	30	22	52	40	30	70

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

MOZAMBIQUE

Development Problem

Mozambique presents one of the most difficult development challenges in Africa: annual per capita income of \$80; half of all households unable to meet minimum daily caloric requirements; infant and under five mortality rates among the highest in the world; intermittent droughts; and an insurgency exacerbating weaknesses in the economy. However, adherence to a tough economic reform and structural adjustment program, including market liberalization, exchange rate reforms and fiscal and budgetary discipline, has produced an average gross domestic product growth rate of over 4%. Although exogenous shocks in 1990 undermined progress somewhat, the Government of the Republic of Mozambique (GRM) remains committed to economic and political liberalization. A new constitution was adopted in November 1990, and its implementation dominated political events during 1991. Laws have been enacted to legalize new political parties, promote freedom of association and increase freedom of the press. The continuation of the insurgency, however, precludes a full transition from emergency relief to sustainable development. In terms of self-sustaining growth, Mozambique is a generation away.

A.I.D. Strategy

Mozambique's rapidly changing environment and severe infrastructural and human resource constraints, require a focused and flexible assistance strategy. Over time, A.I.D.'s strategy has been shifting to a more developmentally-oriented program, focusing on food security of vulnerable groups, improving private agricultural production and marketing, and increasing the role of the market in the allocation of resources to private producers. The P.L. 480 Title III program, through the provision of regular supplies of U.S. maize sold through market channels, has been instrumental in keeping markets orderly while the government lifted price controls and farmers began responding to better incentives. In addition, A.I.D. is supporting improved access to basic health services for those most at risk. Through the Southern Africa Regional Program, A.I.D. assistance is being used to increase the efficiency of rail transport. The impact of a creative melding of DFA and food aid to address serious development problems is seen most markedly in the area of child nutrition, which improved in every province of Mozambique between 1989 and 1990. Since levels of donor-supplied food aid have remained largely unchanged since 1986, it can be concluded that small farmer and trader freedom to produce, as well as positive market returns, were the determining factors in obtaining this outcome.

Other Donors

In 1991, the United States was the second largest bilateral donor after Italy. Other leading donors are Sweden and other Nordic countries and the World Bank. A.I.D.'s assistance is linked to a policy reform program in the food and agricultural sector which reinforces the policy agenda established by the GRM with the World Bank and International Monetary Fund.

FY 1993 Program

A.I.D. requests \$36 million from the Development Fund for Africa to continue support for improving food security and private agricultural production and marketing. A new Primary Health Care Program will focus on enhancing effective and accessible preventive and primary care. In addition, A.I.D. is requesting \$40 million in P.L. 480 resources also in support of improved food security and meeting Mozambique's critical food needs.

Mission Director: Julius Schlotthauer

MOZAMBIQUE

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Health Sector Assistance Program		PROJECT NUMBER 656-0225	
		<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 9,900 (DFA) NPA		LIFE OF PROJECT FUNDING 30,000 (DFA) NPA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 1996	

Purpose: To enhance the effectiveness of preventive, primary health care (P/PHC) in Mozambique.

Project Description: Mozambique's epidemiological profile is characterized by a high prevalence of communicable diseases and insignificant fertility control, distorted by a decade of drought, war and economic decline. Deteriorating health status during the 1980s is evident in the 1989 infant and under five mortality rates of 200 per 1,000 and 325-375 per 1,000, respectively. Malaria, diarrheal diseases and respiratory infections are the major immediate causes of illness and death. Exacerbating these health conditions are prevalent, acute and chronic malnutrition, lack of access to basic services (health, water and sanitation) and poor child-care practices.

The Ministry of Health's (MOH) ability to address these problems is constrained by organizational, financial and programmatic obstacles. This non-project sector assistance program will: (a) increase and rationalize resource allocation to P/PHC services; (b) broaden health care delivery outside the public sector; (c) enhance the MOH's fiscal and administrative capability and improve budget transparency and accountability; and (d) facilitate private sector participation in the pharmaceutical industry.

This \$30 million program will be disbursed through a commodity import program. The local currency generations, deposited into a separate account, will be disbursed against progress in undertaking health sector reforms.

Sustainability: Under the Economic and Social Rehabilitation Program, the GRM is specifically committed to protecting access to health care for the poorest segments of the population by restoring cost-effective, broad-based primary health care service delivery.

Relationship to A.I.D. Strategy: In FY 1993, A.I.D. will submit a new Country Program Strategic Plan. A strategic objective related to the health sector, based largely upon the analysis which will be undertaken in the design of this activity, is expected to be a key component of the revised strategy.

Host Country and Other Donors: Current donor assistance, largely projectized around specific disease interventions and facility rehabilitation, finances almost 100% of the capital and 50% of the recurrent expenditures within the health sector. This activity, principally through its positive impact on the MOH's policy formulation and planning and management capacity, is intended to fully complement and increase the cost-effectiveness of other donor assistance.

Beneficiaries: The program will have its most important impact on children under five and women, the segment of the population which has suffered the most from the deterioration in the health sector. Secondary beneficiaries will be public and private sector health and family planning service providers.

Major Outputs: As a result of the program, A.I.D. expects the health sector to reflect (a) an increase in the share of total resources going to P/PHC services (including family planning), (b) greater availability of quality P/PHC services, and (c) a positive environment for private sector participation in health care delivery and support.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Commodity Import Program
Total

30,000
30,000

NAMIBIA

Total U.S. Aid \$. Million (. - .)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(.)
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)

320

External Public Debt as % of GNP...(.) . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (.)
 As % of Total Export Earnings..... (.) . %

POPULATION

Total Population...(Thousands, Mid 1991) 1,520
 Population Growth Rate..... (1978) 1.4% (1992) 3.6%
 Population (1991) By Age Group:
 (0-14yrs) 47.5% (15-64yrs) 49.5% (65+ yrs) 3.0%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) 6.6 (1991) 6.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 37%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports FOODS; PETROLEUM PRODUCTS; FUEL; MACHINERY & TRANSPOR
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %
 Major Exports URANIUM; DIAMONDS; ZINC; COPPER; CATTLE;
 Trading Partners: ; ;

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: . % (.)

Ag. Exports:(1989) Live animals ; Meat products ; Beverages
 Ag. Imports:(1989) Vegetable oils ; Vegetables, fr; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2566
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 60.3 Male 57.8 Female 62.9
 (1970) Total 50.7 Male 49.3 Female 52.2
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 68
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 85% (1990) Measles 41% (1990)
 Diphtheria(DPT3) 53% (1990) Polio(3) 53% (1990)

Population with Reasonable Access to Safe Water Supply
 (.) . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (1985) Male 74% (1985) Female 71%

NAMIBIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	7,000	7,000	6,300
ECONOMIC SUPPORT FUND	10,000	5,000 ^c	0
TOTALS	17,000 ^{ab}	12,000	6,300

a. Excludes \$90,000 of FY 1991 bilateral funding obligated through regional and central projects.
 b. Includes \$10,000,000 in ESF from FY 1990 Dire Emergency Supplemental Appropriation Act (P.L. 101-302).
 c. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amount shown is subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	1	5	5
FOREIGN NATIONAL	1	1	1
TOTALS	2	6	6

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	0	0	0	5	15	20	7	22	29
REGIONAL^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL^d	0	0	0	2	5	7	3	8	11
REGIONAL^e	0	0	0	0	0	0	0	0	0
TOTALS	0	0	0	7	20	27	10	30	40

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

NAMIBIA

Development Problem

Namibia is a newly independent country with severe economic inequalities and deep political and social divisions. First colonialism and then 40 years of South African-imposed apartheid reserved most good jobs, almost all wealth and the best educational opportunities for the white minority. The dualistic nature of Namibia's past economy and society has provided the black population with few human, economic or financial resources. Less than 15% of blacks finish primary school. The wealthiest 5% of Namibians receive more than 70% of gross domestic product; the poorest 55% receive only 3%. Notwithstanding such a traumatic pre-independence history, and terribly skewed income and social services distribution pattern, Namibia has one of the best enabling environments in Africa, if not the developing world, for private sector development. Valuable natural resources (minerals, fish, and wildlife), a constitution modeled on that of the United States, modern infrastructure, a free print media, an independent judiciary, an active network of nongovernmental organizations, labor unions, business associations, human rights organizations and professional groups, and a productive economy with over 90% of the assets in private hands, all provide an impressive foundation for Namibia's future. The challenge facing Namibia is to quickly reduce economic and social services disparities, while preserving and strengthening its exemplary political structure and economic policies.

A.I.D. Strategy

A.I.D. will concentrate its assistance on human and natural resource development. The basis for long-term productivity gains and redressing social and economic inequities is fundamentally better formal and non-formal education. Every Namibian child must have a fair and reasonable opportunity to graduate from an effective primary school; adults and youth must receive appropriate skills training which will enable them to obtain employment and secure better incomes. A.I.D. will continue to support: (a) essential Government of Namibia (GON) basic education reform through sector assistance, and (b) improved non-formal vocational training through assistance to NGOs. Additionally, wider protection and better use of Namibia's fragile natural resources is central to the program. In Namibia, squeezed between two deserts, sustainable natural resource management and livelihood are more inextricably linked than in most countries. Through the GON and NGOs, A.I.D.'s assistance will instill a sense of resource ownership in rural communities, strengthen the formal science curriculum, provide broad access to informal environmental education, and devise community-based resource management systems.

Other Donors

Almost all bilateral and multilateral donors are active in Namibia. The United States is the 3rd largest donor after Germany and Sweden. Reflecting the GON's frugal fiscal policies, World Bank, International Monetary Fund and commercial bank resources have purposely not been accessed by the GON although they are available. Investments by other donors are predominant in secondary education, fishing, agriculture and water supplies.

FY 1993 Program

A.I.D. requests \$6.3 million from the Development Fund for Africa to support: (a) the development of Namibia's basic education system; and (b) non-formal vocational training for adults and out-of-school youth.

A.I.D. Representative: Richard Shortlidge

NIGER

Total U.S. Aid \$ 420 Million (1961-90)
 Ratio of U.S. Aid To Total ODA 10.0% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.46 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 290
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) -2.0%
 Government Budgetary Expenditures as a % of GNP... (.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 56.7%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 32
 As % of Total Export Earnings..... (1989) 8.8%

POPULATION

Total Population...(Thousands, Mid 1991) 8,154
 Population Growth Rate..... (1978) 3.3% (1992) 3.4%
 Population (1991) By Age Group:
 (0-14yrs) 48.0% (15-64yrs) 49.7% (65+ yrs) 2.3%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) (1991) 7.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 88%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -162(88) -149(89) -175
 Total Imports(\$ Millions, US) (.) (.) (89) 580
 Of Which % From U.S.(.) . %
 Major Imports PETROLEUM PRODUCTS; PRIMARY MATERIALS; MACHINERY
 Total Exports(\$ Millions, US) (1987) 483(88) 472(89) 405
 Of Which % to U.S.(.) . %
 Major Exports URANIUM; LIVESTOCK PRODUCTS; COWPEAS; ONIONS
 Trading Partners: FRANCE; NIGERIA; JAPAN

AGRICULTURE

Agricultural Production as % of GDP...(1988) 36%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Live animals ; Tobacco and pr; Vegetables, fr
 Ag. Imports:(1989) Cereals ; Live animals ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2125
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 51.0 Male 48.9 Female 53.2
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 129
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 50% (1990) Measles 21% (1990)
 Diphtheria(DPT3) 13% (1990) Polio(3) 13% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 46%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 29.0 Female 20.0
 Secondary (1985) Total 6.0 Female 3.0
 Adult Literacy Rate (1985) Male 19% (1985) Female 9%

NIGER

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	22,250	26,000	21,600
DEVELOPMENT ASSISTANCE	400	0	0
PL 480 - TITLE II^a	834	1,233	0
TOTALS	23,484^b	27,233	21,600

a. See Food for Peace section of statistical annex for program detail.
b. Excludes \$3,720,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	19	17	16
FOREIGN NATIONAL	11	11	11
TOTALS	30	28	27

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	4	22	26	13	23	36	16	8	24
REGIONAL^e	4	8	12	23	20	43	30	10	40
THIRD COUNTRY									
BILATERAL^d	5	22	27	3	13	16	2	0	2
REGIONAL^e	23	24	47	24	43	67	23	20	43
TOTALS	36	76	112	63	99	162	71	38	109

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

NIGER

Development Problem

Population pressure, added to recurrent droughts and insect invasions, has increased land degradation in this already fragile Sahelian environment and undermined the potential for per capita gross domestic product growth. Niger's largely rural economy, generating \$290 gross national product per capita, offers limited opportunities to increase individual incomes in agriculture and other sectors.

In 1991, there was a marked advance toward popularly supported, multiparty democracy. The first order of business of the newly elected, transition government is to meet Niger's financial crisis by mobilizing internal resources, meeting donors' conditions for releasing funds already committed, and negotiating new support, especially from the World Bank and International Monetary Fund. Putting democratic institutions into place is also a priority, with multiparty elections due in early 1993.

A.I.D. Strategy

The A.I.D. program operates in the agriculture and health sectors, emphasizing effective natural resource management, integrated primary health care and family planning services. Policy reforms to increase the efficiency of human and financial resource use are being encouraged in these sectors, and policy initiatives also support private sector growth and reduced public sector control of the economy. Price controls have been removed from basic food grains to increase productivity and profits of farmers. Increased efficiency of private sector distribution of agricultural inputs has meant that demand for fertilizer has remained constant as the supply system has been liberalized and government subsidies eliminated. Important improvements in natural resource management are being made, including a twenty-fold expansion of community-controlled managed woodlands, which will have short-term benefits of increased income from wood products and longer-term environmental restoration and conservation impacts. The establishment of credit unions, cooperatives and other nongovernmental organizations--which can be positive agents of change in rural Niger and are critical to natural resources management outreach--is being encouraged as well. To improve the quality and coverage of health care, A.I.D. is supporting cost-recovery in primary health care, the allocation of resources for immunization and diarrheal disease control, and the promotion of family planning. Finally, the A.I.D. program will continue efforts to improve the profitability of agro-pastoral commodities through more efficient and effective marketing systems and practices.

Other Donors

In 1989, the United States was the fourth largest bilateral donor to Niger, providing about 14% of bilateral funding, and the seventh largest donor overall, with about 10% of total donor funding. Major donors such as France, Germany, the World Bank, the European Community, the United Nations and the United States are working to coordinate major development policies.

FY 1993 Program

The requested \$21.6 million from the Development Fund for Africa will continue programs that support critical policy reforms and strengthen services in agriculture, natural resource management, health and family planning. It also will initiate a project to increase the returns to small farmers through improved agricultural marketing and export promotion.

Mission Director: George T. Eaton

PROJECT TITLE Agriculture Marketing and Export Promotion		PROJECT NUMBER 883-0274 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA - 3,500	LIFE OF PROJECT FUNDING DFA - 20,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 2000

Purpose: To improve the efficiency of agro-pastoral marketing in domestic and export trade.

Project Description: Agriculture Marketing and Export Promotion (AMEP) is a follow-on to the Niger Economic Policy Reform Program (NEPRP) that promotes liberalized foreign trade regulations, including the elimination of agro-pastoral export taxes, to strengthen commercial activity in Niger. AMEP is aimed at improving the profitability of agro-pastoral commodities through more efficient and effective marketing, by producers, traders and market organizers. It will directly assist the private sector to promote market development in key agro-pastoral commodities such as cowpeas, onions, skins and hides, and livestock. Technical improvements focusing on quality control and reduction of losses through improved storage, processing, packaging and shipping practices will be sought. The project will provide market participants with means to influence the terms and conditions of their agricultural production and trade activities, and to improve the technical and financial efficiency of their activities. It also will provide information, promotion, training and support services to private sector participants, as well as technical assistance to relevant governmental agencies on issues of market development and deregulation.

Sustainability: Participant groups will be selected to ensure they have the potential to convert inputs into valued outputs on a continuous basis. The institutional base for agro-pastoral production and marketing will be strengthened through technical transfers to trade associations and select government entities. The project will work at the local level with already active traditional (i.e., informal) organizations as well as formally established groups of agro-pastoral producers, traders and market organizers.

Relationship to A.I.D. Strategy: The country strategic objective of fostering sustainable agriculture production will be complemented by assistance to local-level producer and marketing associations which can act as positive agents of change in rural Niger. Expanding small-scale operators' participation will enhance private sector-led agricultural growth, impact positively on agricultural production and also expand linkages to natural resources management.

Host Country and Other Donors: Agricultural marketing activities have been supported by other donors, including Canada and Germany, as components of larger, regional agricultural and rural development programs. This is the first project, however, designed to create both a national and regional capacity to provide a range of services directly to traders, as well as establish a vital link between private rural marketing activities and Government line ministries and agencies.

Beneficiaries: The initial, primary beneficiaries will be market participants in the departments of Maradi, and later, Zinder and Tahoua. At least 25% of the private groups assisted will be women's groups.

Major Outputs: Higher producer share of benefits derived from agro-pastoral marketing and increased value of agro-pastoral commodities as a relative share of rural economic output.

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

Technical Assistance	12,000
Training	1,000
Commodities	5,000
Monitoring, Evaluation and Audit	<u>2,000</u>
Total	20,000

Nigeria

NIGERIA

Total U.S. Aid \$ 547 Million (1952-90)
 Ratio of U.S. Aid To Total ODA 12.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.02 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 250
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 0.2%
 Government Budgetary Expenditures as a % of GNP...(1989) 28.1%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 2.8 Months of Imports (1989)
 External Public Debt as % of GNP...(1989) 115%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,742
 As % of Total Export Earnings..... (1989) 20.7%

POPULATION

Total Population...(Thousands, Mid 1991) 122,471
 Population Growth Rate..... (1978) 3.1% (1992) 3.0%
 Population (1991) By Age Group:
 (0-14yrs) 44.8% (15-64yrs) 53.0% (65+ yrs) 2.2%
 Married Women Aged 15-44 yrs. Using Contraception...(1990) 6.0%
 Total Fertility Rate...(1970) 6.6 (1991) 6.5

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 66%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1989) 4,202(90) 6,909(91) 3,743
 Total Imports(\$ Millions, US) (1989) 5,612(90) 6,918(91) 7,942
 Of Which % From U.S.(.) .%
 Major Imports CONSUMER GOODS; CAPITAL EQUIP; CHEMICALS; RAW MATERIA
 Total Exports(\$ Millions, US) (1989) 9,814(90) 13,827(91) 11,685
 Of Which % to U.S.(.) .%
 Major Exports OIL
 Trading Partners: UNITED STATES; FRANCE; UNITED KINGDOM

AGRICULTURE

Agricultural Production as % of GDP...(1988) 34%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Beverages ; Oil crops & fe; Fibers
 Ag. Imports:(1989) Sugar ; Live animals ; Cereals

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 1920
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 48.9 Male 48.0 Female 49.8
 (1970) Total 40.8 Male 40.4 Female 41.1
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 118
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 96% (1990) Measles 54% (1990)
 Diphtheria(DPT3) 57% (1990) Polio(3) 57% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1987) 36%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 75.1 Female .
 Secondary (1987) Total 57.0 Female .
 Adult Literacy Rate (1985) Male 54% (1985) Female 31%

NIGERIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	400	0	0
DEVELOPMENT FUND FOR AFRICA	7,400	13,000	17,200
TOTALS	7,800a	13,000	17,200

a. Excludes \$3,600,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	2	4	4
FOREIGN NATIONAL	2	2	2
TOTALS	4	6	6

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	34	34	0	48	48	0	60	60
REGIONAL ^e	0	0	0	0	5	5	0	5	5
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	0	34	34	0	53	53	0	65	65

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

NIGERIA

Development Problem

Nigeria's population is the largest of any country in sub-Saharan Africa. This nation also has one of the world's fastest growing populations, at 3.1% annually. Nigeria is among the world's poorest countries, with 1990 per capita income around \$300 and a high infant mortality rate of 118 per 1,000. Preventable diseases, such as measles, whooping cough and dysentery, are among the leading causes of illness and major causes of the high death rate in children under five years of age. Programs to control the spread of acquired immuno-deficiency syndrome (AIDS) are among the region's most poorly developed. Nigeria's pressing population and health problems must be addressed within the context of a national economy suffering under a large foreign debt, fiscal deficits, and falling export income.

A.I.D. Strategy

A.I.D.'s development strategy in Nigeria aims to reduce high population growth and high infant mortality and morbidity resulting from preventable diseases. A.I.D.'s assistance focuses almost entirely on family planning and child survival. Since 1985, A.I.D.'s Family Health Services project and other activities assist the Government of Nigeria and non-governmental organizations to implement Nigeria's national population policy, increase contraceptive use and expand a nation-wide network of public and private family planning service delivery facilities. The total fertility rate declined almost 1.5 children per woman during the 1980s, most during the past five years and especially in the southern half of the country where A.I.D. programs have concentrated and use of contraception has risen significantly. The African Child Survival --Combating Childhood Communicable Diseases project strengthens national capacities to fight communicable diseases. The vaccination coverage for children under five increased from about 20% to almost 60% over the past five years. These two projects complement the Nigeria Primary Health Care Support program which has made an additional \$26 million of DFA and \$10 million of ESF available in sector support and project funds for primary health care at the local level. In 1992, A.I.D. intends to begin assistance to a national AIDS control program. Finally, \$2 million of ESF funds have been made available for democratization and transition to civilian rule by supporting links between Nigerian and U.S. non-governmental institutions concerned with legislation, journalism and other civic matters.

Other Donors

In 1989, the United States was the second largest bilateral donor in Nigeria, providing 24.9% of bilateral commitments, and the second largest donor overall with about 17.8% of total commitments--mainly due to debt forgiveness that year. In actual disbursements, the United States was a distant fifth and seventh, respectively, in assistance levels. Other leading donors include the World Bank, Japan, and the United Kingdom.

FY 1993 Program

Under the Development Fund for Africa, A.I.D. requests a total of \$17.2 million for FY 1993 which will continue support for family planning, child survival and health management projects.

A.I.D. Affairs Officer: Eugene R. Chiavaroli

PROJECT TITLE Nigeria Combatting Childhood Communicable Diseases		PROJECT NUMBER 620-0004 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (in thousands of dollars)		
FY 1993 6,900 DFA	LIFE OF PROJECT FUNDING 20,000 DFA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To strengthen Nigerian capacities in the public and private sector to provide preventive public health services, mobilize resources, and improve childhood morbidity and mortality.

Project Description: The Nigeria Combatting Childhood Communicable Diseases (CCCD) project will build on progress made under the current regionally-funded CCCD project which terminates in FY 1992. The Nigeria CCCD project will: (1) support child survival interventions, including expansion of programs for immunization, control of diarrheal diseases, and malaria control; (2) stimulate analyses and activities in family planning, nutrition, prevention and control of acquired immuno-deficiency syndrom; (3) stimulate private sector provision of preventive health care services; and (4) improve health education and information systems.

Sustainability: Training of public and private sector health leaders and further institutionalization of systems for information and supervision will enhance sustainability of critical health sector organizations. Increasing use of the private sector to deliver services and cost recovery will enhance financial sustainability, a particular problem due to widespread poverty and declining public sector expenditures in health.

Relationship to A.I.D. Strategy: A.I.D. strategy and objectives in Nigeria focus entirely on child survival and family planning. Nigeria CCCD conforms fully with A.I.D. and Nigerian government policies and guidelines.

Host Country and Other Donors: This project will continue collaboration with United Nations Children's Fund in expanded immunization and oral rehydration therapy, and with the World Bank in nutrition. Government of Nigeria policy places highest priority on health. Over 25% of the government budget is dedicated to primary health care.

Beneficiaries: Primary beneficiaries will be women and children under the age of five who receive improved preventive health care.

Major Outputs:

- Improved child survival programs in states and local government areas;
- 80% national coverage of children with polio and measles vaccines and of women of child-bearing age with both doses of tetanus toxoid;
- Upgraded cold chain quality control nationally to ensure provision of effective vaccines;
- Improved access to oral rehydration therapy and salts and improved child nutrition; and
- Improved malaria therapy.

A.I.D.-Financed Inputs:

Technical Assistance
Commodities
Training
Special Studies
Evaluations
Total

Life of Project (In thousands of dollars)

7,500
7,000
3,500
1,500
500
20,000

PROJECT TITLE Managing Health Care at the Local Level		PROJECT NUMBER 620-0006 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (in thousands of dollars)		
FY 1993 1,300 DFA	LIFE OF PROJECT FUNDING 7,000 DFA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To increase effective governance and citizen participation in decision making, resource allocation and accountability for health services within local government areas (LGAs).

Project Description: The project will assist selected LGAs to develop more responsive, accountable health care systems and promote broader participation in the choice of health services to be financed with public funds. Assistance to LGAs and non-governmental organizations (NGOs) will improve their capability to identify and prioritize health services and to find more cost-effective ways to provide services. The project will help LGAs improve programmatic and financial accountability and develop means for meaningfully communicating results to the public. It also will assist LGAs to develop and implement fee-for-service programs in which patients and clients will play a major role in financing priority services. Where appropriate, the project will work with LGAs to develop public and private sector cooperation in the delivery of health services. Training and observation tours for LGA officials and local leaders will encourage more democratic systems for choice and control in health service delivery.

Sustainability: The project will effect management improvements, including better planning and allocation of resources and accountability. Increased efficiency resulting from improved management and the introduction of cost recoveries will offset the costs of adopting new management practices.

Relationship to A.I.D. Strategy: Improved management of local health care activities complements A.I.D.'s focus in Nigeria on increasing the availability and quality of primary health care and family planning services.

Host Country and Other Donors: The Nigerian Government has adopted a national policy to transfer financial resources and responsibility from the Federal and State governments to LGAs to improve responsiveness and efficiency of primary health care services providers. No other major donors directly support the government's decentralization efforts in the health sector.

Beneficiaries: Primary beneficiaries will be individuals and communities who will have greater access to improved health services. Government and NGO officials will be able to operate more responsive and cost-effective programs.

Major Outputs:

In selected LGAs, the project will have:

- Established health service performance criteria;
- Improved system of collecting and maintaining administrative and health information data;
- Developed fee-for-service, partial cost recovery systems; and
- Developed standard operating procedures for administration, finance, and health services delivery.

A.I.D.-Financed Inputs:

Technical Assistance
Training
Commodities
Operational costs
Evaluations
Total

Life of Project (In thousands of dollars)

3,000
1,500
1,000
1,000
500
7,000

RWANDA

Total U.S. Aid \$ 146 Million (1962-90)
 Ratio of U.S. Aid To Total ODA 4.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.15 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 320
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 1.0%
 Government Budgetary Expenditures as a % of GNP...() %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () ()
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () ()

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 28.1%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 22
 As % of Total Export Earnings..... (1989) 13.8%

POPULATION

Total Population...(Thousands, Mid 1991) 7,903
 Population Growth Rate..... (1978) 3.3% (1992) 3.8%
 Population (1991) By Age Group:
 (0-14yrs) 50.1% (15-64yrs) 47.4% (65+ yrs) 2.6%
 Married Women Aged 15-44 yrs. Using Contraception...(1983) 10.1%
 Total Fertility Rate...(1970) 7.5 (1991) 8.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 92%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -215(89) -204(90) -186
 Total Imports(\$ Millions, US) () () (90) 373
 Of Which % From U.S.() %
 Major Imports TEXTILES; FOODS; MACHINES & EQUIP; CAPITAL GOODS
 Total Exports(\$ Millions, US) (1988) 211(89) 189(90) 186
 Of Which % to U.S.() %
 Major Exports COFFEE; TEA; TIN; CASSITERITE; WOLFRAMITE
 Trading Partners: KENYA; BELGIUM-LUXEMB; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 38%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Beverages ; Vegetables, fr; Live animals
 Ag. Imports:(1989) Vegetable oils ; Cereals ; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 1707
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 52.5 Male 50.8 Female 54.2
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 110
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 92% (1990) Measles 83% (1990)
 Diphtheria(DPT3) 84% (1990) Polio(3) 83% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 49%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 64.0 Female .
 Secondary (1987) Total 6.0 Female 5.0
 Adult Literacy Rate (1985) Male 61% (1985) Female 33%

RWANDA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)

CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	39,500	20,000	18,000
PL 480 - TITLE II ^a	0	0	764
TOTALS	39,500^{b,c}	20,000	18,764

a. See Food for Peace section of statistical annex for program detail.

b. Includes \$5,000,000 of DFA Section 517 recoveries reobligated in FY 1991.

c. Excludes \$500,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE^a

CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	7	10	10
FOREIGN NATIONAL	3	3	3
TOTALS	10	13	13

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a

PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	17	13	30	20	25	45	15	30	45
REGIONAL ^e	23	4	27	28	0	28	10	5	15
THIRD COUNTRY									
BILATERAL ^d	0	3	3	5	45	50	5	45	50
REGIONAL ^e	2	3	5	0	20	20	0	25	25
TOTALS	42	23	65	53	90	143	30	105	135

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.

b. Academic: degree seeking.

c. Technical: non-degree seeking.

d. Funded under bilateral programs.

e. Funded under regional programs (e.g., CLASP, ATLAS).

RWANDA

Development Problem

Rwanda is one of the least developed countries in the world. With a population of about 7.6 million and an annual population growth rate of about 3.6%, this small, land-locked country is also the most densely populated in Africa. Ninety-five percent of the population lives in rural areas, relying on subsistence agriculture. The combination of limited natural resources, the high population growth rate, the near total reliance on coffee and tea for foreign exchange earnings, and the almost complete absence of undeveloped lands on which to expand agricultural production is a serious impediment to economic growth, employment, and improvements in the standard of living. Annual per capita food consumption appears to be declining.

A.I.D. Strategy

A.I.D.'s assistance strategy focuses on a combination of private and public sector efforts to generate income by increasing private sector agricultural and non-agricultural production and employment opportunities while reducing the population growth rate. Since the government launched a comprehensive structural adjustment program to reform its policy framework in late 1990, prospects for increasing productive employment in Rwanda's non-farm sectors of manufacturing and commerce have improved significantly. The A.I.D. program complements the Rwanda structural adjustment program through support of policy reform to encourage the expansion of small and medium-scale private enterprises, expanded agriculture production and regional trade, improved natural resource management, increased family planning services and continued targeted human resources development activities. Cross-cutting themes of the A.I.D. program include the encouragement of pluralism, transparency, and accountability, both in the public and private sectors. In family planning, the current contraceptive prevalence rate exceeds by nearly 25% A.I.D.'s target for the end of 1991 (actual rate of 10.3% versus a projected rate of 8.3%). The Demographic and Health Survey, which will recommence June 1992, is expected to confirm further progress in the health sector.

Other Donors

In addition to the United States, other major contributors to Rwanda's development include Belgium, Germany, France, Switzerland, the European Economic Community, the International Monetary Fund and the World Bank.

FY 1993 Program

In FY 1993, A.I.D. will continue to focus on family planning, natural resources management and expanding the role of the private sector in the economy, both on- and off-farm. The \$18 million requested from the Development Fund for Africa will provide incremental funding to continue the following projects: Natural Resources Management, Program Development and Support, Democratic Initiatives, Reproductive Health, Analysis of Reform and Technical Services, Grants to International Agriculture Research Centers, and Human Resources Development Assistance. In addition, A.I.D. will work with non-governmental organizations to develop a food program targeted at the most vulnerable women and children who have been adversely affected by Rwanda's structural adjustment program.

Mission Director: Gary L. Nelson

SENEGAL

Total U.S. Aid \$ 620 Million (1961-90)
 Ratio of U.S. Aid To Total ODA 8.9% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.75 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 650
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) -1.0%
 Government Budgetary Expenditures as a % of GNP... (.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (1988) 996 (1989) 989 (1990) 1,148
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1988) -70 (1989) 20 (1990) 26

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(1989) 79.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 269
 As % of Total Export Earnings..... (1989) 20.8%

POPULATION

Total Population...(Thousands, Mid 1991) 7,956
 Population Growth Rate..... (1978) 2.9% (1992) 3.1%
 Population (1991) By Age Group:
 (0-14yrs) 45.2% (15-64yrs) 51.7% (65+ yrs) 3.1%
 Married Women Aged 15-44 yrs. Using Contraception...(1986) 12.2%
 Total Fertility Rate...(1970) . (1991) 6.3

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 79%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1984) -299(85) -321(86) -240
 Total Imports(\$ Millions, US) (.) .(.) .(86) 1,249
 Of Which % From U.S.(.) .%
 Major Imports PETROLEUM; CEREALS
 Total Exports(\$ Millions, US) (1984) 841(85) 783(86) 1,009
 Of Which % to U.S.(.) .%

Major Exports FISH; TOURISM; VEGETABLE OIL

Trading Partners: FRANCE; SPECIAL CATEGO; COTE D'IVOIRE

AGRICULTURE

Agricultural Production as % of GDP...(1988) 22%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Vegetable oils ; Fibers ; Vegetables, fr
 Ag. Imports:(1989) Cereals ; Dairy products; Tobacco and pr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 1906
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 54.9 Male 53.5 Female 56.3
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 82
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 92% (1991) Measles 59% (1991)
 Diphtheria(DPT3) 60% (1991) Polio(3) 66% (1991)
 Population with Reasonable Access to Safe Water Supply
 (1985) 55%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 59.0 Female 49.0
 Secondary (1988) Total 16.0 Female 10.0
 Adult Literacy Rate (1985) Male 37% (1985) female 19%

SENEGAL

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	20,500	20,000	18,000
DEVELOPMENT ASSISTANCE	1,470	0	0
ECONOMIC SUPPORT FUND	1,000	3,000 ^d	0
PL 480 - TITLE II ^a	2,525	0	3,245
PL 480 - TITLE III ^a	0	22,100	10,000
TOTALS	25,495^{bc}	45,100	31,245

a. See Food for Peace section of statistical annex for program detail.
b. Includes \$1,470,000 of Sahel Development Program recoveries reobligated in FY 1991.
c. Excludes \$1,500,000 of FY 1991 bilateral funding obligated through regional projects and central projects.
d. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	25	18	18
FOREIGN NATIONAL	10	10	10
TOTALS	35	28	28

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	43	53	96	50	70	120	45	90	135
REGIONAL ^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL ^d	0	66	66	0	75	75	0	80	80
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	43	119	162	50	145	195	45	170	215

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

SENEGAL

Development Problem

For two decades after independence, per capita income declined steadily in Senegal as in most of the rest of sub-Saharan Africa. Problems of limited natural resources, high population growth rates and erratic rainfall were exacerbated by weak economic policies. In agriculture, the key economic sector, the Government of Senegal (GOS) created regional development agencies to market crops and provide credit, extension services and inputs such as fertilizer and seeds. Many parastatals became financially insolvent as a result of subsidizing inputs, failing to collect repayment on loans, and paying higher than market prices for crops. This failure affected the entire economy, contributing to excessive foreign debt service, severe shortages of domestic credit, near collapse of the banking system, and ultimately to inadequate services to support the agricultural economy.

In 1983, the GOS adopted a comprehensive program of financial stabilization and economic reform to improve fiscal performance, to increase agricultural productivity and to make domestic production competitive with foreign producers. With the assistance of A.I.D. and other donors, Senegal is continuing a moderate and still fragile economic recovery.

A.I.D. Strategy

A.I.D.'s program, coordinated with those of other donors, will continue to support and build on the policy reforms of the past few years which have led to a real annual growth in gross domestic product (GDP) of 3.2% from 1986 to 1990, a reversal of the negative GDP per capita rates during the early 1980s.

A.I.D.'s strategy is to improve the quality of life for Senegalese through increases in per capita income based on more efficient and sustainable use of natural resources. The program will focus on reduction of the population growth rate, on sustainable increases in agricultural and forestry production, and on continued privatization and efficiency of marketing systems.

Population and Child Survival: The GOS is making family planning a reality in Senegal. The National Family Planning Program was officially launched in July 1991. In addition, in May 1991, the Ministry of Health (MOH) authorized nurses, as well as doctors, to provide family planning services, thus making family planning more accessible to the rural poor. The MOH has moved ahead with decentralizing the health delivery system. For the first time in Senegal's history, district and regional health plans have been prepared and approved by the MOH, assuring improved allocation and control of limited resources and better services for urban and rural health center clientele. This planning activity was supported by A.I.D.'s project assistance. A.I.D.'s program assistance has contributed directly to an increase in urban contraceptive prevalence of approximately 1% per year and the expanded availability of contraceptives through both government and private clinics.

Natural Resource Management: A mid-term evaluation of A.I.D.'s reforestation project concluded that the activity is achieving its purpose of mobilizing large-scale, popular participation in tree planting with local and private resources. Over 37,000 rural Senegalese have participated in the project's matching grant component, planting 1.5 million trees which will increase income to the community from improved crop yields and direct sales of tree products. In addition, numerous small business enterprises have been contracted to plant trees along 30 kilometers of roadsides for conservation purposes. The project has conducted training programs in agro-forestry techniques in all ten regions of Senegal. A GOS national media campaign has increased the people's awareness of the importance of tree planting and tree husbandry.

Agriculture: A.I.D. has begun implementation of a major, new Natural Resources-based Agricultural Research project. This activity will assist in sustaining the generation of technologies that increase the productivity and sustainability of cropping systems for millet, sorghum, rice and corn. Institutional reform of Senegal's agricultural research institute will continue under this project, as will the

implementation of a number of innovations including client-oriented agricultural research with the private sector. A Title XII technical assistance team will be fielded early in 1992 to assist with implementation of the project. An A.I.D. agriculture sector analysis has been very well received and widely circulated among GOS officials and representatives of donor agencies. The analysis convinced GOS decision makers that concentration of A.I.D.'s programs in areas of higher rainfall and continued support of natural resource management are the most appropriate activities in Senegal. The analysis also continues the policy dialogue begun with the GOS on important policy reform measures which need to be undertaken.

Other Donors

In 1989, the United States was the fourth largest bilateral donor, providing about 7% of bilateral funding, and the fifth largest donor overall, with about 6% of total donor funding. Other leading donors in Senegal are France, Japan, Italy, the World Bank, Canada and the European Community.

FY 1993 Program

A.I.D. requests \$18 million through the Development Fund for Africa to initiate the Community-based Natural Resources Management project; to support ongoing activities in agriculture, including policy reform, crop research, farming systems research and watershed management; and to expand activities in population, child survival, and assistance through private voluntary organizations. Food aid will help meet the national food deficit, while a multi-year food for development (Title III) program will stimulate policy change in food crop pricing and marketing and provide local currency for a community agricultural project administered by a U.S. private voluntary organization.

Mission Director: Julius E. Coles

PROJECT TITLE Community-Based Natural Resources Management		PROJECT NUMBER 685-0305 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 3,000	LIFE OF PROJECT FUNDING 25,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1998	ESTIMATED PROJECT COMPLETION FY 2000

Purpose: To enable Senegal to improve natural resources management (NRM) through direct participation of the private sector and rural communities in land use planning and conservation.

Project Description: Senegal's natural resource base has been decreasing over the last twenty years at an alarming rate. This project will assist in sustaining Senegal's fragile natural resource base through community-level activities designed to decrease soil erosion, increase water availability and improve soil fertility. This will be accomplished by training village and community leadership and working with them to develop and implement community-wide conservation plans. Early emphasis will be placed upon tree planting and natural forest regeneration activities in order to demonstrate the economic benefits of forestry activities and to instill a sense of stewardship of natural resources in the population. Research in new adaptive natural resource technologies also will be supported by the project.

Sustainability: The activities will be designed to leave behind trained village units which are capable of planning and managing community resources. The project will promote the involvement of the private sector in natural resource management. It will strengthen the GOS capacity to extend its natural resources-related technologies to the rural areas.

Relationship to A.I.D. Strategy: The project will directly support the Mission's strategic objectives of increased private incomes derived from improved and increased crop productivity in zones of reliable rainfall. An ongoing, recently started, natural resources-based research project will complement the new project by generating technologies which can be disseminated at the village level. Finally, a multi-year P.L. 480 Title III program will support natural resource policy reform to establish an enabling environment at both the national and local levels.

Host Country and Other Donors: Management of natural resources is a top priority in the GOS development plan. Several donors, including USAID, are helping the GOS to develop a National Natural Resources and Environmental Plan. There are over 20 donor-funded reforestation and natural resource projects being funded by donors in Senegal. USAID's bilateral assistance to the forestry sector will rank it among the top three donors.

Beneficiaries: The immediate beneficiaries will be the rural communities and individuals that participate in natural resource management activities. The ultimate beneficiaries will include entrepreneurs who work in agribusiness and consumers who will benefit from the increased supply of wood and agriculture products.

Major Outputs: Community-level natural resources management plans developed; village leadership trained in resources management; and increased involvement of the private sector in resources management.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance (including research)	12,500
Matching Grants	5,000
Commodities	3,000
Training	1,500
Local Cost Support	2,500
Evaluation and Audit	500
Total	25,000

SEYCHELLES

Total U.S. Aid \$ 30 Million (1961-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 4.67 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 4,170
 Average Annual Real Per Capita GNP Growth Rate.(. - .) . %
 Government Budgetary Expenditures as a % of GNP...(1989) 60.4%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (1989) 196
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -4 (1988) -10 (1989) -21

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(1989) 47.6%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 20
 As % of Total Export Earnings..... (1989) 9.8%

POPULATION

Total Population...(Thousands, Mid 1991) 69
 Population Growth Rate..... (1978) 0.5% (1992) 0.9%
 Population (1991) By Age Group:
 (0-14yrs) 35.1% (15-64yrs) 58.9% (65+ yrs) 6.0%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) . (1991) 2.5

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(.) .%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -28(88) -35(89) -34
 Total Imports(\$ Millions, US) (.) (.) (89) 186
 Of Which % From U.S.(.) . %
 Major Imports MANUFACTURES; FOOD; TOBACCO; BEVERAGES
 Total Exports(\$ Millions, US) (1987) 99(88) 140(89) 151
 Of Which % to U.S.(.) . %
 Major Exports FISH; COPRA; CINNAMON; PETROLEUM PRODUCTS
 Trading Partners: UNITED KINGDOM; SPECIAL CATEGO; FRANCE

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(.) ; ;
 Ag. Imports:(.) ; ;

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(.) .
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 70.1 Male 65.1 Female 74.9
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 15
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% (.) Measles .% (.)
 Diphtheria(DPT3) .% (.) Polio(3) .% (.)
 Population with Reasonable Access to Safe Water Supply
 (1985) 97%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (.) Male .% (.) Female .%

SEYCHELLES

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	3,300	3,300 ^a	3,300
TOTALS	3,300	3,300	3,300

a. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amount shown is the Agency request level and is subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	0	0	0
FOREIGN NATIONAL	0	0	0
TOTALS	0	0	0

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
b. Program is managed by the A.I.D. Regional Office in Nairobi.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	12	3	15	7	3	10	4	0	4
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	12	3	15	7	3	10	4	0	4

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

SEYCHELLES

Development Problem

The Seychelles is a middle-income country (\$4,200 gross national product per capita in 1989) with a population of 66,000. The Seychelles is highly dependent upon tourism, which dominates the nation's economy. Licensing and servicing foreign tuna fleets in Seychelles' Export Processing Zone has become an important foreign exchange earner in recent years. The principal development problems continue to be limited employment opportunities in the formal sector, limited investment opportunities outside tourism, and import dependence. Foreign exchange earned from tourism is not sufficient to finance all merchandise imports, and the large current account balance-of-payments deficit requires substantial official transfers to cover the shortfall. During the mid-1980s, more than 30 parastatal companies were formed by the Government in an attempt to diversify the economy. In recent years, the Government has shifted towards favoring more private sector development and a market-led economy, although the public sector still retains its dominant position. U.S. political and security interests are served by encouraging a stable, neutral, and independent Seychelles. The U.S. Air Force has maintained a satellite tracking station in the Seychelles since the 1960s; the lease was recently renewed through the year 2000.

A.I.D. Strategy

From 1982 through 1991, the United States has provided Economic Support Fund (ESF) commodity import grants for the procurement of petroleum fuel. Generated local currency has financed civil infrastructure, environmental protection, and training projects. In FY 1992, a cash transfer will be used to service and retire eligible foreign debt which will improve the country's balance-of-payments position and increase the foreign exchange resources. Training fellowships also have been provided under the African Graduate Fellowship Program and the regional Human Resource Development Assistance project.

Other Donors

The United States is the second largest bilateral donor, after France. The United States is providing approximately 20% of the bilateral assistance and 15% of the total donor funding. Other major donors include Australia, Japan, the European Economic Community and the African Development Bank.

FY 1993 Program

A.I.D. requests \$3.3 million of ESF resources to service and retire eligible foreign debt in the Seychelles.

Director, Regional Economic Development Services Office, East and Southern Africa (REDSO/ESA):
Fred C. Fischer (Resident in Nairobi).

South Africa
(for Disadvantaged
South Africans)

SOUTH AFRICA

Total U.S. Aid \$ 124 Million (1947-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.06 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 2,460
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 1.0%
 Government Budgetary Expenditures as a % of GNP...(1990) 32.4%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1987) 27,121
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1985) -2,232 (1986) -3,442 (1987) -5,894

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...() . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... ()
 As % of Total Export Earnings..... () . %

POPULATION

Total Population...(Thousands, Mid 1991) 40,601
 Population Growth Rate..... (1978) 2.9% (1992) 2.6%
 Population (1991) By Age Group:
 (0-14yrs) 39.8% (15-64yrs) 56.3% (65+ yrs) 4.0%
 Married Women Aged 15-44 yrs. Using Contraception...() . %
 Total Fertility Rate...(1970) 5.4 (1991) 4.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 15%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () ()
 Total Imports(\$ Millions, US) () () ()
 Of Which % From U.S.() . %
 Major Imports MACHINERY & TRANSPORT EQUIP; CHEMICALS; OIL
 Total Exports(\$ Millions, US) () () ()
 Of Which % to U.S.() . %
 Major Exports GOLD; MINERALS & METALS; FOOD; CHEMICALS
 Trading Partners: SPECIAL CATEGO; UNITED STATES; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 5%
 Disposable Income Spent On Food
 Food: 28% (1987)
 Ag. Exports:(1989) Cereals ; Vegetables, fr; Sugar
 Ag. Imports:(1989) Meat products ; Vegetable oils; Live animals

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2729
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 64.2 Male 61.5 Female 67.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 51
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 85% (1990) Measles 63% (1990)
 Diphtheria(DPT3) 67% (1990) Polio(3) 69% (1990)
 Population with Reasonable Access to Safe Water Supply
 () . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary () Total . Female .
 Secondary () Total . Female .
 Adult Literacy Rate () Male .% () Female .%

SOUTH AFRICA

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	38,400	80,000	80,000
ECONOMIC SUPPORT FUND	10,000	0	0
TOTALS	48,400abcd	80,000	80,000

a. Includes \$500,000 of DFA Section 517 no-year funds reobligated in FY 1991.
 b. Includes \$10,000,000 in ESF from the FY 1990 Dire Emergency Supplemental Appropriations Act (P.L. 101-302).
 c. Includes \$246,141 of ESF prior-year deobligated funds reobligated in FY 1991.
 d. Excludes \$1,560,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	11	15	18
FOREIGN NATIONAL	3	3	4
TOTALS	14	18	22

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	402	0	402	310	125	435	310	125	435
REGIONAL^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL^d	0	0	0	0	200	200	0	200	200
REGIONAL^e	0	0	0	0	0	0	0	0	0
TOTALS	402	0	402	310	325	635	310	325	635

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

SOUTH AFRICA

Development Problem

The A.I.D. program in South Africa is authorized by Congress through the Comprehensive Anti-Apartheid Act (CAAA) of 1986. Despite the lifting of most sanctions in July 1991, those portions of the CAAA relating directly to U.S. foreign assistance remain in effect, and the program continues to operate entirely outside South African Government channels. While the process of political change continues, enormous resources will be required to deal with the devastating effects of apartheid.

A.I.D. Strategy

A major goal of the A.I.D. program is to support the establishment of an equitable, democratic and economically viable post-apartheid South Africa. Activities are concentrated in three main areas: (1) promotion of human rights and a civil society; (2) human resource development; and (3) private sector mobilization, including housing. Activities in human rights have represented the core of the A.I.D. program from the outset. Funds are used to support groups which help political detainees, run legal advice centers, and challenge discriminatory laws and practices. The program also has expanded into areas which help lay the foundations for a post-apartheid society in which human rights are respected and democratic values such as tolerance can flourish. Supplemental funding is supporting disadvantaged South African organizations that encourage negotiations leading to a peaceful transition to a free-market oriented democracy based on universal suffrage within a united South Africa. Independent trade unions and non-governmental organizations are viewed as key elements in developing and sustaining a democratic culture and society, and both kinds of institutions will continue to receive A.I.D. support. Lack of adequate training for South Africa's majority population represents one of the most devastating legacies of apartheid. More than half of all A.I.D. funds are targeted on education. At any one time, approximately 400 South Africans are studying at U.S. universities on A.I.D. scholarships. Another 700 students receive scholarships to attend South African universities and technical training schools. More than 36% of those awarded scholarships are women. Additional funding is targeted on basic education, including high school scholarships and support for organizations working on teacher training, curriculum development, adult literacy and special training in English, mathematics and science. Education and awareness programs designed to reduce the incidence of acquired immune deficiency syndrome (AIDS) also are funded. A.I.D. support to the private sector is intended to overcome the legacy of apartheid which barred South Africa's majority population from participating in the country's economy, and to begin laying the groundwork for an economically viable post-apartheid South Africa. Support is given to organizations managing successful, innovative microenterprise lending programs. Training, counselling and technical assistance also is made available to black entrepreneurs who wish to expand their operations and who represent possible role models for others within the black community. Finally, a new FY 1992 housing initiative will provide funding for innovative financing schemes, technical assistance, training and research aimed at developing housing programs which do not perpetuate the forced living patterns imposed under apartheid.

Other Donors

The European Community and most western European countries offer support for the transition process underway in South Africa, particularly in the areas of democracy, human rights and education. With the recent expansion in program funds, the United States now provides more aid to South Africa than any other single donor country.

FY 1993 Program

A total of \$80 million is requested for FY 1993 from the Development Fund for Africa to support ongoing activities which promote human rights and a civil society, human resource development, and private sector mobilization, including housing. Projects are proposed in the areas of education and training.

Mission Director: Dennis P. Barrett

SOUTH AFRICA

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Tertiary Education Linkage		PROJECT NUMBER 674-0315 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA 10,000	LIFE OF PROJECT FUNDING DFA 100,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1999	ESTIMATED PROJECT COMPLETION FY 2003

Purpose: To improve the efficiency and quality of the tertiary education system in South Africa.

Project Description: South Africa has more than 100 tertiary education institutions, including 21 universities, 15 technical colleges and 73 teacher training colleges. After four decades of apartheid, the quality of education within these institutions is uneven, particularly in historically black institutions. Moreover, program content often is irrelevant to national development needs and some institutions are poorly managed. The project will address efficiency and quality issues facing South Africa's tertiary education sector by developing university linkages between U.S. institutions and counterparts in South Africa. The program will focus on assistance to historically black South African institutions, but may include selected historically white institutions which have made good progress toward meeting the education and training needs of South Africa's majority population. The project will have three components. A management improvement component will assist selected institutions to better plan, administer and evaluate programs. A teacher training and instructional methods component will assist South African institutions to improve the quality of instruction through formal pre-service and in-service teacher training. The project will promote improved teaching methods and will consider alternative, more proactive methods (e.g. case studies) for improving the quality of instruction. A curriculum and evaluation component will build on ongoing efforts to improve the curriculum as well as the quality of, and access to, accompanying instructional materials.

Sustainability: Technical assistance and training provided by U.S. universities will help South African tertiary institutions improve the quality and efficiency of services provided. This, in turn, will enable South Africa to improve the quality of its tertiary system and produce more qualified graduates at a lower cost.

Relationship to A.I.D. Strategy: The project supports A.I.D. efforts to increase access to tertiary education, improve the efficiency and quality of tertiary education, and prepare a new generation of black South Africans for leadership roles in a democratic, post-apartheid South Africa.

Host Country and Other Donors: Both the South African Government, through its education renewal strategy, and the anti-apartheid black leadership place a high priority on education, particularly the tertiary sector. The Canadian Government is providing limited assistance to develop a community college system. Other donors have not seriously addressed the systemic needs of the tertiary education sector.

Beneficiaries: Approximately 115,000 black tertiary education students will be the primary beneficiaries of the project. Society as a whole will benefit from the contribution to an educated citizenry and the increased number of educated, black leaders with the skills and training needed to play important roles in a post-apartheid South Africa.

Major Outputs:	All Years
Improved efficiency and quality of tertiary education	X
University administrators trained	100
University teachers trained	500
Revised curriculum and teaching material	X

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	50,000
Training	40,000
Commodities	<u>10,000</u>
Total	100,000

PROJECT TITLE Training for Employment		PROJECT NUMBER 674-0316 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA 3,000	LIFE OF PROJECT FUNDING DFA 30,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To reduce constraints to economic growth caused by an inadequately trained labor force.

Project Description: The lack of an adequately trained work force constrains overall economic and social development in South Africa. Unemployment is estimated at more than 40%. Although the high rate of unemployment is more a function of inadequate demand than limitations on labor supply, there are serious structural problems affecting labor supply. For example, productivity increases in South Africa have been low or negative over much of its recent history. Moreover, educational policies imposed under apartheid created vast numbers of new labor force entrants without the training needed to fill available jobs. Even in the current recession, the shortage of trained personnel causes costly inefficiencies. When the South African economy rebounds, the problem will be exacerbated.

Other elements of the A.I.D. portfolio are designed to create employment through black private enterprise development and to train black South Africans for middle and upper-level management and professional positions. This project will build upon A.I.D. experience worldwide to expand employment opportunities by providing technical and skills training. Dialogue among the public and private sectors and anti-apartheid groups will identify skill shortages and determine the most appropriate training mechanisms. The project will be phased and in its initial stage will work with existing non-governmental organizations (NGOs) which have successfully expanded their programs. Incentives could be offered to private firms to utilize their facilities for on-the-job training.

Sustainability: The commitment by virtually all political actors to diversified, sustainable growth provides an excellent basis for project sustainability. Moreover, the technical strength and depth of many South African institutions already in place enhances the prospects for long-term success.

Relationship to A.I.D. Strategy: Human resource development is the single most significant part of the A.I.D. portfolio in South Africa. The mission's strategy also emphasizes education and training as the basis for political, social and economic improvement for black South Africans.

Host Country and Other Donors: The German Government is providing limited assistance in skills training, while other donors tend to focus on basic education or university scholarships.

Beneficiaries: The project will be directed toward South Africa's marginalized youth, an enormous population numbering in millions. Adult men and women will also be direct beneficiaries. In addition, the country as a whole will benefit through improved economic and social living standards.

Major Outputs: **All Years**

Improved Skills Training	X
Enhanced NGO Service Capacity	X

A.I.D.-Financed Inputs: **Life of Project (In thousands of dollars)**

Long-term technical assistance	4,000
Short-term technical assistance	4,000
Training	<u>22,000</u>
Total	30,000

SWAZILAND
 Total U.S. Aid \$ 152 Million (1961-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 1.65 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 900
 Average Annual Real Per Capita GNP Growth Rate.(. - .) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(1989) 40.3%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 32
 As % of Total Export Earnings..... (1989) 5.1%

POPULATION

Total Population...(Thousands, Mid 1991) 887
 Population Growth Rate..... (1978) 2.8% (1992) 2.9%
 Population (1991) By Age Group:
 (0-14yrs) 45.6% (15-64yrs) 51.9% (65+ yrs) 2.5%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 19.8%
 Total Fertility Rate...(1970) (1991) 6.2

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 68%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) -50(87) -96(88) -10
 Total Imports(\$ Millions, US) (.) (.) (88) 450
 Of Which % From U.S.(.) . %
 Major Imports VEHICLES; MACHINERY & TRANSPORT EQUIP; PETROLEUM PRO
 Total Exports(\$ Millions, US) (1986) 311(87) 339(88) 440
 Of Which % to U.S.(.) . %
 Major Exports SOFT DRINK CONCENTRATES; SUGAR; WOOD PULP; CITRUS
 Trading Partners: ; ;

AGRICULTURE

Agricultural Production as % of GDP...(1988) 20%
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Sugar ; Vegetables, fr; Fibers
 Ag. Imports:(1989) Beverages ; Cereals ; Meat products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2550
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 55.1 Male 51.1 Female 59.1
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 101
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 96% (1989) Measles 85% (1989)
 Diphtheria(DPT3) 89% (1989) Polio(3) 89% (1989)
 Population with Reasonable Access to Safe Water Supply
 (1985) 21%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 104.0 Female 103.0
 Secondary (1987) Total 43.0 Female 42.0
 Adult Literacy Rate (1985) Male 70% (1985) Female 66%

SWAZILAND

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	100	0	0
DEVELOPMENT FUND FOR AFRICA	8,461	8,100	7,200
PL 480 - TITLE II	290	0	0
TOTALS	8,851^{abcd}	8,100	7,200

a. Includes \$94,000 of FDAP prior-year deobligated funds reobligated in FY 1991.
 b. Includes \$6,000 of Section 517 DA funding reprogrammed in FY 1991.
 c. Includes \$110,000 of Section 517 DFA funding reprogrammed in FY 1991.
 d. See Food for Peace Section of Statistical Annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	12	10	10
FOREIGN NATIONAL	6	6	6
TOTALS	18	16	16

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	68	16	84	57	22	79	54	13	67
REGIONAL ^e	17	3	20	14	11	25	11	0	11
THIRD COUNTRY									
BILATERAL ^d	8	18	26	4	4	8	6	0	6
REGIONAL ^e	0	2	2	0	10	10	0	0	0
TOTALS	93	39	132	75	47	122	71	13	84

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

SWAZILAND

Development Problem

With economic growth averaging 4% over the last decade and improving social indicators, Swaziland is reaching a level of development matched by few other African countries. This achievement results from the Swazi Government's strong and sustained commitment to economic development in a free market. Despite greater diversification, however, the economy relies on relatively few exports, and continuation of the recent higher levels of foreign investment is uncertain. Rapid population growth has resulted in high levels of unemployment, pressure on natural resources and difficulty in providing adequate infrastructure, education, health and other services.

A.I.D. Strategy

The program focuses on increasing demand for and access to family planning services, improving human resources, and expanding the small and microenterprise (SME) sector. The latter two objectives will increase Swazis' potential for productive employment. Since 1988, when A.I.D. began assisting a local family planning private voluntary organization (PVO), contraceptive prevalence has risen from 17% to an estimated 22%. Future initiatives in this sector include provision of family planning services by industrial clinics, social marketing and community-based distribution of contraceptives, and improvement of government services to rural families. A.I.D.'s long-term efforts in human resource development are bearing fruit, as many former participants now hold influential policy-making positions. The program currently focuses on developing management skills, particularly in the private sector, and on improving primary student achievement, building on an established teacher training capacity. SME activities, including small-scale commercial agriculture, are relatively new and emphasize improving business skills and access to commercial credit, developing profitable linkages between small and large firms and expanding small-scale horticultural production through private marketing firms.

Other Donors

The United States is one of the largest donors; it provided 20% of all assistance in 1989. Other major donors are the United Kingdom, the United Nations, and the European Economic Community.

FY 1993 Program

A.I.D. requests \$7.2 million from the Development Fund for Africa. This amount will fund ongoing activities in family planning, education (including management training), small business development and commercial agriculture.

Mission Director: Roger D. Carlson

TANZANIA, UNITED REPUBLIC OF
 Total U.S. Aid \$ 464 Million (1958-90)
 Ratio of U.S. Aid To Total ODA 2.8% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.10 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP	(1989)	120
Average Annual Real Per Capita GNP Growth Rate..	(1965-89)	0.0%
Government Budgetary Expenditures as a % of GNP...	(1988)	25.7%
Total Expenditures and Net Lending (\$ Millions, US):		
(.) (.) (1985)		1,466
Budgetary Deficit or Surplus (\$ Millions, US):		
(.) (1981) -395 (1985)		-313

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to Months of Imports (.)	
External Public Debt as % of GNP... (1989)	170%
Service Payments on External Public Debt, (\$ Millions, US)..... (1989)	66
As % of Total Export Earnings..... (1989)	12.4%

POPULATION

Total Population...(Thousands, Mid 1991)	26,869
Population Growth Rate..... (1978)	2.5% (1992) 3.4%
Population (1991) By Age Group:	
(0-14yrs) 48.4% (15-64yrs) 48.8% (65+ yrs)	2.8%
Married Women Aged 15-44 yrs. Using Contraception...	(1988) 7.0%
Total Fertility Rate...(1970) (1991)	7.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level	
(.) Total . % Urban . % Rural . %	
Percentage of Total Adult Population Employed Full Time	
Proportion of Labor Force in Agriculture... (1988)	82%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (88)	-814
Total Imports(\$ Millions, US) (.) (.) (88)	1,308
Of Which % From U.S. (.)	%
Major Imports MANUFACTURES; MACHINERY & TRANSPORT EQUIP	
Total Exports(\$ Millions, US) (.) (.) (88)	494
Of Which % to U.S. (.)	%
Major Exports COFFEE; COTTON; SISAL; TEA; CASHEW NUTS; MEAT	
Trading Partners: UNITED KINGDOM; GERMANY; JAPAN	

AGRICULTURE

Agricultural Production as % of GDP... (1988)	57%
Disposable Income Spent On Food	
Food: .% (.)	
Ag. Exports:(1989) Beverages ; Fibers ; Vegetables, fr	
Ag. Imports:(1989) Cereals ; Vegetable oils; Sugar	

NUTRITION AND HEALTH

Calorie Intake per Person per Day... (1988)	2252
Life Expectancy at Birth, in Years (Bureau of the Census)	
(1991) Total 51.9 Male 49.5 Female 54.5	
(1970) Total . Male . Female .	
Infant Deaths in First Yr of Life per 1000 Live Births (1991)	105
Percent Of Children 12-23 Months Old Fully Immunized Against	
Tuberculosis(BCG) 93% (1989) Measles 83% (1989)	
Diphtheria(DPT3) 85% (1989) Polio(3) 82% (1989)	
Population with Reasonable Access to Safe Water Supply	
(1985) 49%	

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:	
Primary (1987) Total 66.0 Female 66.0	
Secondary (1987) Total 4.0 Female 3.0	
Adult Literacy Rate (.) Male .% (.) Female .%	

TANZANIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	36,885	30,000	26,000
TOTALS	36,885^b	30,000	26,000

a. Includes \$10,410,000 of DFA prior-year Section 517 recoveries reobligated in FY 1991.
 b. Excludes \$3,531,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	7	9	11
FOREIGN NATIONAL	15	15	15
TOTALS	22	24	26

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	24	46	70	28	68	96	26	80	106
REGIONAL ^e	27	0	27	42	0	42	55	0	55
THIRD COUNTRY									
BILATERAL ^d	0	32	32	0	32	32	0	20	20
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	51	78	129	70	100	170	81	100	181

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

TANZANIA

Development Problem

After decades of following a statist approach to development and a one party political system, Tanzania has entered a period of radical change. In 1986, the Government committed to a reform program aimed at rebuilding its economy according to market principles. The Government moved methodically to revamp the policy environment in order to facilitate the role of the private sector. Today, all of the key policy components are in place. The challenge now to Tanzania is to strengthen its institutional capacity to implement reforms allowing the private sector to operate efficiently.

To complement its policy initiatives, the Government of Tanzania (GOT) has launched a massive rehabilitation program to provide the infrastructure needed by entrepreneurs. Transport and telecommunications systems are rapidly being rehabilitated and the institutions for improving and maintaining them are being reshaped along commercial lines to ensure sustainability. Major attention has been given in the financial sector to the introduction of procedures and principles which promote transparency and the services needed for capital management in a modern economy. The Government also has begun the enormous and complex task of dismantling its failed parastatal system. Higher prices and liberalized marketing have provided powerful incentives and the agricultural results have been dramatic despite erratic weather conditions. Prior to the reform program, GDP growth was about 1.4%. As a result of these efforts, real GDP growth has turned positive, averaging approximately 4% annual growth. Longer term problems, including the need to rebuild seriously deteriorated social service infrastructure and to confront the problems of an inadequate human resource base, a high population growth rate, and a rapidly spreading AIDS pandemic, must still be addressed.

Politically, Tanzania has also embarked on an irreversible process toward a pluralistic political system which will facilitate good governance. The future shape of the political system is being debated publicly with the issue being, not if, but how, to transform the system without sacrificing the stability which has distinguished Tanzania throughout thirty years of independence.

A.I.D. Strategy

A.I.D. assistance promotes the policy reforms and programs needed to develop a market-based economy and realign government and private sector roles for greater efficiency in development. In the transport sector, considered indispensable to business growth, A.I.D. provides foreign exchange for imports of construction-related equipment and spare parts by private firms who pay for it with local currency. This local currency in turn funds contracts with private contractors to rehabilitate rural feeder roads, thus replacing the previous reliance upon public works. In three years, a new and growing road building industry has been created. This approach has been incorporated into the Ministry of Works' plans for future rehabilitation and maintenance efforts and a sustainability plan has been adopted which projects assumption by the government of 100% of recurrent costs by 1996. Policy reform in connection with this program has resulted in a four-fold increase in the GOT FY 1991 budget allocation for rural roads over that of FY 1990. People living along one of the recently rehabilitated roads stated that the road has improved the movement of their crops and increased their market choices, ensured a better supply of inputs and consumer goods, and expanded their personal mobility and access to services.

To counter the pervasive negative impact on Tanzania's economy and society of a spiraling population growth rate, A.I.D. launched in FY 1990 a long-term family planning program. The program assists both public and private organizations to extend effective family planning services throughout the country. A Demographic Health Survey is underway; a new family planning curriculum for medical students is being implemented; national standards and guidelines for family planning service providers have been adopted for all levels, and a five-year national family planning plan of operations has been developed.

A.I.D has supported revitalization of the financial sector by promoting policy changes needed to create a better investment climate for both Tanzanian and foreign investors. Assistance is being provided to the banking sector as a part of a multi-donor program to help recapitalize the banks and to promote private banking, both foreign and domestic. Now, A.I.D. intends to provide direct support to the private sector in a new program to promote potentially productive enterprises through access to needed goods, services, and investment revenues. Secondary activities include a scholarship program, wildlife management, and support for AIDS control.

Other Donors

The United States is Tanzania's twelfth largest bilateral donor, providing about 1.8% of such funding, and the eighteenth overall. A.I.D. is a major voice on overall policy reform and cooperates closely with other donors involved in transport and financial sector reform. We are the lead donor in the family planning sector. The sustainable approach initiated by A.I.D. in the rural roads subsector is now being integrated into other donor projects. Tanzania's major donors include the World Bank, International Monetary Fund, Sweden, Denmark, Norway, Italy, Japan, Finland and the United Kingdom.

FY 1993 Program

In FY 1993, A.I.D. is requesting \$26 million from the Development Fund for Africa. These funds support the Tanzania program emphasis in the areas of private sector support, transportation, family planning and AIDS.

Mission Director: Dale B. Pfeiffer

PROJECT TITLE Tanzania AIDS Support Project		PROJECT NUMBER 621-0177 [X] GRANT [] LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA - 2,500	LIFE OF PROJECT FUNDING DFA - 12,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1999

Purpose: To develop indigenous non-governmental organizations' (NGO) capacities to assist in preventing the spread of human immunodeficiency virus (HIV) infection, and to respond to the needs of AIDS victims.

Project Description: The rapid spread of HIV in Tanzania threatens to overwhelm the resources of the government. The involvement of indigenous NGOs and the private sector in HIV prevention and assistance to its victims is needed because the Government will not be able to shoulder the entire burden.

The project will support NGOs to carry out the following activities: condom distribution outlets, sexually transmitted disease (STD) prevention and treatment; behavior change interventions; counseling for HIV victims and those at risk; information, education and communications policy formation (seminars to mobilize Government and other leaders, religious groups, donors); importation of condoms; and assistance to orphans and other victims of AIDS. NGOs will be given the technical and managerial assistance they require to effectively manage an AIDS victims' trust which could provide financing for interventions such as village-level group homes and grants to families caring for orphans.

Sustainability: Involvement of the private sector is the only real prospect for sustainable AIDS prevention and support activities. Many of the costs for counseling, training, and condom distribution will be met by employers. Use of volunteer counsellors and condom distributors, community-based care of orphans and sales of condoms will contribute to keeping costs down. While short term costs for needed institutional development will be high, training and materials development and production, costs per beneficiary over the longer term should be greatly reduced as trained counsellors reach more people. Further, the AIDS victims' trust is intended to generate its own income from private sector investing to provide for care in the medium and longer-term, requiring little external financial support.

Relationship to A.I.D. Strategy: Reducing HIV and STD infection is a part of the Mission's strategy. Strengthening NGO and private sector capability to implement AIDS activities is consistent with the Mission's aim to develop private sector solutions.

Host Country and Other Donors: The project interventions will complement those of other donors but are unique in that they are focused on strengthening and working through NGOs and the private sector. The project will mobilize the private sector to meet needs that the Government is unable to meet.

Beneficiaries: These include members of high risk groups, youth, enterprise managers trained as counsellors, orphans, other victims and the public.

Major Outputs: NGOs and private sector enterprises providing effective HIV prevention and victim support services.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Commodities	3,000
Technical Assistance	5,500
Training	1,500
Other Costs	<u>2,000</u>
Total	12,000

TOGO

Total U.S. Aid \$ 151 Million (1959-90)
 Ratio of U.S. Aid To Total ODA 7.1% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.36 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 390
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 0.0%
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1987) 390
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1985) -14 (1986) -48 (1987) -31

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 73.3%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 57
 As % of Total Export Earnings..... (1989) 11.8%

POPULATION

Total Population...(Thousands, Mid 1991) 3,818
 Population Growth Rate..... (1978) 2.8% (1992) 3.6%
 Population (1991) By Age Group:
 (0-14yrs) 48.9% (15-64yrs) 48.8% (65+ yrs) 2.3%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 33.9%
 Total Fertility Rate...(1970) 6.6 (1991) 7.1

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 70%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1985) -62(86) -128(87) -126
 Total Imports(\$ Millions, US) () () () (87) 554
 Of Which % From U.S.() . %
 Major Imports MACHINERY & TRANSPORT EQUIP; FOOD & BEV; TOBACCO
 Total Exports(\$ Millions, US) (1985) 369(86) 385(87) 428
 Of Which % to U.S.() . %
 Major Exports PHOSPHATES; COTTON; COFFEE; COCOA
 Trading Partners: FRANCE; NETHERLANDS; SPAIN; CANADA

AGRICULTURE

Agricultural Production as % of GDP...(1988) 34%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Fibers ; Beverages ; Cereals
 Ag. Imports:(1989) Cereals ; Tobacco and pr; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2030
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 55.5 Male 53.6 Female 57.5
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 96
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 96% (1990) Measles 70% (1990)
 Diphtheria(DPT3) 73% (1990) Polio(3) 61% (1991)

Population with Reasonable Access to Safe Water Supply
 (1988) 54%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 86.1 Female
 Secondary (1987) Total 24.0 Female 12.0
 Adult Literacy Rate (1985) Male 53% (1985) Female 28%

TOGO

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	7,765	10,000	9,000
PL 480 - TITLE IIa	3,055	3,443	3,370
TOTALS	10,820	13,443	12,370

a. See Food for Peace section of statistical annex for program detail.
 b. Excludes \$735,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	4	5	5
FOREIGN NATIONAL	3	3	3
TOTALS	7	8	8

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	2	4	6		2	2	2	3	5
REGIONAL ^e	22	7	29	27	4	31	6	4	10
THIRD COUNTRY									
BILATERAL ^d			0		3	3	2	4	6
REGIONAL ^e	2	2	4	2	4	6	3	6	9
TOTALS	26	13	39	29	13	42	13	17	30

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

TOGO

Development Problem

The major development problem facing Togo today is the establishment of a stable, democratic climate conducive to economic growth. Major economic imbalances include a serious fiscal deficit and structural inefficiencies which discourage export earnings. In the short run, Togo looks to return to the International Monetary Fund and World Bank program, including an enhanced structural adjustment facility, and to restore its comparative advantages in transportation and commerce. Longer-term constraints to growth include a high population growth rate, limited agricultural markets, and low competitiveness for manufactured exports.

A.I.D. Strategy

A.I.D.'s strategy in Togo has two primary objectives. The first is to reduce infant mortality and bring down the fertility rate. A.I.D.'s major effort is a child survival and population program to help bring about the needed policy, administrative and technical changes. Second, A.I.D. seeks to mobilize rural credit and assist the Togolese private sector to identify markets to develop Togo's agricultural and non-traditional exports. A.I.D. is also promoting democracy and good governance.

A.I.D. has met with continued success in meeting these strategic objectives: between 1973-1978 and the present, Togo's infant mortality rate has declined from 107.4 to 80.5 per thousand live births, and vaccination coverage rates continue to rise. While the birth rate and contraceptive prevalence rate have not shown changes as yet on the national level, contraceptive prevalence has doubled in urban areas where the A.I.D. program is active. Both participation in and the amount of savings amassed through the rural credit program have surpassed planned objectives. In less than three years, membership has increased by 115% and savings by 300%. A.I.D. has achieved a measure of success in developing an environment conducive for exports: legislative changes have been enacted, staff are in place, and a number of new firms have set up operations. The number of new firms acquiring status in the export processing zone increased by 100% and jobs created increased by over 50%.

Other Donors

The A.I.D. program is carefully coordinated with those of other donors, through formal and informal mechanisms. The multilateral lending institutions focus largely on structural and sectoral reform and economic liberalization, particularly in the agricultural sector. France is the largest donor. The United States, Germany and Japan are among the other major bilateral donors.

FY 1993 Program

The major portion of the \$9 million in Development Fund for Africa funding requested for FY 1993 will support the health sector, largely through the Child Survival and Population Program. Final year funding for the ongoing rural credit and private sector development activities also is planned. Training support will focus on the private sector and governance. A.I.D. also will provide \$3,370 million Title II food aid to support maternal child health and feeding programs.

A.I.D. Representative: Sarah C. Clark

PROJECT TITLE Togo Private Sector Project		PROJECT NUMBER 693-0235 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 1,000 DFA	LIFE OF PROJECT FUNDING 14,000 DFA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To strengthen the Private Sector in Togo and enhance its contribution to Togo's economic development.

Project Description: Togo's economy remains heavily dependent on agriculture and a few traditional state controlled exports, such as phosphates, cotton, coffee and cacao. Togo is a recognized regional commercial and trading center, with considerable private sector activity in the formal and informal sectors. The project will build on experience gained in working with the private sector, through the Togo Rural Institutions and Private Sector project, its human resource development and training programs and efforts to promote the development of an export processing zone. It will provide technical assistance, training and financial resources for the following: a) improving GOT private sector policies; b) improving private sector management and technical skills, access to market information, and modern business practices; c) developing private business associations and networks; d) developing rural and urban agribusinesses and productive enterprises; e) strengthening the linkages between the private formal and informal sectors in commerce and services; and f) promoting domestic, regional and international investment for the development of non-traditional exports.

Sustainability: This project is designed to promote the sustainability of private enterprises in Togo through increased profitability, better management and marketing, improved technology and skills, and an improved climate for business development.

Relationship to A.I.D. Strategy: This project will directly support A.I.D.'s program goal of promoting sustainable, broad based, market-oriented economic growth in Togo. Development of a strong vibrant private sector is critical to the achievement of this objective.

Host Country and Other Donors: A.I.D., working closely with the World Bank, United Nations Development Program, the European Economic Community, along with other bilateral and multilateral donors are involved in efforts to strengthen the private sector and increase its contribution to Togo's economic growth.

Beneficiaries: The project will contribute to an increased number of newly employed persons in the private sector. Other beneficiaries will be private sector businessmen and women, including private enterprise owners and their employees.

Major Outputs: Increased number of profitable small and medium private enterprises; increased quantity of agricultural products transformed, marketed, and exported; strengthened business associations and networks; increased regional and international exports; increased foreign and domestic investment in Togo; and improved policy environment for private business development.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	6,000
Training	3,000
Technical Services & Support to private enterprises	3,500
Technical Services & Grants to business associations	1,000
Evaluation and Studies	<u>500</u>
Total	14,000

UGANDA

Total U.S. Aid \$ 237 Million (1954-90)
 Ratio of U.S. Aid To Total ODA 6.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.12 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 250
 Average Annual Real Per Capita GNP Growth Rate (1965-89) -3.0%
 Government Budgetary Expenditures as a % of GNP... (.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP... (1989) 36.8%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 116
 As % of Total Export Earnings..... (1989) 44.8%

POPULATION

Total Population...(Thousands, Mid 1991) 18,690
 Population Growth Rate..... (1978) 3.0% (1992) 3.7%
 Population (1991) By Age Group:
 (0-14yrs) 49.2% (15-64yrs) 48.6% (65+ yrs) 2.1%
 Married Women Aged 15-44 yrs. Using Contraception... (.) . %
 Total Fertility Rate...(1970) (1991) 7.3

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 82%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports PETROLEUM PRODUCTS; MACHINERY; COTTON GOODS
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %
 Major Exports COFFEE; COTTON; TEA
 Trading Partners: KENYA; UNITED KINGDOM; UNITED STATES

AGRICULTURE

Agricultural Production as % of GDP...(1988) 67%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Beverages ; Fibers ; Oil crops & fe
 Ag. Imports:(1989) Dairy products ; Sugar ; Cereals

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2070
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 50.9 Male 49.9 Female 52.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 94
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 63% (1990) Measles 40% (1990)
 Diphtheria(DPT3) 42% (1990) Polio(3) 42% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 21%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 70.0 Female .
 Secondary (1988) Total 8.0 Female .
 Adult Literacy Rate (1985) Male 70% (1985) Female 45%

UGANDA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	725	0	0
DEVELOPMENT FUND FOR AFRICA	43,765	38,000	33,200
PL 480 - TITLE II ^a	1,948	3,186	3,263
PL 480 - TITLE III ^a	7,100	10,000	10,000
TOTALS	53,538^{bcd}	51,186	46,463

a. See Food for Peace section of statistical annex for program detail.
b. Excludes \$2,850,000 of FY 1991 bilateral funding obligated through regional and central projects.
c. Includes \$2,000,000 in DFA from the FY 1990 Dire Emergency Supplemental Appropriations Act (P.L. 101-302).
d. Includes \$725,000 in FY 1991 DA funds.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	10	12	15
FOREIGN NATIONAL	4	4	4
TOTALS	14	16	19

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	35	29	64	25	6	31	9	4	13
REGIONAL ^e	11	19	30	11	13	24	11	17	28
THIRD COUNTRY									
BILATERAL ^d	0	10	10	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	46	58	104	36	19	55	20	21	41

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

UGANDA

Development Problem

Uganda is passing through a structural transition from recovery to growth. With economic growth rates averaging over 5% since 1986, Uganda's economy is beginning to recover from the turbulence and stagnation of the 1970s and early 1980s. Inflation has been reduced from nearly 300% to approximately 30% in 1991 through much-improved fiscal and monetary management. Sustained economic growth, coupled with stable leadership and demonstrated government commitment to economic reform, characterize this transition period, allowing Uganda to find its economic balance. Reflecting favorable Government of Uganda (GOU) policy reforms and renewed public confidence, private enterprise is re-emerging.

Uganda still faces formidable obstacles. The economy remains based on agriculture, and much-needed foreign exchange must be derived from agricultural exports such as coffee and cotton, which continue to face unfavorable international markets. The institutions and infrastructure that served the economy at independence are now weak and antiquated, and without external support the GOU lacks the resources to rebuild. Extremely low revenues relative to the gross national product preclude adequate provision of public services. Combined economic and population growth increasingly tax Uganda's natural resources. Participatory democracy is not yet a prevalent concept, though important strides are being made. In addition to the challenges of socio-economic adjustment and renewal, Ugandans must cope with the devastating, widespread scourge of the acquired immunodeficiency (AIDS) human immunodeficiency virus (HIV).

A.I.D. Strategy

The A.I.D. strategy to assist Ugandan recovery has three aspects. First, assistance is being provided to raise productivity and incomes in agriculture, the principal source of national production and exports. Second, the program broadens services in the social sectors with emphasis on primary education and health, especially AIDS prevention. Third, the strategy supports improved environmental and natural resource conservation and management. Generating the public and private sector resources to sustain these efforts, and implementing supportive policy reforms, are particular strategic priorities. Considerable success has been achieved in the first area. At the farm level, Ugandans in A.I.D.-supported production programs have tripled potato yields (a Ugandan staple) in the past two years. Non-coffee exports tripled since 1989. Most importantly, national agricultural income has grown about 5% percent annually over the past four years.

Other Donors

Estimated official foreign assistance to Uganda in 1991 is \$850 million. Of this, about \$260 million was bilateral aid, one-fifth of which was provided by the United States, the second largest bilateral donor and fifth ranking donor overall. In 1991, donors funded both projects and balance of payments support. In 1992, an expected \$250-\$300 million in balance of payments assistance will support the new market-based foreign exchange auction system. Principal donor programs continue to focus on agriculture, especially exports (A.I.D. and the World Bank), health and AIDS (A.I.D. and the United Nations Development Program), and parastatal divestiture (the World Bank).

FY 1993 Program

A total of \$33.2 million in DFA is requested, of which \$22.2 million will fund ongoing programs in educational reform, natural resource management, family planning, and policy analysis. An additional \$11 million will build on currently successful activities with a new initiative, Agricultural Marketing and Institutional Strengthening. A \$13 million P.L. 480 program will encourage food security through economic policies that promote rural enterprise and incomes, and support community-based cooperatives.

Mission Director: Keith Sherper

UGANDA

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Agricultural Marketing and Institutional Strengthening		PROJECT NUMBER 617-0125 (X) GRANT [] LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 1,000 DFA		LIFE OF PROJECT FUNDING 25,000 DFA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998	

Purpose: To surmount the critical constraints to agricultural production, marketing and services.

Project Description: By African standards, Uganda has a highly diversified and favorable agriculture production base. Yet crop yields and farm productivity are far below potential as demonstrated by the high levels achieved in the late 1960s and early 1970s. This is largely due to inappropriate policies and deterioration in crop germplasm, farm-level technology, infrastructure (especially feeder roads), rural markets and marketing systems, inadequate availability of imported inputs, and limited agro-processing facilities.

The project addresses these constraints in several ways: It will build capacity in the areas of marketing management and related systems. Ties will be promoted between U.S. universities and Ugandan organizations to create an exchange of knowledge and skills in agriculture and agri-business. The project will develop relationships between the network of International Agricultural Research Centers (IARCs) and Ugandan institutions through exchange of plant breeding material and technical expertise. The aim is to make available to Ugandan farmers, through the private sector, locally adapted high-yield seeds. The project will help the National Agriculture Research Organization develop a socio-economic analysis unit to measure impact and growth in the sector. It will strengthen the ability of farmers organizations to represent producers' interests in the process of agriculture policy development. Women's interests will be emphasized.

Sustainability: The major focus of this project is on self-financed private sector development. In improving services, no new public agencies will be established; rather, existing ones will become more effective.

Relationship to A.I.D. Strategy: Increasing agricultural productivity and market efficiency is central to the A.I.D. strategy. This project squarely addresses this objective by improving policies, agricultural production, and marketing systems and services.

Host Country and Other Donors: The Government of Uganda is committed to increasing agriculture production and exports. It is already collaborating with A.I.D. and other donors, notably the World Bank, Food and Agriculture Organization, and the European Economic Community, to this end.

Beneficiaries: Agricultural producers and agribusiness entrepreneurs, Makerere University staff and government agricultural employees associated with project activities. A more efficient market system and broader farmer participation will especially benefit small-scale producers, the majority of whom are women.

Major Outputs: 1) A more responsive and efficient marketing system (improved storage, quality control, market information); 2) Strong linkages with international research organizations that result in improved crop varieties and crop management; 3) Increased capacity in terms of management and analytic skills and technical knowledge among those involved in various aspects of research, production and marketing; and 4) More effective farmer participation in national policy and decision-making processes affecting agriculture.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Linkages with IARCs	3000
Training	6000
Technical Assistance	7000
Equipment	4000
Local Cost Support	<u>5000</u>
Total	25,000

Zambia

ZAMBIA

Total U.S. Aid \$ 477 Million (1953-90)
 Ratio of U.S. Aid To Total ODA 5.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.31 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 390
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) -2.0%
 Government Budgetary Expenditures as a % of GNP...(1988) 37.9%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 770
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -268 (1988) -419 (1989) -200

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 82.2%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 153
 As % of Total Export Earnings..... (1989) 11.0%

POPULATION

Total Population...(Thousands, Mid 1991) 8,446
 Population Growth Rate..... (1978) 2.8% (1992) 3.5%
 Population (1991) By Age Group:
 (0-14yrs) 48.7% (15-64yrs) 48.9% (65+ yrs) 2.4%
 Married Women Aged 15-44 yrs. Using Contraception...() %
 Total Fertility Rate...(1970) (1991) 6.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 70%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) -1(87) 86(88) 62
 Total Imports(\$ Millions, US) () () (88) 987
 Of Which % From U.S.() %
 Major Imports MACHINERY & TRANSPORT EQUIP; FOODS; FUELS; MANUFACTU
 Total Exports(\$ Millions, US) (1986) 759(87) 894(88) 1,049
 Of Which % to U.S.() %
 Major Exports COPPER; ZINC; COBALT; LEAD; TOBACCO
 Trading Partners: JAPAN; UNITED KINGDOM; SAUDI ARABIA

AGRICULTURE

Agricultural Production as % of GDP...(1988) 14%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Fibers ; Tobacco and pr; Sugar
 Ag. Imports:(1989) Cereals ; Vegetable oils; Vegetables, fr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2094
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 56.4 Male 54.8 Female 58.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 79
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 97% (1991) Measles 76% (1991)
 Diphtheria(DPT3) 79% (1991) Polio(3) 77% (1991)

Population with Reasonable Access to Safe Water Supply
 (1985) 58%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 97.0 Female 92.0
 Secondary (1985) Total 17.0 Female 13.0
 Adult Literacy Rate (1985) Male 84% (1985) Female 67%

ZAMBIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	2,586	10,000	15,000
ECONOMIC SUPPORT FUND	19,415	0	0
PL 480 - TITLE IIa	0	1,962	0
PL 480 - TITLE IIIa	0	18,000	18,000
TOTALS	22,001^{bcd}	29,962	33,000

a. See Food for Peace section of statistical annex for program detail.
 b. Excludes \$2,814,000 of FY 1991 bilateral funding obligated through regional projects.
 c. Includes \$1,920,000 in DFA from the FY 1990 Dire Emergency Supplemental Appropriations Act (P.L. 101-302).
 d. Includes \$19,415,000 of ESF prior-year deobligated funds reobligated in FY 1991.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	8	7	7
FOREIGN NATIONAL	4	4	5
TOTALS	12	11	12

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	32	7	39	0	7	7	0	2	2
REGIONAL ^e	23	14	37	23	14	37	15	12	27
THIRD COUNTRY									
BILATERAL ^d	0	4	4	0	14	14	0	4	4
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	55	25	80	23	35	58	15	18	33

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

ZAMBIA

Development Problem

Following successful multiparty presidential and parliamentary elections in October 1991, the new Zambian Government has acknowledged that it faces enormous challenges. The fundamental development challenge is the restructuring and diversification of the economy. The structural problems to be addressed are over-dependence on copper and a bloated parastatal sector. The best potential for diversification and growth is in agriculture. The Government's immediate priorities are to move aggressively on privatizing the economy and improving economic management to achieve macroeconomic stability. The U.S. has a special interest in assisting the current Zambian Government to achieve the goal of economic stabilization, to demonstrate support for the democratic, peaceful change that has taken place and for the new Government's political and economic restructuring efforts.

A.I.D. Strategy

The major thrust of A.I.D.'s program is to help reform the pricing and institutional policies that have stymied agricultural production and trade. An important recent accomplishment was the Government's establishment of a new structure of price incentives for corn (the major staple food) production and marketing. A.I.D. and other donor efforts have also been instrumental in encouraging the new Government's adoption of market-oriented policies for distribution of agricultural inputs, particularly fertilizer, and an ambitious privatization program. PL 480 Title III food resources will augment project assistance and policy dialogue in support of maize marketing reform.

A.I.D. is also concentrating effort on increasing the availability of Human Immune Deficiency Virus/Acquired Immune Deficiency Syndrome (HIV/AIDS) prevention interventions and increasing resource commitments from public and private sectors to reduce the high rate of HIV/AIDS transmission.

A third focus, enhancement of economic and political pluralism, supports the political-economic strategy of the new government which emphasizes democratic, market-oriented principles.

Other Donors

In 1989, the United States was the ninth largest bilateral donor, providing about 5% of bilateral funding. The other leading bilateral donors are Japan, Sweden, Norway, the United Kingdom, Germany, England, Italy, and the Netherlands. The European Economic Community (EEC) and the African Development Fund are the most active multilateral donors. A.I.D. collaborates with these donors to promote agriculture sector reform, food security and private sector development.

FY 1993 Program

A.I.D. requests \$15 million from the Development Fund for Africa and \$18 million of P.L. 480 resources in FY 1993 for the continued support of economic restructuring favoring the private sector and for HIV/AIDS prevention activities.

Mission Director: Fred E. Winch

PROJECT TITLE Agriculture Sector Adjustment Program		PROJECT NUMBER 611-0222 (PA) 611-0223 (NPA) <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 \$3,500 (DFA)PA		LIFE OF PROJECT FUNDING \$5,000(DFA)PA \$20,000 (DFA)NPA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1994	ESTIMATED PROJECT COMPLETION FY 1995	

Purpose: To assist the Zambian Government (GRZ) in the identification and implementation of appropriate market-oriented economic policy changes designed to promote private sector growth and development.

Project Description: It is anticipated that by 1993 significant progress will have been made towards maize market liberalization. Given Zambia's inexperience with a market economy, production and marketing inefficiencies can be expected to persist. Technical assistance will be required to conduct the analyses, develop policy, and monitor the benefits associated with market liberalization and overall economic restructuring. Equally important will be identifying approaches to reduce the social costs associated with economic restructuring.

The GRZ has no experience in determining what oversight of the private sector will best serve the public's interest. The best means of assisting the GRZ with the sectoral reform process will be through direct technical assistance in economic analysis, policy formulation, and management of the reform process itself. Highly relevant on-the-job skill development will be provided by senior level technical advisors placed in the key economic ministries (e.g. Development Planning, Finance, Commerce and Industry, and Agriculture).

Sector assistance will provide balance-of-payments support. The foreign exchange provided will be disbursed through the Central Bank's market-based Open General License (OGL) foreign exchange system. A.I.D.'s sector assistance will increase import capacity to the benefit of the agriculture sector, which is the primary source of non-traditional exports.

Sustainability: Agriculture policy reform and food security will remain high on the GRZ policy agenda. The proposed project seeks to facilitate sectoral economic liberalization with positive overall results in the near term. Public perception of benefits will be important for the reforms to endure.

Relationship to A.I.D. Strategy: Improving the economic performance of the agriculture sector is one of three strategic objectives of the A.I.D. Country Strategy. The subject activity will follow-on and replace the existing Agriculture Training, Planning and Institutional Development II project as the primary means by which A.I.D. assists the GRZ in formulating and managing the implementation of policy change.

Host Country and Other Donors: The new GRZ leadership is committed to further liberalizing the sector and creating an enabling environment for private sector growth and development in agriculture. A.I.D. is the lead donor on agricultural market liberalization, a key element of the GRZ/IMF/World Bank policy framework plan.

Beneficiaries: The ultimate beneficiaries of the project will be private producers, marketing agents and consumers. The most immediate beneficiary will be the GRZ, with improved policy-making capabilities, and more specifically, trained analysts whose technical, economic and managerial skills will be enhanced.

Major Outputs: An improved policy environment providing incentives to competitive, efficient agricultural production, marketing, processing, and distribution; increased capability of GRZ technical staff to understand and promote market-based economic policies; and improved information and analysis for policy makers.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

NPA: Import Support	20,000
PA: Technical Assistance, Evaluation, Program Management, Audit and Training	4,000
	<u>1,000</u>
Total	25,000

PROJECT TITLE Private Sector Development		PROJECT NUMBER 611-0227 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 2,000 DFA	LIFE OF PROJECT FUNDING 5,000 DFA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1995	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To promote individual initiative, economic competition, increased investment, and improved productivity.

Project Description: Zambia's history of centralized economic management and discouragement of private investment activity effectively stifled entrepreneurial ventures and the development of an environment to support private sector growth. With the adoption of reforms to restructure the economy along market-oriented lines, an enabling environment conducive to private investment and increased productivity is beginning to emerge. Additional reforms are still required, including strengthening the managerial capacity of private enterprises to make them more competitive and self-reliant.

This project will provide a broad range of advisory services to private enterprises through short and long-term technical assistance, training, and commodity support to enhance their managerial and competitive potential. Utilizing non-government organizations and other means, it will provide assistance in such areas as attracting foreign investment, technological choice, management, feasibility studies, market analyses and export market linkages.

The project will also finance studies and analyses to determine what other assistance may be required to develop the full potential of private enterprise. Legal, regulatory and systemic constraints will be investigated.

Sustainability: The project seeks to improve the competitiveness and overall viability of private enterprise. It will be impossible for the Zambian economy to work its way out of recession and effect economic stabilization and structural transformation without domestic resource mobilization, external investment and sustained growth in the private sector.

Relationship to A.I.D. Strategy: This project is integral to A.I.D.'s strategy for broadening economic pluralism and generating growth through greater reliance on private initiative and investment, and competitive market forces.

Host Country and Other Donors: The new government leadership is promising the creation of an enabling environment and less government interference in a private market economy. Government divestiture of parastatals, which presently dominate the industrial sector, is underway with World Bank assistance. The International Labor Organization and the United Nations Industrial Development Organization support entrepreneurial skills training and small-scale credit programs.

Beneficiaries: Immediate beneficiaries will be small and medium-sized private business owners and operators. Ultimately, the overall economy and end-consumers will benefit from improved economic efficiency and productivity.

Major Outputs: Increased private economic activity, output, trade volume, and productivity.

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

Technical Assistance	3,500
Management and Evaluation	800
Training	500
Commodities	<u>200</u>
Total	5,000

ZIMBABWE

Total U.S. Aid \$ 385 Million (1954-90)
 Ratio of U.S. Aid To Total ODA 5.8% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.16 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 650
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 1.0%
 Government Budgetary Expenditures as a % of GNP...(1987) 44.1%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1990) 2,629
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1988) -557 (1989) -524 (1990) -464

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 44.6%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 376
 As % of Total Export Earnings..... (1989) 20.4%

POPULATION

Total Population...(Thousands, Mid 1991) 10,720
 Population Growth Rate..... (1978) 2.0% (1992) 2.9%
 Population (1991) By Age Group:
 (0-14yrs) 47.5% (15-64yrs) 49.8% (65+ yrs) 2.7%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 43.1%
 Total Fertility Rate...(1970) (1991) 5.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 69%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1985) 53(86) 214(87) 220
 Total Imports(\$ Millions, US) () () (87) 1,458
 Of Which % From U.S.() .%
 Major Imports MACHINERY & TRANSPORT EQUIP; OTHER MANUFACTURES
 Total Exports(\$ Millions, US) (1985) 1,302(86) 1,535(87) 1,679
 Of Which % to U.S.() .%

Major Exports AG. PRODUCTS; MANUFACTURES; GOLD
 Trading Partners: SOUTH AFRICA; UNITED KINGDOM; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 10%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Tobacco and pr ; Fibers ; Sugar
 Ag. Imports:(1989) Cereals ; Tobacco and pr; Vegetable oils

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2096
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 61.7 Male 59.8 Female 63.6
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 61
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 71% (1990) Measles 69% (1990)
 Diphtheria(DPT3) 73% (1990) Polio(3) 72% (1990)
 Population with Reasonable Access to Safe Water Supply
 () .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 128.0 Female 126.0
 Secondary (1988) Total 46.0 Female 42.0
 Adult Literacy Rate (1985) Male 81% (1985) Female 67%

ZIMBABWE

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	10,535	10,000	15,000
TOTALS	10,535a	10,000	15,000

a. Includes \$80,277 of DFA Section 517 no-year funds reobligated in FY 1991.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	12	11	12
FOREIGN NATIONAL	5	5	5
TOTALS	17	16	17

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	9	1	10	7	6	13	7	10	17
REGIONAL ^e	9	1	10	7	12	19	6	10	16
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	10	10	0	20	20
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	18	2	20	14	28	42	13	40	53

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

ZIMBABWE

Development Problem

Zimbabwe has the largest, most diversified economy among the majority-ruled nations of southern Africa, with gross domestic product growth averaging 4% since independence in 1980. In the ten years following independence, Zimbabwe focused its resources on equity, dramatically improving the health and education of its population. This single-minded focus on equity, however, contributed to poor economic growth compounded by declining terms of trade, drought and severe import compression. Despite an upturn in growth from 1988-1990, past low levels of fixed capital formation, a population growth rate of 2.9%, and inadequate private sector expansion are placing severe pressure on the labor market, housing and housing financing availabilities.

A.I.D. Strategy

Recognizing the need for growth resurgence, the Government of Zimbabwe (GOZ) embarked on a World Bank-endorsed structural adjustment program (SAP) in 1991 to re-orient Zimbabwe's macroeconomic, trade and sectoral policies (including wage, price and foreign exchange controls) to promote investment and generate employment. The A.I.D. program is designed to support the private sector's capacity to respond to this liberalized economic environment, and to support SAP sectoral objectives in agricultural marketing and housing. Private sector support is focused on expanding the base of participation in the economy by strengthening the capacity and environment for competitiveness, encouraging the creation of export processing zones, and facilitating sub-contracting spin-offs and other mechanisms which broaden economic participation. A private sector housing investment guaranty (HIG), with a complementary housing and housing finance policy-based grant program, addresses constraints to the availability of lower-income housing and housing finance and shifts responsibility for the provision of such housing from the public to the private sector. To promote market principles, the Grain Marketing Reform Support Program provides a sector grant conditioned upon GOZ implementation of grain marketing policy reforms directed to a lower-cost, more competitive private grain trading system. A.I.D. continues to assist critical country initiatives in human immunodeficiency virus (HIV) acquired immunodeficiency syndrome (AIDS) control and in strengthening Zimbabwe's impressive family planning service, including enhance cost recovery and private sector participation. Over the past five years, contraceptive usage in Zimbabwe has increased from 36% to 43%, with a 1.2% decline in fertility.

Other Donors

The United States is Zimbabwe's seventh largest bilateral donor. Significant donor inflows are anticipated in the near future to support the SAP, the largest of which will be from the International Monetary Fund, African Development Bank and World Bank. A.I.D. coordinates with the World Bank in all A.I.D.'s sector investments and closely monitors Government implementation of the SAP.

FY 1993 Program

A.I.D. requests \$15 million from the Development Fund for Africa in FY 1993 to continue support for private enterprise development, family planning and expanded AIDS initiatives, and grain marketing policy reforms.

Mission Director: Ted D. Morse

PROJECT TITLE Zimbabwe Housing Sector Assistance Program		PROJECT NUMBER 613-0236 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 5,000 DFA	LIFE OF PROJECT FUNDING 30,000 DFA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To improve the delivery system for low cost housing.

Project Description: The program will support policy reforms to enable Zimbabwe to proceed with its financial sector reforms envisioned under the Economic Structural Adjustment Program (ESAP) while establishing a system to meet the demand for low cost housing on a sustainable basis by significantly expanding private sector participation. The program will address three primary constraints: (a) An insufficient supply of construction plant and materials, resulting in costly delays in construction; (b) Inadequate incentives for attracting financial resources to housing, resulting in limited availability of mortgage finance for low income housing; and (c) Outdated regulations which hinder needed site development and which unnecessarily increase the cost of low income shelter, resulting in low or no incentives for private sector participation in the sector. The program will support specific policy reforms to alleviate each of the three major constraint areas.

Sustainability: The key concern addressed by the program is the establishment of an appropriate enabling environment to attract private participation in the housing market, thus reducing government involvement. If successful, the system should operate with largely private resources on a self-sustaining basis beyond A.I.D. involvement.

Relationship to A.I.D. Strategy: The program is consistent with USAID/Zimbabwe's strategic objective of enhanced private sector capacity in support of economic growth and liberalization. The Mission is exploring the use of private sector efficiency models, stimulating increased Government recognition of areas of private sector competence, and seeking opportunities to develop indigenous capacities.

Host Country and Other Donors: The program will be coordinated with a U.S. \$50 million World Bank loan, Urban II, which requires GOZ counterpart funds. GOZ expenditures on low cost housing will be identified for attribution to program counterpart requirements.

Beneficiaries: Low income households will have increased access to mortgage financing for acquisition of shelter; construction costs for low income houses will be reduced by approximately 40 percent; and substantial employment opportunities for the semi-skilled and un-skilled will be generated.

Major Outputs: Increased efficiency and capacity in the private construction sector; expanded capital market opportunities to invest in housing finance institutions; reduced and rationalized Government role in the urban land and infrastructure delivery system; 6,200 jobs in the construction and related service industries; 80,000 low-cost plots.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Low Income Mortgages	10,000
Private Sector Imports	16,900
Technical Assistance and Training	3,000
Monitoring and Evaluation	<u>100</u>
Total	30,000

Small Country
Programs

CENTRAL AFRICAN REPUBLIC
 Total U.S. Aid \$ 55 Million (1961-90)
 Ratio of U.S. Aid To Total ODA 2.8% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.18 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 390
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) -1.0%
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (1987) 290 () (1988) 282
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () (1981) -25

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 59.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 13
 As % of Total Export Earnings..... (1989) 6.0%

POPULATION

Total Population...(Thousands, Mid 1991) 2,952
 Population Growth Rate..... (1978) 2.2% (1992) 2.6%
 Population (1991) By Age Group:
 (0-14yrs) 42.2% (15-64yrs) 54.4% (65+ yrs) 3.4%
 Married Women Aged 15-44 yrs. Using Contraception...() . %
 Total Fertility Rate...(1970) (1991) 5.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 65%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () ()
 Total Imports(\$ Millions, US) () () ()
 Of Which % From U.S.() . %
 Major Imports FOOD; TEXTILES; PETROLEUM PRODUCTS, MACHINERY
 Total Exports(\$ Millions, US) () () ()
 Of Which % to U.S.() . %
 Major Exports DIAMONDS; COTTON; COFFEE; TIMBER; TOBACCO
 Trading Partners: FRANCE; COUNTRIES OR A; BELGIUM-LUXEMB

AGRICULTURE

Agricultural Production as % of GDP...(1988) 42%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Beverages ; Fibers ; Live animals
 Ag. Imports:(1989) Sugar ; Cereals ; Tobacco and pr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2005
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 47.1 Male 45.4 Female 48.6
 (1970) Total . Male . Female
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 138
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 96% (1991) Measles 82% (1991)
 Diphtheria(DPT3) 82% (1991) Polio(3) 82% (1991)
 Population with Reasonable Access to Safe Water Supply
 () .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 66.0 Female 51.0
 Secondary (1987) Total 12.0 Female 6.0
 Adult Literacy Rate (1985) Male 53% (1985) Female 29%

COMOROS

Total U.S. Aid \$ 11 Million (1980-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.33 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 450
 Average Annual Real Per Capita GNP Growth Rate.(. . .) . %
 Government Budgetary Expenditures as a % of GNP...(. .) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (. .) (. .) (1987) 70
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1984) -20 (1985) -18 (1986) -14

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (. .)
 External Public Debt as % of GNP...(1989) 81.6%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1
 As % of Total Export Earnings..... (1989) 1.5%

POPULATION

Total Population...(Thousands, Mid 1991) 477
 Population Growth Rate..... (1978) 3.0% (1992) 3.5%
 Population (1991) By Age Group:
 (0-14yrs) 47.6% (15-64yrs) 49.4% (65+ yrs) 3.0%
 Married Women Aged 15-44 yrs. Using Contraception...(. .) . %
 Total Fertility Rate...(1970) (1991) 7.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (. .)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 80%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (. .) (. .) (. .)
 Total Imports(\$ Millions, US) (. .) (. .) (. .)
 Of Which % From U.S.(. .) . %
 Major Imports RICE; OTHER FOODS; CEMENT; PETROLEUM PRODUCTS
 Total Exports(\$ Millions, US) (. .) (. .) (. .)
 Of Which % to U.S.(. .) . %
 Major Exports VANILLA; CLOVES; PERFUME OIL; COPRA
 Trading Partners: FRANCE; UNITED STATES; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1987) 36%
 Disposable Income Spent On Food
 Food: . % (. .)
 Ag. Exports:(1989) Oil crops & fe ; Beverages ; Cereals
 Ag. Imports:(1989) Cereals ; Meat products ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2317
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 56.5 Male 54.4 Female 58.5
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 86
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 99% (1990) Measles 87% (1990)
 Diphtheria(DPT3) 94% (1990) Polio(3) 94% (1990)
 Population with Reasonable Access to Safe Water Supply
 (. .) . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 92.0 Female .
 Secondary (1986) Total 36.0 Female 24.0
 Adult Literacy Rate (. .) Male . % (. .) Female . %

CONGO

Total U.S. Aid \$ 31 Million (1961-90)
 Ratio of U.S. Aid To Total ODA 1.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.07 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 940
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1983) 815
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1981) 50 (1982) -284 (1983) -70

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 176%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 270
 As % of Total Export Earnings..... (1989) 22.7%

POPULATION

Total Population...(Thousands, Mid 1991) 2,309
 Population Growth Rate..... (1978) 3.5% (1992) 2.9%
 Population (1991) By Age Group:
 (0-14yrs) 44.8% (15-64yrs) 52.1% (65+ yrs) 3.1%
 Married Women Aged 15-44 yrs. Using Contraception...() . %
 Total Fertility Rate...(1970) (1991) 5.7

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 60%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1984) 351(85) 253(86) -256
 Total Imports(\$ Millions, US) () () (86) 992
 Of Which % From U.S.() . %
 Major Imports FOODS; CONSUMER GOODS; MANUFACTURES; CAPITAL EQUIP
 Total Exports(\$ Millions, US) (1984) 1,352(85) 1,228(86) 737
 Of Which % to U.S.() . %
 Major Exports CRUDE PETROLEUM; LUMBER; PLYWOOD; COFFEE; COCOA
 Trading Partners: UNITED STATES; FRANCE; ITALY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 15%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Sugar ; Beverages ; Tobacco and pr
 Ag. Imports:(1989) Meat products ; Cereals ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2240
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 54.1 Male 52.3 Female 55.8
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 108
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 90% (1990) Measles 75% (1990)
 Diphtheria(DPT3) 79% (1990) Polio(3) 79% (1990)
 Population with Reasonable Access to Safe Water Supply
 () .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary () Total Female
 Secondary () Total Female
 Adult Literacy Rate (1985) Male 71% (1985) Female 55%

EQUATORIAL GUINEA

Total U.S. Aid \$ 14 Million (1981-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.37 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 390
 Average Annual Real Per Capita GNP Growth Rate.(. - .) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 164%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 0
 As % of Total Export Earnings..... (1989) 0.6%

POPULATION

Total Population...(Thousands, Mid 1991) 379
 Population Growth Rate..... (1978) 1.0% (1992) 2.6%
 Population (1991) By Age Group:
 (0-14yrs) 42.9% (15-64yrs) 53.3% (65+ yrs) 3.9%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) 5.6 (1991) 5.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 57%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) .%
 Major Imports PETROLEUM; FOOD & BEV.; CLOTHING; MACHINERY
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) .%
 Major Exports COFFEE; TIMBER; COCOA BEANS
 Trading Partners: SPAIN; CAMEROON; ITALY

AGRICULTURE

Agricultural Production as % of GDP...(.) .%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Beverages ; Cereals ; Dairy products
 Ag. Imports:(1989) Cereals ; Vegetable oils; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(.)
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 50.7 Male 48.8 Female 52.8
 (1970) Total 38.8 Male 37.3 Female 40.5
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 110
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 97% (1991) Measles 88% (1991)
 Diphtheria(DPT3) 78% (1991) Polio(3) 75% (1991)

Population with Reasonable Access to Safe Water Supply
 (.) .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1983) Total 108.0 Female .
 Secondary (1982) Total 9.0 Female .
 Adult Literacy Rate (.) Male .% (.) Female .%

393

MAURITIUS

Total U.S. Aid \$ 77 Million (1958-90)
 Ratio of U.S. Aid To Total ODA 10.2% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.58 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,990
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP... () %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1990) 603
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1988) 6 (1989) -31 (1990) -21

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 31.1%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 86
 As % of Total Export Earnings..... (1989) 5.9%

POPULATION

Total Population...(Thousands, Mid 1991) 1,083
 Population Growth Rate..... (1978) 1.8% (1992) 0.9%
 Population (1991) By Age Group:
 (0-14yrs) 29.5% (15-64yrs) 65.0% (65+ yrs) 5.4%
 Married Women Aged 15-44 yrs. Using Contraception...(1985) 75.3%
 Total Fertility Rate...(1970) (1991) 2.1

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 24%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -106(89) -162(90) -220
 Total Imports(\$ Millions, US) () () (90) 1,893
 Of Which % From U.S.() %
 Major Imports MANUFACTURES; CAPITAL EQUIP; FOODS; PETROLEUM PRODUC
 Total Exports(\$ Millions, US) (1988) 1,382(89) 1,400(90) 1,673
 Of Which % to U.S.() %
 Major Exports TEXTILES; SUGAR; LIGHT MANUFACTURES
 Trading Partners: UNITED KINGDOM; FRANCE; UNITED STATES

AGRICULTURE

Agricultural Production as % of GDP...(1988) 11%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Sugar ; Beverages ; Meat products
 Ag. Imports:(1989) Cereals ; Dairy products; Fibers

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2743
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 69.2 Male 65.5 Female 73.1
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 22
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 94% (1990) Measles 84% (1990)
 Diphtheria(DPT3) 90% (1990) Polio(3) 90% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 100%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 106.0 Female 107.0
 Secondary (1987) Total 51.0 Female 50.0
 Adult Literacy Rate (1985) Male 89% (1985) Female 77%

SAO TOME & PRINCIPE
 Total U.S. Aid \$ 9 Million (1977-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.85 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 340
 Average Annual Real Per Capita GNP Growth Rate.(. - .) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(1989) 277%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 4
 As % of Total Export Earnings..... (1989) 37.6%

POPULATION

Total Population...(Thousands, Mid 1991) 129
 Population Growth Rate..... (1978) 2.9% (1992) 2.9%
 Population (1991) By Age Group:
 (0-14yrs) 42.0% (15-64yrs) 53.2% (65+ yrs) 4.8%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) (1991) 5.3

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(.) . %

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports MACHINERY & ELECTRICAL EQUIP; FOOD
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %

Major Exports COCOA; COPRA; COFFEE; PALM OIL

Trading Partners: PORTUGAL; ITALY; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(.) ; ;
 Ag. Imports:(.) ; ;

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(.)
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 65.7 Male 63.7 Female 67.7
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 59
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) . % (.) Measles . % (.)
 Diphtheria(DPT3) . % (.) Polio(3) . % (.)

Population with Reasonable Access to Safe Water Supply
 (1985) 42%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 138.0 Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (.) Male . % (.) Female . %

SIERRA LEONE
 Total U.S. Aid \$ 193 Million (1952-90)
 Ratio of U.S. Aid To Total ODA 13.7% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.31 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 220
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 0.0%
 Government Budgetary Expenditures as a % of GNP...(1985) 12.3%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 57.6%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 2
 As % of Total Export Earnings..... (1988) 5.0%

POPULATION

Total Population...(Thousands, Mid 1991) 4,405
 Population Growth Rate..... (1978) 1.8% (1992) 1.2%
 Population (1991) By Age Group:
 (0-14yrs) 43.1% (15-64yrs) 53.7% (65+ yrs) 3.2%
 Married Women Aged 15-44 yrs. Using Contraception...(.) %
 Total Fertility Rate...(1970) (1991) 6.1

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 64%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) -6(87) 5(88) 34
 Total Imports(\$ Millions, US) (.) (.) (88) 159
 Of Which % From U.S.(.) %
 Major Imports CAPITAL GOODS; FOOD; PETROLEUM; CONSUMER GOODS
 Total Exports(\$ Millions, US) (1986) 53(87) 74(88) 194
 Of Which % to U.S.(.) %
 Major Exports RUTILE; BAUXITE; COCOA; DIAMONDS; COFFEE
 Trading Partners: NIGERIA; UNITED KINGDOM; BELGIUM-LUXEMB

AGRICULTURE

Agricultural Production as % of GDP...(1988) -60%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Beverages ; Tobacco and pr; Vegetables, fr
 Ag. Imports:(1989) Cereals ; Live animals ; Beverages

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 1798
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 44.8 Male 42.1 Female 47.6
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 151
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 98% (1990) Measles 75% (1990)
 Diphtheria(DPT3) 83% (1990) Polio(3) 83% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 26%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1982) Total 54.0 Female 44.0
 Secondary (1982) Total 17.0 Female .
 Adult Literacy Rate (1985).Male 38% (1985) Female 21%

SMALL COUNTRY PROGRAMS

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	6,186 ^b	8,010	4,320
PL 480 - TITLE Ia	5,000	0	0
PL 480 - TITLE IIa	2,239	3,532	965
TOTALS	13,425	11,542	5,285

a. See Food for Peace section of statistical annex for program detail.
b. Excludes \$1,282,000 of FY 1991 bilateral funding obligated through regional and central projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	0	0	0
FOREIGN NATIONAL	0	0	0
TOTALS	0	0	0

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
b. Programs managed in AID/W and by REDSO/ESA.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	17	9	26	15	22	37	5	10	15
REGIONAL ^e	71	32	103	77	30	107	88	20	108
THIRD COUNTRY									
BILATERAL ^d	2	20	22	15	32	47	0	0	0
REGIONAL ^e	4	38	42	5	55	60	9	24	33
TOTALS	94	99	193	112	139	251	102	54	156

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

SMALL COUNTRY PROGRAMS

Development Problem

Africa consists of a large number of small countries exhibiting high rates of poverty and infant mortality combined with low educational attainment levels and life expectancy. These countries have a variety of political and economic models with some in transition to more open systems. Many of them face clearly defined constraints to economic growth which A.I.D. has some experience and comparative advantage in addressing. All lack trained human resources needed to build their societies.

A.I.D. Development Strategy

A.I.D. has adopted a focused development assistance and management strategy for seven small programs in countries where A.I.D. has limited or no staff. These are: Equatorial Guinea, Comoros, Central African Republic, Congo, Mauritius, Sao Tome/Principe, and Sierra Leone. This strategy has been developed in order to provide targeted U.S. assistance to these countries where U.S. expertise is appropriate. A.I.D.'s development assistance programs in each country will fit one or both of the following types of assistance:

Core Programs: All programs may include one or more of the following regionally-funded core elements: (a) Peace Corps Small Project Assistance (SPA), (b) Special Self-Help Fund (SSH), (c) short-term democracy and governance activities, (d) Human Rights Fund, (e) the African Training For Leadership and Skills (ATLAS) project, and (f) P.L. 480 Title II emergency/humanitarian food aid programs (with no monetization). With the exception of the latter, these have minimal A.I.D. U.S. direct-hire (USDH) management requirements.

Core Plus One: In addition to the assistance activities of the core program, a supplemental, bilateral single sector-focused assistance activity may be appropriate in those countries where there is a special U.S. development interest or expertise especially within the U.S. private and voluntary organization (PVO) community. This program activity in most cases, will be proposed, designed and implemented by U.S. and local PVOs.

The FY 1993 core program countries are Equatorial Guinea and Comoros. In FY 1993, A.I.D. will implement core plus one programs in Sierra Leone, Sao Tome and Principe, Central African Republic, Congo and Mauritius. All small programs will be implemented without resident in-country USDH A.I.D. presence. Management responsibilities will rest in either Washington or the Regional Economic Development and Support Offices in Nairobi, Kenya and Abidjan, Cote d'Ivoire.

Other Donors

Close coordination with multilateral and bilateral donors is crucial for implementing efficient and effective program activities so as to best target A.I.D.'s limited human and financial resources in these countries. By focusing its assistance by sector, A.I.D. will be able to better coordinate with a reduced number of other donors.

FY 1993 Program

The following is a description of the individual country programs.

Equatorial Guinea. The core program elements will include SSH, ATLAS training and Peace Corps SPA Program. No bilateral funding will be provided in FY 1993.

Comoros. The core program elements will include SSH and ATLAS training. No

bilateral funding will be provided in FY 1993. With prior-year funds, implementation of the Anjouan Sustainable Agriculture project will continue.

Central African Republic. The core program elements will include Peace Corps SPA, SSH, Human Rights Fund, democracy and governance activities, and ATLAS training. For FY 1993, \$2.7 million is requested to support ATLAS training and a program focus in health. Specifically, incremental financing is required to provide health sector assistance in child survival, human immune deficiency virus and acquired immune deficiency syndrome (HIV/AIDS) prevention and health cost recovery.

Congo. The core program elements will include Peace Corps SPA, SSH, Human Rights Fund, democracy and governance activities, and ATLAS training. For FY 1993, \$900,000 is requested to support ATLAS and a PVO program focus in forest conservation and natural resource management.

Mauritius. The core program elements will include SSH and ATLAS. The one focus area is industrial diversification with prior-year bilateral funding used to support ongoing project activities. No bilateral funding will be provided in FY 1993.

Sao Tome and Principe. The core program elements will include SSH and ATLAS training. The Trilateral Agricultural Assistance Project will be completed at the end of 1992; however, \$270,000 will be provided to support a PVO program focus in the agricultural sector. Specifically, funding will continue to support the development of farmer associations to improve food crop production and marketing.

Sierra Leone. The core program elements will include Peace Corps SPA, SSH, Human Rights Fund, democracy and governance activities and P.L. 480 Title II emergency/humanitarian food aid. A total of \$1.4 million is requested for the Title II food aid program (\$965,000) and a PVO program (\$450,000) focused on small scale, micro-enterprise development.

Office Directors: Myron Golden, Office of Coastal and Central West Africa
David Lundberg, Office of East Africa

SMALL COUNTRY PROGRAMS SUMMARY
(In thousands of dollars)

	<u>FY 1991</u>	<u>FY 1992</u>	<u>FY 1993</u>
CENTRAL AFRICAN REPUBLIC			
Development Fund for Africa	148	3,000	2,700
P.L. 480 Title II	308	0	0
Total	456	3,000	2,700
COMOROS			
Development Fund for Africa	700	1,670	0
CONGO			
Development Fund for Africa	688	1,000	900
P.L. 480 Title II	60	144	0
Total	748	1,144	900
EQUATORIAL GUINEA			
Development Fund for Africa	850	0	0
MAURITIUS			
Development Fund for Africa	3,000	1,500	0
P.L. 480 Title II	33	0	0
Total	3,033	1,500	0
SAO TOME AND PRINCIPE			
Development Fund for Africa	300	300	270
P.L. 480 Title II	518	597	0
Total	818	897	270
SIERRA LEONE			
Development Fund for Africa	500	540	450
P.L. 480 Title I	5,000	0	0
P.L. 480 Title II	1,320	2,791	965
Total	6,820	3,331	1,415
SMALL COUNTRY PROGRAMS TOTAL			
Development Fund for Africa	6,186	8,010	4,320
P.L. 480 Title I	5,000	0	0
P.L. 480 Title II	2,239	3,532	965
GRAND TOTAL	13,425	11,542	5,285

SOUTHERN AFRICA REGIONAL PROGRAM

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	49,278	50,266	50,000
ECONOMIC SUPPORT FUND	246	0	0
TOTALS	49,524ab	50,266	50,000

a. Excludes \$455,000 of FY 1991 funding obligated through regional and central projects.
 b. Includes \$246,000 of ESF prior-year deobligated funds reobligated in FY 1991.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL			
FOREIGN NATIONAL			
TOTALS^b			

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
 b. Program managed by the A.I.D. Mission in Zimbabwe.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	52	35	87	44	20	64	38	20	58
REGIONAL ^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL ^d	0	2	2	0	21	21	0	20	20
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	52	37	89	44	41	85	38	40	78

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

SOUTHERN AFRICA REGIONAL

Development Problem

The Southern Africa Regional Program (SARP) supports the mandate of the Southern Africa Development Coordination Conference (SADCC), comprised of the ten majority-ruled states of southern Africa: Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia and Zimbabwe. With a population of approximately 80 million, these nations form a potentially significant economic region - one which includes five of the world's "least developed countries." Characteristically, the countries of the region rely disproportionately upon a few major agricultural or mining exports, are heavily import dependent, are susceptible to declining terms of trade, and are constrained by high transport costs. Despite national boundaries, regional transport, communication and energy networks link the SADCC nations. Through SADCC, the countries historically have worked to reduce economic dependence, especially but not exclusively, upon South Africa. More recently, SADCC's interest has extended to regional economic cooperation in the context of, and potentially with, a majority-ruled South Africa.

A.I.D. Strategy

A.I.D.'s historic priority in the region has been to increase the capacity and efficiency of regional transport outlets independent of the longer and often costlier routes through South Africa. Considerable progress has been achieved in these efforts: Swaziland-Maputo's Mozambique traffic increased 34% from 1988 to 1989; Maputo port traffic increased 33% from 1988 to 1990; and Beira Corridor traffic, excluding petroleum, increased 31% from 1989 to 1990. A.I.D.'s objectives in the region are to promote market principles through targeted support to improve the climate for private entrepreneurial participation, especially in freer trade and investment, and in export and foreign exchange-generating activities. The SARP seeks to protect against transnational environmental degradation through coordination of agricultural research initiatives to address problems of food security in low rainfall areas, and demonstration that natural resource utilization can be a viable alternative to traditional land use in agriculturally marginal areas.

Other Donors

Since 1981, the U.S. Government has provided \$313 million to support SADCC's Program of Action, representing approximately 11% of all financing for SADCC's program. Of this amount, 75.2% has supported transport and transport efficiency projects, and 21.5% has been devoted to food security, agriculture and natural resources activities. Closely coordinated with the World Bank in policy dialogue with governments throughout the region, U.S. efforts complement those of other SADCC donors.

FY 1993 Program

A.I.D. requests \$50 million from the Development Fund for Africa for activities designed to improve the competitiveness of the region's private sector through transport sector capital projects with complementary operational efficiency activities; to promote sound natural resources utilization; and to continue efforts in agricultural research coordination. Analyses of the implications of a majority-ruled South Africa for the region will be undertaken in addition to, and integrated into, these activities.

Mission Director: Ted D. Morse

PROJECT TITLE Nacala Corridor Rehabilitation		PROJECT NUMBER 690-0255 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA 15,000	LIFE OF PROJECT FUNDING DFA 15,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1993

Purpose: To assist completing the rehabilitation of the Malawi-Nacala, Mozambique rail line by facilitating improvement of the railway section between Cuamba and Entre Lagos, Mozambique.

Project Description: The Nacala railway line is Malawi's shortest and potentially cheapest route for exports, since Nacala port is a fine, natural, deep harbor with excellent cargo handling infrastructure. The railway was opened in 1962, but was closed in 1984 due to insurgency problems. Phase I of the Nacala rehabilitation, which reconstructed the 192 kilometer (km.) track between Nacala and Nampula, is complete; Phase II, the rehabilitation of a 346 km. segment between Nampula and Cuamba, is under way. Funding for rehabilitation of the remaining 77 km. between Cuamba and Entre Lagos still needs to be committed. A recent survey of the entire 77 km. line indicated that a complete relaying of track is required as a result of sabotage and deterioration. The alignment, gradients, drainage and sub-base of the route are, however, excellent. A feasibility study to be conducted in early 1992 will refine the project costs, ascertain the most feasible method of rehabilitation, and assess donor interest in assisting with completion of this line. Donor funding will be required for the procurement of rail, concrete ties, bolts, fasteners, track rebuilding equipment, construction supervision, and local investment costs. Mozambique Railways and Malawi Railways will provide the labor required to rebuild the rail link.

Sustainability: Two key concerns addressed in this project will be maintenance and the capacity to protect the completed line. Mozambique and Malawi have agreed that at least two-thirds of Malawi's import and export traffic through Mozambique will be routed via Nacala. This will enable the traffic and revenue base to finance recurring maintenance costs.

Relationship to A.I.D. Strategy: The project is consistent with A.I.D.'s transport sector strategic objective: to install capacity and improve efficiency in infrastructure that serves regional needs, provides access to regional and external markets, and fosters economic growth.

Host Country and Other Donors: Phases I and II of the project were financed by France, Portugal, Canada, the European Economic Community, and Mozambique, among others. The United States will encourage a multi-donor effort in the final phase of the project.

Beneficiaries: Primary beneficiaries will be public and private sector importers and exporters in Malawi. As transport-related cost premiums on essential imports such as fertilizers are reduced, and the cost of inputs for exports declines, Malawi exports will become more competitive, resulting in an improved balance-of-payments position for Malawi. Mozambique will benefit from higher earnings on increased rail traffic as trade routes shift away from the present longer truck and rail routes.

Major Outputs: 77 km. track repaired from Cuamba to Entre-Lagos.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Rail, ties, fasteners	8,000
Track rebuilding equipment	2,000
Technical Assistance	2,000
Local Capital Investment Costs	<u>3,000</u>
Total	15,000

PROJECT TITLE Signalling Improvement-Zambia Railways		PROJECT NUMBER 690-0262 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA 2,500	LIFE OF PROJECT FUNDING DFA 10,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1994	ESTIMATED PROJECT COMPLETION FY 1996

Purpose: To improve the performance of Zambia Railways (ZR) signalling and telecommunications systems through the rehabilitation and replacement of equipment.

Project Description: ZR studies have shown that, due to non-replacement of antiquated and vandalized field equipment, the overall efficiency of the present Central Train Control system (CTC) and general movement of traffic on the Livingstone/Copperbelt line has been adversely affected. The efficient and safe operation of the Livingstone/Copperbelt line is critical to Zambia's economic growth. From a regional aspect, imports from Zimbabwe, Botswana and South Africa use this line as the main artery to all major Zambian towns. The efficiency of the main line and its branch lines from an export perspective impacts on copper and other exports, as the line meets up with the TAZARA System at Kapiri Mposhi and is then routed from there on TAZARA to Dar-es-Salaam. This project will upgrade Zambia Railways signalling and telecommunications equipment to enable the railway system to operate more efficiently and effectively. Also, updating and augmenting tracking and communication systems on the main line and its branches will improve the safety of ZR operations. Project development will include a feasibility study to assess the condition of the current CTC system against the present and future train control needs. The feasibility study will determine the technical adequacy of the existing system and identify and assess the technical, economic and financial feasibility of about seven components that are envisioned as potential elements of this project.

Sustainability: Improved efficiency through rehabilitation and replacement of old equipment will enhance the operational and maintenance capability of ZR, and will reduce operation and maintenance costs. This should free funds for essential maintenance improvement, improve the turn-around time of locomotives, and improve train management.

Relationship to A.I.D. Strategy: The project is consistent with A.I.D.'s transport sector strategic objective for Southern Africa; which is to improve efficiency in infrastructure that serves regional as well as local needs by providing effective and cost-efficient access to regional and external markets.

Host Country and Other Donors: Germany and Australia have been involved in upgrading signalling and communications equipment under the Zambia Railways Ten Year Development Plan. The World Bank, European Community, Belgium, Japan as well A.I.D. have assisted ZR in various projects over the past 10 years. A.I.D. will encourage further participation by donors to improve all aspects of ZR's operations.

Beneficiaries: Primary beneficiaries will be public and private sector importers and exporters. An upgraded signalling and communications network on the Livingstone-Copperbelt line will improve turn-around time of trains and ensure that goods are received in a more timely manner.

Major Outputs: Electronic exchanges at nine ZR stations; radio communications facilities on ZR main line; motor trolleys operating throughout the rail system; a VHF radio telecommunication system; a train-reporting system through graphic data transmission (VDUs); a digital radio link to replace existing UHF analog radio link; and rehabilitation of the integrated train radio system.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Equipment	9,000
Technical Assistance	<u>1,000</u>
Total	10,000

AFRICA REGIONAL

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	8,608a	-	-
DEVELOPMENT FUND FOR AFRICA	133,964bd	104,524d	107,380d
ECONOMIC SUPPORT FUND	2,800c	10,000f	14,000
TOTALS	145,683e	117,286	121,880

Footnotes:

a) Includes \$4,372,161 in ARDN funds; \$2,500,000 in Health funds; \$1,736,045 in EHR funds. Of the \$8,608,206 Development Assistance funds obligated, \$596,330 in EHR funds were prior-year deobligated funds reobligated in FY 1991; \$4,372,161 were Section 517 ARDN recoveries; and \$639,715 were Section 517 EHR recoveries reobligated in FY 1991.

b) Includes \$4,978,737 of Section 517 DFA recoveries reobligated in FY 1991.

c) Includes \$2,800,000 of Section 517 ESF recoveries reobligated in FY 1991.

d) Includes following funds for REDSO Program: \$1,200,000 in FY 1991, \$3,546,00 in FY 1992, and \$2,198,000 in FY 1993 for REDSO/EAST Africa; and \$5,388,000 in FY 1992 and \$5,410,000 in FY 1993 for REDSO/WEST Africa.

e) Excludes following funds transferred to Central Programs: \$877,000 in Health NOA funds and \$475,000 in ARDN NOA funds. Excludes \$2,368,000 in Health prior-year deobligated funds; \$6,807,044 in ARDN prior-year deobligated funds; \$51,213 in EHR prior-year deobligated funds; and \$218,546 in PSEE prior-year deobligated funds transferred to OFDA for African disaster requirements.

f) At the time of printing no FY 1992 appropriations have been enacted. FY 1992 amount shown is the Agency request level and is subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	68	68	63
FOREIGN NATIONAL	39	39	39
TOTALS	107bc	107bc	102bc

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
 b. Includes FTE levels for Nairobi (REDSO/EA); Abidjan (REDSO/WA); and Paris (Sahel Reg). Of these total 5 in each of FY 92 and FY 93 are FHA personnel assigned to emergency programs.

c. Excludes FTE levels for the following countries for which there are no DFA request in FY 93; Liberia, Somalia, Sudan and Zaire: FY 91 - 42; FY 92 - 20 and FY 93 - 4.

AFRICA REGIONAL

Introduction

The Africa Regional program provides assistance to more than 35 countries in sub-Saharan Africa. Many of the countries served by this program rely heavily upon these resources to provide critically needed services and skills which improve their ability to administer and manage their public and private sector resources. The activities funded under the Africa Regional program respond to the need in sub-Saharan Africa for adaptive research and analysis, development and strengthening of human and institutional resources and, in general, assisting these countries in improving the quality of life for their people. The resource base and the approaches to promoting economic growth and development vary widely among sub-Saharan African countries; this program serves as a cost-effective mechanism for providing technical services, training and the transfer of skills needed and requested by these countries.

In FY 1993, the program will focus on providing assistance which enables these countries to move closer towards the goal of growth with equity. More emphasis will be placed on providing assistance in the areas of democratization, governance and privatization, while continuing those activities which provide specialized services and training in the agricultural, health and education sectors. The program also includes assistance to the African countries in identifying problems and policies which either individually or collectively limit the ability to properly plan, administer and manage their economies, as well as in developing strategies to alleviate obstacles to economic growth and development. Many of the regional projects have a buy-in feature which enables A.I.D. missions overseas to respond quickly to country requests for specific services and training.

A.I.D. Strategy

The Africa Regional program has five strategic elements: (1) supporting targeted democracy and governance initiatives, including Economic Support-funded grant assistance to strengthen democratic electoral processes and institutions; (2) improving the efficiency of development policies, programs and resource allocation through region-specific research, analysis and information dissemination; (3) promoting contact and coordination with and support to private sector entities, including private voluntary organizations, operating in Africa; (4) maintaining linkages and support to regional organizations, including strengthening selected regional entities and promoting coordination, information and experience-sharing with other donors; and (5) resolving issues requiring coordinated responses across national boundaries. A description of these strategic elements follows:

Africa Democracy and Governance Program. Recognizing the relationship between economic development and political pluralism, A.I.D. has planned a number of programs to encourage and support the democratic transitions now occurring in Africa. A \$12.5 million regional democratic support project will provide electoral assistance to approximately 20 countries that will hold elections in FY 1992 and FY 1993. The Africa Democracy and Human Rights Fund will receive \$2 million in FY 1992 and FY 1993 to finance field-generated activities in support of civil and political rights. Under the Democracy/Governance Program Development and Support Facility project, A.I.D. will support democracy and governance field advisors and expand dialogue with Africans at every level on the democratization process. Finally, the program will provide long-term institution-building assistance in areas critical to consolidating democratic gains on the continent. Those areas include supporting rule of law and legal reform, increasing decentralization and improving local government, and strengthening non-governmental associations to foster broadened popular participation in decision-making at every level.

Regional Research, Analysis, and Information Dissemination. For the foreseeable future, the development resources available to African countries from both domestic and external sources will remain limited and inadequate relative to the needs. Under these circumstances, ideas become paramount. Good ideas can save millions of dollars and improve the effectiveness of development investments. For example, what are cost-effective ways to promote non-traditional exports? How can food subsidies be targeted to reach the most people at risk? How can we improve Famine Early Warning System? How should agricultural research systems be organized so as to provide those technologies that farmers want? How can messages on changing sexual behavior be efficiently communicated to target populations so as to reduce the spread of Acquired Immunodeficiency Disease Syndrome (AIDS)? How can education systems be made more efficient, and how can these systems provide greater access to females? A.I.D. is reshaping its Africa portfolio to give greater emphasis to the research and analysis needed to answer these and other critical development questions, and to ensure that policy-relevant information will be communicated effectively to African leaders and decision-makers, as well as to its own staff and other donors.

Private Sector Development. The private sectors in many African countries share similar problems -- a poor policy environment, constraining trade regimes, little infrastructure, and a lack of training, credit and management. Past and current regional private sector projects have included technical assistance to A.I.D. missions and African countries in identifying and addressing specific policy and regulatory constraints on business, in analyzing the informal business sector, and in assessing the potential of export processing zones and trade and investment reforms. Through another project involving the Overseas Private Investment Corporation (OPIC), interest within the U.S. business community in investing in Africa is being developed, and work is continuing with other donors to establish programs that help African companies improve their management, planning and access to both loan and equity capital. Future project activities will continue these efforts, focussing on five major areas: trade and investment, financial sector development, micro and small enterprise, private provision of public services, and development of business and professional associations. The partnership between A.I.D. and U.S. private voluntary organizations (PVOs) will continue to be solidified through the PVO Initiatives project.

Regional Organization Linkages and Strengthening. These activities under this strategic element support institutionalized regional efforts as well as donor coordination. Programs will improve donor coordination in agricultural research in Africa and strengthen national agricultural systems and African scientist capabilities, through linkages to regional commodity research networks, international agricultural research centers, and U.S. universities; provide funding for the Center for Applied Research on Population and Development which helps to promote a growing awareness among Sahelian decision-makers of the important linkage between population growth and development and provides technical assistance to develop and implement new population policies; provide officials responsible for food security with climatological information to predict the potential incidence of famine, monitor vegetative changes and provide technical assistance in geographic information technology applications to assess the impact of natural resource management and anti-desertification efforts in the region; and provide funding and direction to two multilateral institutions to improve the understanding by Sahelian and donor decision-makers of the potential impact of social, economic and other development policies and implementation strategies.

Regional Approaches To Problems Which Transcend National Boundaries. These activities, which continue efforts begun in prior years, primarily deal with either common region-wide problems through projects which provide assistance to countries and A.I.D. missions upon request, or respond to specific problems that have to be treated in a uniform manner. Those projects which are region-wide and take full advantage of economies of scale in the allocation of funding include activities which: provide long-term academic training at U.S. universities to individuals from sub-Saharan African countries; provide in-country, third country and U.S.-based short-term academic and technical training with an emphasis on private sector skill development and recruitment of women participants; provide rapid and flexible assistance to prevent and control AIDS and childhood communicable diseases; and increase the quality and level of natural resource management activities in Africa. Projects which address specific problems transcending national boundaries include activities which: respond to the threat of uncontrolled outbreaks of locusts, grasshoppers and other pests; assist in developing a response capability to deal with famines and food emergencies; and contribute to the fight against river blindness through vector control as well as treatment for those infected by the disease.

FY 1993 PROGRAM

A total of \$107.4 million from the Development Fund for Africa (DFA) and \$14.0 million of Economic Support Funds are requested for the Africa Regional program in FY 1993 to continue implementation of prior-year activities in democracy and human rights, privatization, health, family planning, human resources development and natural resources management. In addition, one new project, the African Private Enterprise Fund II project, is planned for FY 1993. This new project will build upon and expand activities successfully carried out under its predecessor project.

Africa Bureau Office Directors: Operations and New Initiatives, Warren Weinstein; Analysis, Research and Technical Support, Jerome Wolgin (Acting); Sahel West Africa Affairs, Timothy Bork; Development Planning, Margaret I. Bonner.

PROJECT TITLE Africa Private Enterprise Development Fund II		PROJECT NUMBER 698-0544 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 DFA - 8,000	LIFE OF PROJECT FUNDING DFA - 48,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To support A.I.D. missions' efforts to develop Africa's indigenous commercial private sector.

Project Description: The project provides technical assistance and funding to increase the role of the private sector in development. Specifically, the project will provide: (1) Private sector profiles: studies analyzing the constraints and opportunities for increased private sector activity; (2) Trade and investment: technical assistance on export promotion, processing zones, trade and investment regimes, commercial law, regulations, and marketing; (3) Financial sector reform: technical assistance to analyze constraints on financial sector development, opportunities to develop financial institutions, credit and savings organizations, capital markets, venture capital, and legal and regulatory environment, including central bank activity; (4) Privatization: assessment of privatization opportunities and development of national and A.I.D. mission strategies for privatization, including reviews of existing state-owned corporations, valuation of assets of corporations, strategies and tactics for privatizing individual corporations and development of increased private provision of public services in areas such as agriculture, health, population and education; (5) Micro, small and medium-sized enterprise development: informal sector studies, evaluations, and designs of small business development programs; and (6) Association promotion: development of local business associations through aid to chambers of commerce and professional associations, specifically, technical assistance, commodities, travel exchanges, studies, and linkages between U.S. and African organizations.

Sustainability: The project will help develop sustainable private sector institutions, activities and programs and create a more liberal market-oriented environment for private sector operations.

Relationship to A.I.D. Strategy: A key Africa Bureau objective under the Development Fund for Africa Action Plan is to support actions which will make markets more competitive and encourage private business. The project also supports the Action Plan objectives of encouraging policy and institutional changes that help African governments provide public services more efficiently and of strengthening the foundations for long-term development.

Host Country and Other Donors: The project will jointly fund activities with the World Bank, International Finance Corporation, the Commonwealth Development Corporation, Overseas Private Investment Corporation and other international and national agencies involved in private sector development in Africa.

Beneficiaries: The ultimate beneficiaries are private entrepreneurs and business people in Africa and Africans who receive services provided by a more efficient private sector.

Major Outputs: Major outputs will include stronger A.I.D. programs to develop the private sector in Africa, studies on private sector needs and opportunities in African countries, stronger private associations in Africa able to provide services to members and represent business in debates over policy reform, increased trade and investment in Africa, increased job opportunities, and more efficient delivery of services.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	30,000
Commodities	3,000
Research	12,000
Training	3,000
TOTAL	48,000

AFRICAN ECONOMIC POLICY REFORM PROGRAM (AEPRP)

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT FUND FOR AFRICA	0	0	10,000
TOTALS	0 ^a	0	10,000

a) In FY 1991, the \$55 million AEPRP was allocated to the following countries: Gambia (\$6.8 million), Malawi (\$15 million), Rwanda (\$20 million), Benin (\$8.2 million) and Mozambique (\$5 million).

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL			
FOREIGN NATIONAL			
TOTALS	0	0	0

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d			0			0			0
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d			0			0			0
REGIONAL ^e			0			0			0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

AFRICAN ECONOMIC POLICY REFORM PROGRAM (AERPR)

Introduction

In the past seven years (1985-1991), A.I.D. has funded 30 economic policy reform programs in 21 African countries for a total of \$364 million. These programs have helped bring about critical policy changes in sectors related to A.I.D.'s strategic objectives in each country. Programs are allocated to countries which have demonstrated a commitment to policy reform. The funds provided are a substantial addition to the normal operational year budget, thus rewarding countries which engage in significant policy reforms. The programs combine technical assistance, studies, dollars and local currencies in a cohesive package, with dollar disbursements occurring in tranches linked to the satisfaction of specific conditions.

A.I.D. Strategy

Policy reform programs in the productive sectors have brought about policy changes in agricultural production, marketing and credit, fertilizer marketing, industry, transport, export promotion, taxation and tariff reduction, financial sector restructuring, and private sector development. Recent social sector economic policy reform programs include primary health care and health financing in Nigeria and Kenya, and basic education in Mali and Benin.

A.I.D. carried out impact evaluations of six economic policy reform programs to determine what effect these programs have had on the lives of ordinary Africans. The programs were selected to include apparent successes (Cameroon, Mali, Uganda) as well as those which did not meet expectations (Senegal, Malawi, Gambia). The two highly successful programs and one partial success described below show the potential for dramatic, beneficial change through policy reform in Africa.

Cameroon. The A.I.D. program achieved its goals of reducing government subsidies and improving fertilizer delivery to small farmers through privatization and liberalization of the fertilizer market. Once the government was removed from the procurement and delivery of fertilizer, private suppliers and distributors reduced fertilizer delivery time from 18 months to 10 months between initial order and on-farm delivery of the fertilizer. The financially strapped Cameroon Government reduced the fertilizer subsidy by \$215 per ton, but the price to the farmer increased only slightly in spite of increases in the world price of fertilizer. This was possible because private distribution costs are now only \$50 per ton compared to an astronomical \$280 per ton under the old state-run system. The subsidy had not been reaching the farmer; instead, it had served to underwrite the inefficiency and corruption of the fertilizer distribution bureaucracy. Now, these same government resources are available for other more productive purposes. Fertilizer demand and sales remain stable in spite of precipitous declines in the farmgate prices of the major cash crops, cocoa and coffee, due to increased use of fertilizer on food crops. Although the farmer faces a slightly higher price, he or she is now more reliably served by the private delivery system.

Uganda. The A.I.D. program achieved its goal of reducing the Ugandan economy's dependence on coffee exports by opening up new opportunities for exporters. The program helped get the foreign exchange price right for all non-traditional exports (i.e., all exports except coffee) and allowed these new exporters to retain and use the foreign exchange they earn. This reform has touched off an explosion of investments in producing non-traditional exports with considerable impact on the economy. The value of non-traditional exports tripled in 1989 and doubled again in 1990, surpassing \$30 million. Most important of all, the new opportunities for exporting appear to have instilled new confidence in the Ugandan private sector. In addition to a large number of new private import-export businesses, including private airlines for transport of export products, there are significant new private investments being made, particularly in the production of non-traditional agricultural exports.

Malawi. A.I.D.'s fertilizer subsidy reduction program in Malawi managed to bring down the rate of subsidy for two successive seasons and to substitute more cost-effective highly concentrated fertilizers for less concentrated fertilizers at a considerable foreign-exchange savings. The interruption of transport through Mozambique during the program resulted in temporarily higher transport costs for

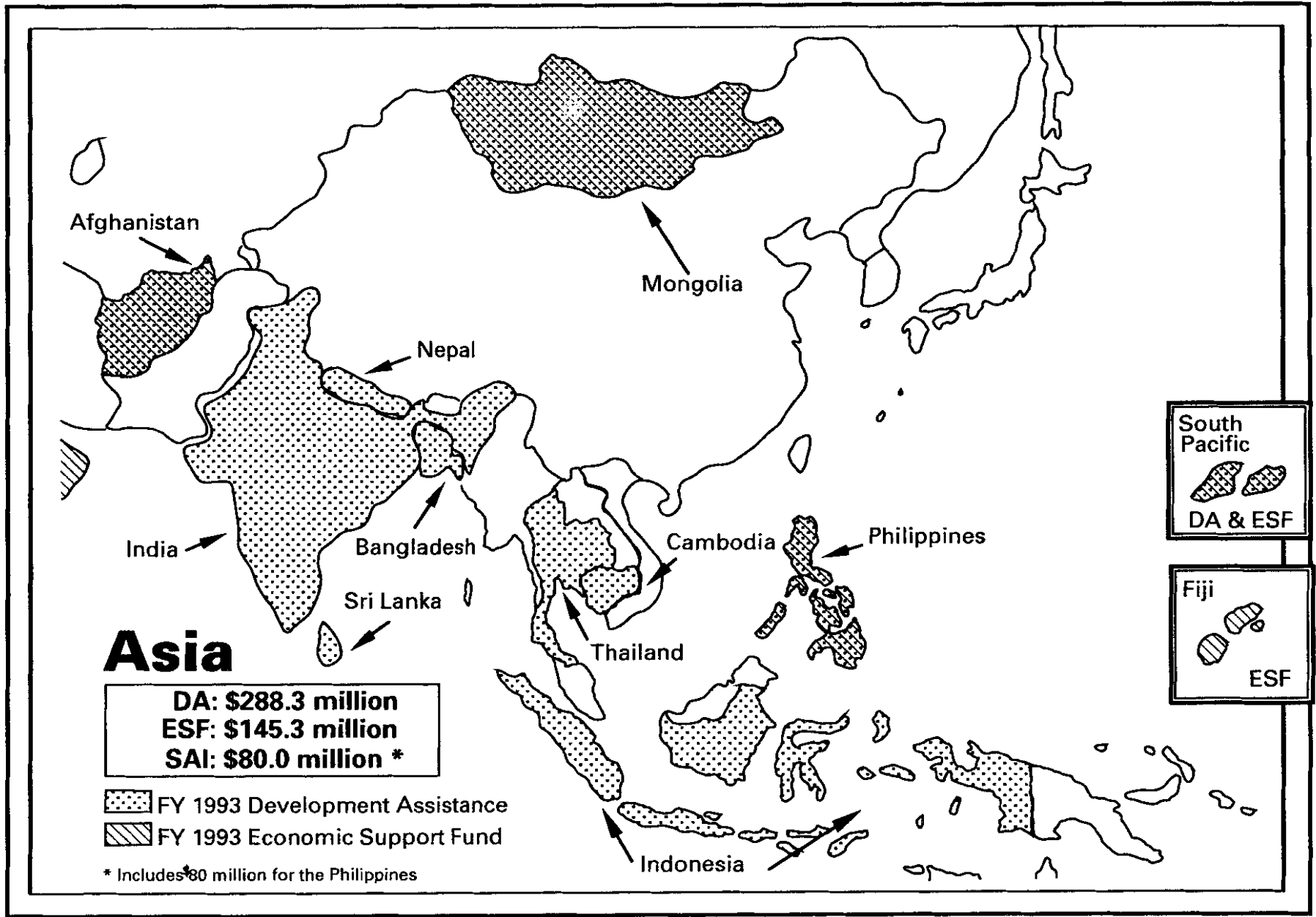
importing fertilizer which had to be shipped through the more distant port at Durban. Consequently, the Malawi Government suspended its reduction of subsidies thereby ending the reform program. However, the considerable foreign exchange savings realized through the substitution of high-analysis for low-analysis fertilizers continues to benefit both large and small Malawian farmers because of the lower shipping costs for high-analysis fertilizers.

These results demonstrate there are significant economic benefits available to countries willing to undertake sectoral reform programs. A.I.D. missions on the ground in African countries are helping reform-minded African governments design and implement important sectoral policy reforms, bringing about positive outcomes for large groups of Africans.

FY 1993 Program

For FY 1993, A.I.D. requests \$10.0 million from the Development Fund for Africa for the African Economic Policy Reform Program, the specifics of which will be developed later in 1992.

Africa Bureau Office of Development Planning
Director: Margaret I. Bonner



SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: ASIA
PRESENTATION COUNTRIES

	POPULATION			HEALTH			EDUCATION		--POPULATION DENSITY-- (PERSONS PER SQUARE KM)		
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
AFGHANISTAN	15,708 (91)	2.4% (92)	43 (91)	6,420 (87)	20% (85)	165 (91)	8% (85)	30% (89)	50 (87)	29 (87)	
	14,087 (81)	-6.2% (81)	41 (81)	13,238 (81)		183 (81)			43 (81)	25 (81)	
BANGLADESH	116,688 (91)	2.3% (92)	52 (91)	6,731 (85)	44% (85)	116 (91)	22% (85)	29% (89)	1,087 (87)	737 (87)	
	90,666 (81)	2.9% (81)	51 (81)			147 (81)			920 (81)	624 (81)	
CAMBODIA	7,141 (91)	2.1% (92)	49 (91)			124 (91)		46% (89)	211 (87)	42 (87)	
	5,774 (81)	1.4% (81)							181 (81)	36 (81)	
FIJI	744 (91)	0.8% (92)	64 (91)	2,028 (82)		19 (91)	81% (85)	34% (89)	241 (87)	40 (87)	
	647 (81)	1.9% (81)	64 (81)			28 (81)			218 (81)	35 (81)	
INDIA	869,515 (91)	1.9% (92)	57 (91)	2,522 (84)	57% (89)	84 (91)	29% (85)	39% (89)	441 (87)	243 (87)	
	707,355 (81)	2.1% (81)	53 (81)	3,703 (81)		113 (81)			389 (81)	214 (81)	
INDONESIA	192,433 (91)	1.7% (92)	51 (76)	9,464 (83)	46% (88)	112 (76)	65% (85)	39% (89)	519 (87)	90 (87)	
	158,445 (81)	2.2% (81)		12,476 (81)					481 (81)	80 (81)	
MONGOLIA	2,245 (91)	2.7% (92)	65 (91)	105 (82)		48 (91)		47% (89)	2 (87)	1 (87)	
	1,709 (81)	2.8% (81)	61 (81)	102 (81)		66 (81)			1 (81)	1 (81)	
NEPAL	19,611 (91)	2.4% (92)	51 (91)	30,221 (85)	28% (85)	92 (91)	12% (85)	42% (89)	405 (87)	124 (87)	
	15,365 (81)	2.5% (81)	46 (81)			114 (81)			356 (81)	107 (81)	
PAKISTAN	118,208 (91)	2.9% (92)	57 (91)	2,948 (87)	43% (85)	107 (91)	19% (85)	30% (89)	399 (87)	129 (87)	
	88,417 (81)	3.7% (81)	52 (81)	2,908 (81)		129 (81)			336 (81)	107 (81)	
PHILIPPINES	65,759 (91)	2.0% (92)	65 (91)	6,700 (85)	52% (85)	54 (91)	85% (85)	37% (89)	641 (87)	195 (87)	
	52,203 (81)	2.6% (81)	62 (81)	6,850 (81)		58 (81)			569 (81)	169 (81)	
SRI LANKA	17,424 (91)	1.2% (92)	71 (91)	5,516 (85)	40% (85)	21 (91)	83% (85)	36% (89)	703 (87)	249 (87)	
	15,152 (81)	1.7% (81)	69 (81)	7,472 (81)		32 (81)			650 (81)	228 (81)	
THAILAND	56,814 (91)	1.4% (92)	69 (91)	6,294 (84)	64% (85)	37 (91)	88% (85)	53% (89)	258 (87)	104 (87)	
	47,978 (81)	2.1% (81)	64 (81)	6,880 (81)		57 (81)			247 (81)	93 (81)	
SUMMARY	(MRY)	1,482,289 *	2.0% #	57 #	4,568 #	52% #	89 #	37% #	38% #	413 @	165 @
	(81)	1,197,797 *	2.2% #	54 #	5,382 #	#	111 #	#	#	366 @	143 @

* = SUM, @ = ARITHMETIC MEAN, # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: ASIA
SELECTED OTHER COUNTRIES

	POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY-- (PERSONS PER SQUARE KM)	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	PDP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
AUSTRALIA	17,288 (91)	1.4% (92)	77 (91)	436 (86)	.	8 (91)	.	48% (89)	3 (87)	2 (87)	
	14,923 (81)	2.1% (81)	75 (81)	524 (81)	.	9 (81)	.		3 (81)	2 (81)	
CHINA	1,151,487 (91)	1.6% (92)	70 (91)	1,004 (86)	.	33 (91)	55% (85)	60% (89)	258 (87)	112 (87)	
	994,905 (81)	1.2% (81)	.	.	.	.	.	.	237 (81)	104 (81)
KOREA, DEMOCRATIC PEOPLE	21,815 (91)	1.9% (92)	69 (91)	419 (82)	.	30 (91)	.	45% (89)	841 (87)	170 (87)	
	18,314 (81)	1.7% (81)	66 (81)	.	.	39 (81)	.		806 (81)	154 (81)	
KOREA, REPUBLIC OF	43,134 (91)	0.8% (92)	70 (91)	1,155 (86)	76% (85)	23 (91)	.	41% (89)	1,865 (87)	420 (87)	
	38,723 (81)	1.6% (81)	.	1,391 (81)	.	.	.		1,725 (81)	391 (81)	
MALAYSIA	17,982 (91)	2.4% (92)	68 (91)	1,935 (86)	83% (85)	29 (91)	66% (85)	41% (89)	375 (87)	50 (87)	
	14,096 (81)	2.4% (81)	65 (81)	3,926 (81)	.	41 (81)	.		324 (81)	43 (81)	
MYANMAR	42,112 (91)	2.0% (92)	55 (91)	3,743 (85)	27% (85)	95 (91)	.	45% (89)	376 (87)	58 (87)	
	34,239 (81)	2.1% (81)	51 (81)	4,949 (81)	.	114 (81)	.		331 (81)	51 (81)	
SINGAPORE	2,756 (91)	1.2% (92)	75 (91)	1,309 (86)	100% (85)	8 (91)	79% (85)	48% (89)	87,100 (87)	4,215 (87)	
	2,443 (81)	1.2% (81)	72 (81)	1,100 (81)	.	11 (81)	.		34,900 (81)	3,940 (81)	
VIETNAM	67,568 (91)	2.0% (92)	65 (91)	963 (86)	46% (85)	48 (91)	.	49% (89)	924 (87)	190 (87)	
	54,465 (81)	2.0% (81)	59 (81)	4,060 (81)	.	68 (81)	.		804 (81)	167 (81)	
SUMMARY	(MRY)	1,364,142 *	1.6% #	69 #	1,087 #	54% #	35 #	55% #	58% #	11,468 @	652 @
	(81)	1,172,109 *	1.3% #	61 #	3,212 #	#	65 #	#	#	4,891 @	607 @
REGION SUMMARY	(MRY)	2,846,431 *	1.8% #	63 #	2,895 #	53% #	63 #	45% #	47% #	4,835 @	360 @
	(81)	2,369,907 *	1.8% #	54 #	5,104 #	#	106 #	#	#	2,176 @	329 @

* = SUM. @ = ARITHMETIC MEAN. # = WEIGHTED MEAN (BY POPULATION). . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: ASIA
PRESENTATION COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP ALL SOURCES	
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP		
AFGHANISTAN					15.1 (90)			
BANGLADESH	180 (89)			19.6% (90)	125.7 (90)	0.55% (90)	8.9% (89)	
	160 (81)			13.7% (81)	0.1 (81)			
CAMBODIA					1.8 (88)			
					0.0 (81)			
FIJI	1,640 (89)			8.5% (89)				
	2,000 (81)			4.6% (81)				
INDIA	340 (89)	53.8% (89)	920.9% (89)	26.4% (89)	116.8 (90)	0.04% (90)	0.7% (89)	
	270 (81)	40.5% (81)	899.4% (81)	9.5% (81)	0.1 (81)			
INDONESIA	500 (89)	49.6% (89)		27.0% (89)	54.9 (90)	0.06% (90)	1.9% (89)	
	550 (81)	17.5% (81)		8.2% (81)	0.1 (81)			
MONGOLIA								
NEPAL	180 (89)		883.5% (90)	13.9% (89)	21.0 (90)	0.70% (90)	16.0% (89)	
	160 (81)			1.5% (81)	0.0 (81)			
PAKISTAN	360 (89)	69.9% (88)	605.1% (88)	21.4% (89)	587.2 (90)	1.48% (90)	2.8% (89)	
	330 (81)	44.5% (81)	469.6% (81)	15.4% (81)	0.6 (81)			
PHILIPPINES	700 (89)			20.7% (89)	493.7 (90)	1.06% (90)	1.9% (89)	
	770 (81)			10.0% (81)	0.5 (81)			
SRI LANKA	430 (89)	103.0% (88)	475.7% (88)	14.9% (89)	58.6 (90)	0.73% (90)	7.9% (89)	
	290 (81)	79.2% (81)	313.1% (81)	6.8% (81)	0.1 (81)			
THAILAND	1,230 (89)	25.3% (89)	85.9% (89)	8.4% (89)	28.6 (90)	0.04% (90)	1.0% (89)	
	750 (81)	25.2% (81)	123.5% (81)	6.7% (81)	0.0 (81)			
SUMMARY	(MRY)	400 #	50.2% &	393.8% &	14.6% &	1503.4 *	0.49% &	3.2% &
	(81)	345 #	35.2% &	354.4% &	7.3% &	1.5 *	% &	% &

* = SUM, & = WEIGHTED MEAN (BY GNP PER CAPITA), # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: ASIA
SELECTED OTHER COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING			TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA	
		AS % OF GNP	AS % OF EXPORTS	DEBT SERVICE RATIO	US AID \$ MILLION	US AID AS % GNP	AS A % OF GNP	
								ALL SOURCES
AUSTRALIA	14,440 (89)		179.7% (87)					
CHINA	11,010 (81)			8.5% (89)	0.1 (82)		0.5% (89)	
	360 (89)			6.9% (81)	0.0 (81)			
KOREA, DEMOCRATIC PEOPLE'	320 (81)							
KOREA, REPUBLIC OF	4,400 (89)	10.0% (89)	33.8% (89)	7.1% (89)	1.2 (90)	0.00% (90)	0.0% (89)	
	1,830 (81)	16.1% (81)	50.8% (81)	12.9% (81)	0.0 (81)			
MALAYSIA	2,160 (89)	93.3% (89)	132.6% (89)	11.6% (89)	0.9 (90)	0.00% (90)	0.4% (89)	
	1,880 (81)	56.0% (81)	114.9% (81)	3.5% (81)	0.0 (81)			
MYANMAR				29.3% (89)	0.4 (89)			
				23.4% (81)	0.0 (81)			
SINGAPORE	10,450 (89)	84.7% (88)	54.0% (88)		0.0 (90)	0.00% (90)	0.3% (89)	
	5,440 (81)	64.0% (81)	40.8% (81)		0.0 (81)			
VIETNAM								
SUMMARY	(MRY)	748 #	66.5% &	114.3% &	8.6% &	2.7 *	0.00% &	0.2% &
	(81)	557 #	52.8% &	58.0% &	8.1% &	0.0 *	. % &	. % &
REGION SUMMARY (MRY)		560 #	64.1% &	135.1% &	11.3% &	1506.1 *	0.09% &	0.8% &
	(81)	446 #	49.4% &	103.0% &	7.6% &	1.5 *	. % &	. % &

* = SUM, & = WEIGHTED MEAN (BY GNP PER CAPITA), # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: ASIA
PRESENTATION COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % 65-19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION
AFGHANISTAN	(89)							-142 (89)
BANGLADESH	0.0% (89)	3.5% (89)	10.6% (89)	16.8% (90)				-206 (81)
CAMBODIA	(89)							-429 (90)
FIJI				27.3% (85)	26 (88)			7 (90)
INDIA	2.0% (89)	5.3% (89)	7.7% (89)	27.3% (81)	-178 (81)			-176 (81)
INDONESIA	4.0% (89)	5.3% (89)	8.3% (89)	17.7% (89)	-3,904 (87)	30.0% (89)	3.0% (89)	-7,148 (88)
MONGOLIA	(89)			13.1% (81)	-5,255 (81)	30.4% (81)	2.7% (81)	-2,698 (81)
NEPAL	1.0% (89)	4.6% (89)	9.1% (89)	48.1% (89)	2,321 (89)	10.4% (89)	1.6% (89)	-2,369 (90)
PAKISTAN	3.0% (89)	6.4% (89)	6.7% (89)	25.4% (81)	3,258 (81)	7.8% (81)	3.1% (81)	-566 (81)
PHILIPPINES	2.0% (89)	0.7% (89)	14.8% (89)		-349 (89)	39.8% (90)	1.3% (90)	-289 (90)
SRI LANKA	3.0% (89)	4.0% (89)	10.9% (89)		-149 (81)	18.4% (81)	0.9% (81)	-19 (81)
THAILAND	4.0% (89)	7.0% (89)	3.2% (89)	22.4% (90)	-2,152 (90)	27.6% (88)	6.9% (86)	-1,578 (90)
				17.7% (81)	-2,669 (81)	25.2% (81)	5.5% (81)	-914 (81)
				20.2% (90)	-2,472 (90)			-2,695 (90)
				12.8% (81)	-2,101 (81)			-2,096 (81)
				28.9% (90)	-630 (90)	24.3% (90)	1.5% (90)	-296 (90)
				31.2% (81)	-710 (81)	37.5% (81)	0.6% (81)	-446 (81)
				15.6% (90)	-5,343 (90)	-25.7% (90)	2.7% (89)	-7,053 (90)
				19.3% (81)	-2,186 (81)	18.0% (81)	3.8% (81)	-2,569 (81)
SUMMARY	(MRY)							
	(81)							
	2.4% @	4.6% @	8.9% @	24.5% &	-1,772 &	3.7% &	2.8% &	-2,696 &
	% @	% @	% @	22.4% &	-850 &	20.5% &	3.2% &	-1,047 &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: ASIA
SELECTED OTHER COUNTRIES

		AVERAGE ANNUAL GROWTH GNP PER CAP % 65-19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION
AUSTRALIA		2.0% (89)	3.5% (89)	7.8% (89)	.	.	-1.8% (88) 2.8% (81)	-14,823 (90) -8,470 (81)	
CHINA		6.0% (89)	9.7% (89)	5.8% (89)	19.1% (90) 24.1% (81)	.	.	11,998 (90)	
KOREA, DEMOCRATIC PEOPLE'		.	.	.	.	.	.	.
KOREA, REPUBLIC OF		7.0% (89)	9.7% (89)	5.0% (89)	.	-1,369 (90) -3,492 (81)	3.9% (90) 15.6% (81)	4.0% (90) 6.0% (81)	-2,172 (90) -4,646 (81)
MALAYSIA		4.0% (89)	4.9% (89)	1.5% (89)	31.1% (89) 44.2% (81)	1,606 (89) -1,546 (81)	11.6% (90) 35.1% (81)	.	-1,672 (90) -2,486 (81)
MYANMAR		(89)	.	.	.	-228 (88) -299 (81)	25.2% (88) -10.3% (81)	2.5% (88) 3.6% (81)	-294 (86) -314 (81)
SINGAPORE		7.0% (89)	6.1% (89)	1.5% (89)	23.3% (88) 24.2% (81)	.	-31.8% (88) -2.5% (81)	5.0% (88) 5.1% (81)	2,350 (90) -1,470 (81)
VIETNAM		.	.	.	.	.	.	.
SUMMARY	(MRY) (81)	5.2% @ . % @	6.8% @ . % @	4.3% @ . % @	24.5% & 29.1% &	-389 & -2,506 &	-10.0% & 5.5% &	4.7% & 5.3% &	-6,235 & -5,676 &
REGION SUMMARY	(MRY) (81)	3.5% @ . % @	5.4% @ . % @	7.1% @ . % @	24.5% & 26.5% &	-1,013 & -1,546 &	-8.8% & 7.1% &	4.4% & 4.8% &	-5,708 & -4,715 &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

ASIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	312,315 ^a	330,112	288,325
ECONOMIC SUPPORT FUND	284,454 ^b	272,800 ^d	145,300
SPECIAL ASSISTANCE INITIATIVES	159,828	160,000 ^e	80,000
DISASTER ASSISTANCE	990		
PL 480 - TITLE I ^c	12,200		
PL 480 - TITLE II	169,896	120,608	135,773
PL 480 - TITLE III	115,500	129,100	137,900
TOTALS	1,055,183	1,012,620*	787,298

Footnotes:

- a. Includes \$27,501,618 of DA prior-year deobligated funds and \$12,640,561 Sec. 517 recoveries reobligated in FY 1991.
- b. Includes \$23,351,029 of ESF prior-year deobligated funds and \$85,622,782 Sec. 517 recoveries reobligated in FY 1991.
- c. See Food for Peace section of statistical annex for program detail.
- d. Excludes \$91,500,000 of ESF carryforward funds planned for obligation in FY 1992.
- e. Excludes \$40,000,000 of SAI carryforward funds planned for obligation in FY 1992.
- At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

ASIA REGIONAL OVERVIEW

Fifty-five percent of the world's people live in Asia, and Asia spans half of the globe. A.I.D.'s assistance strategy for Asia must reflect the diversity of the region. With such different countries as Afghanistan, Bangladesh, Thailand and Mongolia, the programs require a unique, overarching vision that covers the broadest spectrum of development activities - basic human needs associated with low income levels, transition programs for emerging democracies undertaking free-market reforms, and a new partnership approach for our programs in advanced developing countries.

Background

More than any other region in which A.I.D. provides assistance, Asia represents the sharp contrasts and compelling challenges of development. Over half the world's poor, more than 600 million people, live in A.I.D.-assisted countries in Asia. Yet, at the same time, Asia can boast the world's most energetic and rapidly growing economies. A.I.D.'s programs in Asia are influenced by both of these factors, with high rates of poverty, population density, illiteracy and disease in many countries as well as expanding markets, growing per capita incomes, and increasing regulatory liberalization in others.

Seven of the region's countries -- Bangladesh (1989 per capita income \$180), Nepal (\$180), India (\$340), Pakistan (\$370), Sri Lanka (\$430), Indonesia (\$500) and Mongolia (with an unofficial International Monetary Fund estimate of \$560) -- have per capita incomes placing them on the World Bank's list of low-income countries. Because of the relatively equal income distributions found in the region, a large share of those living above the absolute poverty line have low incomes as well. Bangladesh and Nepal are the world's fifth and eighth poorest countries; India bears the unfortunate distinction of having the largest poor population in the world, but also has a middle class of 250 million people.

On the other hand, several developing countries in Asia have achieved sustained high growth rates, allowing them to progressively reduce the incidence of poverty and to raise general standards of living. In all cases, they have done so through strengthening the role of markets and the private sector, and opening their economies to international market signals and opportunities. The first country in Asia to move onto this path was Thailand, where average incomes have risen more than 4% a year since 1965; this has allowed Thailand to move steadily into the ranks of middle-income countries. Thailand was the first of A.I.D.'s countries in Asia to be designated an "advanced developing country." Indonesia, which shifted toward an open market orientation more recently, has derived many of the same benefits. In both cases, and in other countries adopting similar policies, the benefits have flowed through the opportunity to put their abundant labor forces to work producing labor-intensive light manufactured goods for the world market. This process has achieved the simultaneous goals of expanding incomes and exports, while reducing underemployment and bringing the growing rural labor force into the modern sectors.

There are additional changes occurring within the region which will require a creative new approach to A.I.D.'s assistance programs. The Philippines program must be redesigned to reflect a strategy less influenced by the U.S. military relationship and more developmentally oriented. The expected successful elections in March in Thailand will allow us to restart a new kind of program there, one that truly embodies partnership. The strong possibility of a settlement in Afghanistan will call for a restructuring of that program to one of reconstruction. And the potential for new relationships with the countries of Southeast Asia calls for strategic planning to be ready to take advantage of rapidly developing opportunities to support U.S. foreign policy and address critical development needs.

Development Performance and Prospects

Despite the low income levels in most of Asia, the developing countries of Asia made remarkable improvements in economic performance during the 1980s, markedly exceeding the growth of per capita income in other developing regions. The overall acceleration of the region's income growth was significantly influenced by faster growth in the large countries of South Asia -- India, Bangladesh, and

Pakistan -- all of which benefitted from liberalized economic policies during the decade, including greater reliance on markets, and stronger orientation toward world markets rather than protected domestic markets as the engine of growth.

In East Asia, Indonesia began a far-reaching program of economic stabilization and liberalization in 1986. This has allowed Indonesia to survive the dramatic decline in world prices for its major export - oil -- without defaulting on its large foreign debt, and to resume strong income growth. Indonesia's economic reform program has been particularly remarkable in view of the dramatic reduction in poverty achieved since 1984, which has roughly halved the number of persons living in absolute poverty. Income growth has achieved similar, though less dramatic, reductions in poverty rates in other countries in both South and East Asia, including India, Pakistan, Sri Lanka, and Thailand.

Strong economic performance in A.I.D.-assisted countries in Asia has benefitted the United States economy in very tangible ways as well. From 1985 to 1989 alone, imports of U.S. goods and services to A.I.D.-assisted countries in the region expanded by 59%, from \$13.7 billion to \$21.7 billion. Recent research has demonstrated a strong correlation between growth in U.S. exports to developing countries and improvements in those countries' economic policies along the lines supported by A.I.D. Faster growth in U.S. exports has resulted both from the increased demand for imports arising from faster income growth, as well as from lowered barriers to international trade in policy-reforming countries.

The biggest economic news of 1991 in developing Asia was India's sharp break with the inward-oriented and restrictive economic policies that afflicted that nation's economy since independence. Much of the increased growth achieved by India during the 1980s reflected the gradual liberalization of regulatory and licensing policies that had long limited the role of the private sector and constrained its efficiency. However, faster growth was achieved at the price of increasing budget deficits and macroeconomic instability. To help sustain and strengthen India's new economic system and facilitate achievement of positive results, A.I.D.'s program will help energize the private sector and increase India's international competitiveness by making technology more available, improving U.S.-Indian commercial exchanges, and assisting with reform of the financial sector. India, with A.I.D. assistance, is also embarking on a major new family planning program to deal with its population growth.

A.I.D.'s Vision for Asia

A.I.D.'s vision for the Asia region is to forge a new U.S.-Asian nations relationship - one that takes us from assistance transfers to partnerships. The rapidly changing world order with greater emphasis on mature choice, democracy and free market economies, and the unique and diverse features of the Asian context open up new and creative opportunities for promoting growth and development in Asia on a more sustainable basis. Programs in Asia must respond to the diversity of this region which combines rapidly increasing U.S.-Asian trade and investment flows and opportunities, and high rates of economic growth in some countries, with the continuing need for responding to the largest proportion of the world's poor in those same countries and others. The Asia program will emphasize a mix of assistance appropriate for each country situation, emphasizing the private sector and technology transfer. The concept of partnership embodies the underlying principle of sustainability-- that is, the creative use of the public and private sectors to produce economically viable and sustained benefits.

FY 1993 Program Initiatives

The proposed Asia portfolio supports the following priority objectives:

- 1) enhancing the development of free markets;
- 2) strengthening environmental planning and management;
- 3) improving individual well-being;

4) strengthening democratic institutions and processes; and

5) addressing transnational issues.

These objectives respond to the needs of the region and take advantage of U.S. capabilities, especially in developing private sector solutions to developing country problems. These five objectives will guide

The United States-Asia Environmental Partnership

President Bush launched the United States-Asia Environmental Partnership (US-AEP) initiative in Singapore on January 4, 1992 as part of A.I.D.'s response to the increasing importance that Asian and Pacific nations are placing on environmental concerns, particularly as they relate to economic development and promotion of trade. He invited Asian and Pacific nations to participate with the United States in addressing the serious environmental problems that constrain continued Asian economic growth. The US-AEP, the vehicle through which Asian and American business communities, government agencies and non-governmental organizations (NGOs) collaborate, is envisaged as a long-term effort to mobilize private sector resources to complement U.S. Government resources to bring about a measurably cleaner and better protected environment in the Asia-Pacific region.

The US-AEP has four major components:

1. Environmental fellowship and training advances mutual understanding of environmental problems and solutions through transfer of knowledge and exchanges of information. This component provides competitive grants for two-way exchanges of senior-level ministers, business managers, and scholars for one month to one year to develop solutions to, and appropriate technologies for, the pressing environmental problems of Asia;
2. Technology cooperation fosters technology transfer opportunities through trade and investment activities and Asian and U.S. business exchanges;
3. Environmental and energy infrastructure provides feasibility studies and Ex-Im loan guarantees for environmental and energy infrastructure such as water supply and waste water treatment, solid and toxic waste treatment, clean and efficient power plants, and production of lead-free fuels; and,
4. Regional biodiversity conservation network enables local Asian indigenous communities, with the assistance of U.S. and Asian scientists, to preserve, analyze and sustain Asia's unique and valuable forest and marine and animal resources.

During FY 1993 A.I.D. will expand the fellowship program to 150 a year; initiate, with the Department of Commerce, full environmental business center activities; increase, with the Department of Commerce, the number of environmentally focused trade missions; and initiate full activities in Asian biodiversity sites. As a result of these initiatives, we expect that the Export-Import Bank and the Overseas Private Investment Corporation will be responding to an increase in demand for funding of Asian environmental projects.

3. Individual Well-being: Health and Population

Even with the significant reduction in the incidence of poverty in many Asian countries, health and population will continue to be priority areas for A.I.D. The shifting demographics of many Asian countries will pose new problems, such as health financing in countries where life expectancies are increasing and expanding the provision of health services through the private sector as public sector services reach budgetary limits. Furthermore, segments of these populations continue to experience unacceptably high levels of child and maternal mortality and increasing rates of cardiovascular disease, cancer, diseases of aging and need for emergency medical services.

The Bureau plans to address this priority area through identifying viable partnerships between the public and private sectors for health care delivery and family planning services. New channels can be developed and expanded through the private sector, and the efficiency and effectiveness of public sector services can be substantially improved.

4. Democracy

The growth of democracy is increasingly recognized as highly supportive of efforts to address development problems and establish the basis for sustained economic and social development. Movement toward more democratic systems and institutions in Asian societies has accompanied the substantial economic growth of the region. The Asia Bureau believes greater democratic pluralism will assist our client countries in the 1990s to capitalize on the gains they have made during the 1980s. A.I.D. will support the movement in Asia toward greater use of democratic processes, especially where it can result in a stronger foundation for development.

5. Transnational Issues

Asia will play a very important role in addressing transnational problems that affect developing and developed countries alike. Global warming, and acquired immuno deficiency syndrome (AIDS) are examples of the problems which A.I.D. will assist its client countries in Asia to confront during the 1990s.

Management of the Asia Programs

A.I.D. is interested not only in promoting greater concentration upon these broad overall regional objectives, but in promoting a greater concentration on the sub-objectives which make up A.I.D. mission strategies as well. Only if this is accomplished can the impact of finite resources be increased to achieve better results and management efficiency be enhanced. With this in mind, A.I.D. has just completed a program review designed to focus country activities on a limited number of discrete, identifiable and measurable objectives. The review was designed to result in a redeployment of resources across a more limited number of objectives with the specific goal of increasing results over time. A number of lessons have emerged from this process that are worthy of mention here.

First, a number of the country programs were found to already be highly focused as a result of past efforts to develop coherent strategies with measurable results. Among these were the programs of Nepal, Bangladesh, Sri Lanka, Afghanistan and the South Pacific. In each of these countries, our review found that over 95% of mission resources were already directed towards an acceptable number of key objectives.

Even within such programs however, improvements were still possible. In Nepal, the number of projects will decline from eleven - before the review - to six by the mid 1990s. There will also be a greater concentration of staff time on key objectives. A similar reduction and concentration of staff time was noted in Sri Lanka and the South Pacific as well. Clearly the review served to sharpen up programs that were already comparatively well focused.

Secondly, the exercise will lead to a significant increase in the degree of focus present in some programs, most notably those of India and Indonesia.

In India the number of objectives was reduced from four to three with the remaining three being clearly focused on removing the impediments which constrain India's development and economic well-being.

- To support progress towards an improved financial and regulatory environment.
- To support activities which increase competitiveness among Indian enterprises.
- To support smaller, healthier families.

Prior to this review, only 69% of mission resources were concentrated on these three objectives. By the end of FY 1995, 94% of mission resources should be so concentrated.

Indonesia has, as a result of the exercise, concentrated its assistance efforts on three new objectives and two supporting themes. These objectives and themes, as in the case of India related to key development constraints, are as follows.

- To foster private provision of public goods and services within a responsible regulatory framework.
- To strengthen Indonesia's competitiveness in world markets.
- To enhance the quality of human resources for private sector development.
- And, as supporting themes, to encourage the open participation of citizens and to sustain the natural resource base.

Indonesia, as a result of the review, has concentrated its assistance efforts on three new objectives and two supporting themes. These objectives and themes, as in the case of India, are related to key development constraints.

Prior to the review, only 64% of mission resources were focused on the major objectives - though this rose to 81% if the supporting themes were added to the equation. By the mid-1990s, however, the percentage will rise to 87% and 100%. Likewise, the number of projects will decline by almost one-third (from 18 to 13) and the concentration of staff time on core objectives will increase from 44% to 66%. In Indonesia, as in India, the result should be a program that is not only better managed but most importantly, significantly more successful in terms of the impact it produces.

In addition to focusing resources for increased results, A.I.D. will strive to increase the strategic effectiveness of U.S. economic assistance through improved management systems, such as greater use of performance monitoring, better focused portfolios, improved evaluations and reporting on results, financial sustainability assessments, and increased use of technological and organizational innovations.

Program Summary

For FY 1993, A.I.D. is requesting the following in bilateral assistance for programs in the Asia Bureau: \$288.325 million of Development Assistance, \$145.3 million of Economic Support Funds, \$80 million of Special Assistance Initiative funds, \$135.773 million of P.L. 480 Title II resources and \$137.9 million of P.L. 480 Title III resources, for a regional total of \$787.298 million.

Afghanistan
Humanitarian
Assistance

AFGHANISTAN

Total U.S. Aid \$ 665 Million (1950-90)
 Ratio of U.S. Aid To Total ODA 45.7% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.17 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP ()
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP... () . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () ()
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () ()

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP... () . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... ()
 As % of Total Export Earnings..... () . %

POPULATION

Total Population...(Thousands, Mid 1991) 15,708
 Population Growth Rate..... (1978) 2.6% (1992) 2.4%
 Population (1991) By Age Group:
 (0-14yrs) 43.1% (15-64yrs) 54.3% (65+ yrs) 2.6%
 Married Women Aged 15-44 yrs. Using Contraception...() . %
 Total Fertility Rate...(1970) (1991) 6.5

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...() . %

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () ()
 Total Imports(\$ Millions, US) () () ()
 OF Which % From U.S.() .%
 Major Imports FOOD; PETROLEUM PRODUCTS
 Total Exports(\$ Millions, US) () () ()
 Of Which % to U.S.() .%
 Major Exports NATURAL GAS; FRUITS; NUTS; CARPETS; WOOL; COTTON
 Trading Partners: USSR; COUNTRIES OR A; JAPAN

AGRICULTURE

Agricultural Production as % of GDP...() .%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Vegetables, fr ; Oil crops & fe; Fibers
 Ag. Imports:(1989) Cereals ; Beverages ; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2157
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 43.5 Male 44.2 Female 42.7
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 165
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 30% (1990) Measles 20% (1990)
 Diphtheria(DPT3) 25% (1990) Polio(3) 25% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 20%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary () Total Female
 Secondary () Total Female
 Adult Literacy Rate (1985) Male 39% (1985) Female 8%

AFGHANISTAN

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE ECONOMIC SUPPORT FUND	30,034 ^a	30,000	25,000
DISASTER ASSISTANCE	990		25,000
PL 480 - TITLE II	20,083	4,399	20,000
TOTALS	81,130	64,399[*]	70,000

a. Includes \$34,370 of DA Section 517 recoveries reobligated in FY 1991.
 b. Includes \$22,782 of ESF Section 517 recoveries reobligated in FY 1991.
 *. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	17.4	17	17
FOREIGN NATIONAL	3	3	3
TOTALS	20	20	20

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	28		28	10	10	20	3	20	23
REGIONAL^e			0			0			0
THIRD COUNTRY									
BILATERAL^d			0			0			0
REGIONAL^e			0			0			0
TOTALS	28	0	28	10	10	20	3	20	23

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

AFGHANISTAN

Introduction

There is optimism that the decade-old conflict inside Afghanistan may soon subside. The movement toward accepting the United Nations' sponsored peace plan, and the U.S.-Soviet cutoff of arms shipments on January 1, 1992, bodes well for the eventual formation of an interim government acceptable to the majority of Afghans. The devastation of war and displacement of millions of Afghans require extensive external assistance for relief, rehabilitation and reconstruction. While multilateral organizations will take the lead in financing assistance once stability is achieved, U.S. interest in supporting self-determination by the Afghan people mandates a continuing A.I.D. presence.

A.I.D. Assistance Strategy and Accomplishments to Date

A.I.D.'s humanitarian assistance program for Afghanistan supports self-determination for the Afghan people. The program relieves the suffering of Afghans who chose to stay in their war-torn country. It also helps ensure that internal conditions will sustain returning refugees, and prepares Afghans for the task of rebuilding their nation. A.I.D. assistance targets the agriculture, health and education sectors throughout Afghanistan, and provides equipment and essential commodities. A.I.D. also selectively supports Afghan refugees in Pakistan and coordinates with Afghans the management and implementation of the entire refugee program. The Education Sector Support project provides technical assistance, training and supplies. Activities focus on improving the quality of primary education through teachers' training and curriculum development. The Human Resource Development project, initiated in FY 1992, provides vocational training in construction trades and office skills, and supports higher level education for engineers and construction professionals. Over 160,000 primary school students have received instructional materials, and over 400 Afghans have graduated from skills training programs. The Agriculture Sector Support project assists in rehabilitating rural infrastructure and provides inputs and extension services. Over 1,500 small irrigation systems providing water for 250,000 acres have been rehabilitated. More than 1,400 metric tons (MT) of improved wheat seed and 16,600 MT of fertilizer have been distributed or sold, increasing food production by 240,000 MT. The Health Sector Support project has trained 2,400 Afghans in basic and mid-level health care and has supplied pharmaceuticals primarily to small health care facilities inside Afghanistan. Regional Health Committees have been trained to operate health delivery systems. Through the Commodity Export Program, A.I.D. procures essential commodities, and finances road and bridge repair. The project also supports training of mine-detecting dogs and their handlers. A.I.D. supports U.S. private and voluntary organizations, specialized studies, research and technical services in preparation for reestablishing bilateral assistance. A.I.D. also supports PVO-managed health, rehabilitation, education, agricultural production and skills' improvement programs for women and other disadvantaged groups.

Other Donors

The U.S. Government program, where appropriate, collaborates with and complements the United Nations-led relief and resettlement effort in providing services and distributing supplies inside Afghanistan, in mine clearing, and agricultural programs.

FY 1993 Program

The FY 1993 program request for Afghanistan is \$50 million, including \$25 million of Development Assistance and \$25 million of Economic Support Funds. In addition, \$20 million in P.L. 480 Title II assistance has been requested. It is anticipated that the A.I.D. program will operate inside Afghanistan after a political settlement and will focus on human resources development, rehabilitation of the agriculture sector, including infrastructure, and on improving and increasing access to health, education and skills training services.

A.I.D. Representative: Robert N. Bakley

BANGLADESH

Total U.S. Aid \$ 3,439 Million (1972-90)
 Ratio of U.S. Aid To Total ODA 10.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.15 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 180
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 0.0%
 Government Budgetary Expenditures as a % of GNP...(1990) 16.8%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1988) 3,069 (1989) -3,425 (1990) -3,820
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () ()

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 49.4%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 313
 As % of Total Export Earnings..... (1990) 19.6%

POPULATION

Total Population...(Thousands, Mid 1991) 116,688
 Population Growth Rate..... (1978) 3.1% (1992) 2.3%
 Population (1991) By Age Group:
 (0-14yrs) 42.3% (15-64yrs) 54.7% (65+ yrs) 3.0%
 Married Women Aged 15-44 yrs. Using Contraception...(1989) 31.4%
 Total Fertility Rate...(1970) (1991) 4.7

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1986) Total 52.0% Urban 56.0% Rural 51.0%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1990) 57%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () ()
 Total Imports(\$ Millions, US) () () ()
 Of Which % From U.S.() %
 Major Imports FOODGRAINS; PETROLEUM; EDIBLE OIL; PETRO PRODUCTS
 Total Exports(\$ Millions, US) () () ()
 Of Which % to U.S.() %
 Major Exports GARMENTS; JUTE; LEATHER PRODUCTS

Trading Partners: UNITED STATES; SPECIAL CATEGO; JAPAN

AGRICULTURE

Agricultural Production as % of GDP...(1990) 38%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Fibers ; Beverages ; Meat products
 Ag. Imports:(1989) Cereals ; Vegetable oils; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 1885
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 52.0 Male 52.4 Female 51.5
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 116
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 86% (1991) Measles 54% (1991)
 Diphtheria(DPT3) 62% (1991) Polio(3) 62% (1991)

Population with Reasonable Access to Safe Water Supply
 (1985) 44%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 70.0 Female 64.0
 Secondary (1988) Total 18.0 Female 11.0
 Adult Literacy Rate (1985) Male 43% (1985) Female 22%

BANGLADESH

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	51,720 ^{ab}	62,000	50,000
PL 480 Title II	23,463	16,800	15,847
PL 480 Title III	69,600	58,200	67,000
TOTALS	144,783	137,000*	132,847

a. Includes \$1,300,000 of DA prior-year deobligated funds reobligated in FY 1991.
 b. Includes \$7,760,000 for central contraceptive procurement.
 *. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request level and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	32.3	31	30
FOREIGN NATIONAL	46	48	48
TOTALS	78	79	78

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	11	81	92	17	127	144	14	102	116
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d	11	128	139	23	206	229	17	200	217
REGIONAL ^e			0			0			0
TOTALS	22	209	231	40	333	373	31	302	333

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

BANGLADESH

Introduction

Bangladesh is one of the poorest and most densely populated countries with almost 2,000 people per square mile and a per capita income of less than \$200. U.S. interests in Bangladesh focus on fostering its economic and social development and strengthening democratic governance. About half of the labor force is unemployed or underemployed. The country is plagued with natural disasters, the last occurring on April 29, 1991, when a cyclone killed at least 138,000 people.

A.I.D. Development Strategy and Accomplishments to Date

The long-term strategic vision of A.I.D. is to promote Bangladesh's transformation to an open, competitive economy. The goal through 1995 is to increase sustainable economic growth and to reduce poverty. The objectives of this period are to: 1) increase private investment in agriculture; 2) increase non-agricultural private investment; 3) increase access to family planning services; and 4) increase political participation.

A.I.D.'s Fertilizer Distribution II project has increased fertilizer use by 66% since 1985, while urea prices have declined by 8% between 1988 and 1990. The Food for Peace Title III program over the past decade has created an open-market sales system in food grains. As a result, Bangladesh is approaching self-sufficiency in rice while prices have stabilized, even after the occurrence of natural disasters. The Family Planning and Health Services project uses a nationwide network of private voluntary organizations, the private sector, and the Bangladesh Government, bringing the contraceptive prevalence rate up from 7% to 41% in the past 18 years. The Institutional Strengthening for Civic Participation project responds to Bangladesh's return to parliamentary democracy by providing technical assistance and training to the Bangladesh Parliament, judiciary, and other democratic institutions. In 1991, this project supported election observation and voter motivation activities leading to a free and fair parliamentary election.

Other Donors

A.I.D. pursues an agenda of policy reform by leveraging the resources of the World Bank and other donors. For example, the Financial Sector Reform - Technical Assistance project provides the technical assistance necessary to supplement and reinforce the Bank's Credit for Financial Sector Reform project. Other donors are sharing responsibility for commodity procurement in family planning and rural electrification sectors. A.I.D. collaborates closely with the donor community to implement the Flood Action Plan, while the P.L. 480 Title III local currency generations will strengthen World Bank-led planning improvements and provide counterpart financing for priority sectors of the Bangladesh Government's Annual Development Plan.

FY 1993 Program

The FY 1993 program proposes \$50 million to finance ongoing projects and new initiatives. This will be integrated with P.L. 480 programs worth approximately \$16 million of Title II and \$67 million of Title III resources. The new Agribusiness Technology Development project will build upon the success of the Fertilizer Distribution II project to open Bangladeshi markets to imported (including U.S.) seeds and other agricultural inputs. A.I.D. has withdrawn two major projects (Development Management Training and Bangladesh Higher Agricultural Education) and is redesigning several others to focus resources for improved results. A.I.D. will streamline Title III program local currency generations away from project funding and towards supporting the Bangladesh Government's efforts at fiscal reform.

Mission Director: Mary C. Kilgour

CAMBODIA

Total U.S. Aid \$ 996 Million (1955-88)
 Ratio of U.S. Aid To Total ODA 5.5% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.01 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(.)
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(.) . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (.)
 As % of Total Export Earnings..... (.) . %

POPULATION

Total Population...(Thousands, Mid 1991) 7,141
 Population Growth Rate..... (1978) -1.9% (1992) 2.1%
 Population (1991) By Age Group:
 (0-14yrs) 36.4% (15-64yrs) 60.4% (65+ yrs) 3.2%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) (1991) 4.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 71%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports INTL. FOOD AID; FUELS; CONSUMER GOODS; MACHINERY
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %
 Major Exports NATURAL RUBBER; RICE; PEPPER; WOOD
 Trading Partners: SINGAPORE; JAPAN; GERMANY (EAST)

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Beverages ; Cereals ; Dairy products
 Ag. Imports:(1989) Beverages ; Cereals ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2531
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 49.3 Male 47.8 Female 50.8
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 124
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 68% (1989) Measles 38% (1989)
 Diphtheria(DPT3) 47% (1989) Polio(3) 47% (1989)
 Population with Reasonable Access to Safe Water Supply
 (.) . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (.) Male .% (.) Female .%

CAMBODIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	18,000	20,000	12,600
ECONOMIC SUPPORT FUND	7,000	5,000	a
TOTALS	25,000	25,000*	12,600

a. Funding for Cambodia is provided in the request for the Southeast Asia Contingency Fund.
 *. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL^b	1.9	4	4
FOREIGN NATIONAL	0	0	0
TOTALS	2	4	4

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
 b. Cambodia FTE totals include 2 FTE for the Office of Khmer Affairs in Thailand.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d			0			0			0
REGIONAL^e			0			0			0
THIRD COUNTRY									
BILATERAL^d			0			0			0
REGIONAL^e			0			0			0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

CAMBODIA

Introduction

The United States has a keen interest in fostering the peace process, promoting free and fair elections, and meeting humanitarian requirements in Cambodia.

A.I.D. Development Strategy and Accomplishments to Date

In FY 1991, support was provided to private and voluntary organizations to meet the needs of vulnerable groups outside of areas administered by the Non-Communists, including children, the disabled, war victims, etc. A.I.D. support to the Cambodian non-communists has helped to assure the existence of alternative points of view to those of both the Khmer Rouge and the communist regime in Phnom Penh. In FY 1992, humanitarian assistance will continue. Additionally, the program will include support for the implementation of the peace accords and the elections process.

Other Donors

Major donors are Japan, France, Australia, Canada, the European Economic Community, and the Association of Southeast Asian Nations (ASEAN). The United Nations will play a major role in donor coordination. The United States is one of the leading bi-lateral donors in Cambodia.

FY 1993 Program

FY 1993 will be a transition year for the Cambodia program. Support for the peace accords will continue through the elections, now scheduled to take place in April, 1993. Following the elections, the A.I.D. program will continue to address humanitarian needs and begin to focus on major structural and institutional constraints to development. The long-term objectives of A.I.D. assistance are: to meet humanitarian needs and to promote free markets and democratic principles.

\$ 12.6 million is requested in FY 1993 to:

- Provide basic health services for children and victims of war;
- Rapidly respond to technical assistance and training requests to support the peace process;
- Strengthen democratic institutions and promote free market principles and basic human rights;
- Assess the structural and institutional constraints to development and to implement programs to address these needs, i.e., training and infrastructure development; and
- Enable Cambodian American volunteers to provide services to private organizations in Cambodia.

A.I.D. Representative: William B. Erdahl

FIJI

Total U.S. Aid \$. Million (. - .)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,640
 Average Annual Real Per Capita GNP Growth Rate.(. - .) . %
 Government Budgetary Expenditures as a % of GNP...(1985) 27.3%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(1989) 24.5%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 65
 As % of Total Export Earnings..... (1989) 8.5%

POPULATION

Total Population...(Thousands, Mid 1991) 744
 Population Growth Rate..... (1978) 1.9% (1992) 0.8%
 Population (1991) By Age Group:
 (0-14yrs) 38.0% (15-64yrs) 59.2% (65+ yrs) 2.8%
 Married Women Aged 15-44 yrs. Using Contraception...(1978) 38.0%
 Total Fertility Rate...(1970) (1991) 3.1

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 41%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) 28(87) 32(88) 26
 Total Imports(\$ Millions, US) (. .) (. .) (. .) 568
 Of Which % From U.S.(. .) . %
 Major Imports MACHINERY & TRANSPORT EQUIP; FOOD; PETROLEUM PRODUCT
 Total Exports(\$ Millions, US) (1986) 538(87) 529(88) 594
 Of Which % to U.S.(. .) . %
 Major Exports SUGAR; GOLD; CLOTHING; COPRA; PROCESSED FISH
 Trading Partners: AUSTRALIA; UNITED KINGDOM; NEW ZEALAND

AGRICULTURE

Agricultural Production as % of GDP...(1988) 19%
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Sugar ; Vegetable oils; Meat products
 Ag. Imports:(1989) Cereals ; Vegetables, fr; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2723
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 64.3 Male 62.1 Female 66.6
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 19
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 99% (1990) Measles 84% (1990)
 Diphtheria(DPT3) 97% (1990) Polio(3) 96% (1990)
 Population with Reasonable Access to Safe Water Supply
 (.) . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 129.0 Female 129.0
 Secondary (1986) Total 56.0 Female 57.0
 Adult Literacy Rate (1985) Male 90% (1985) Female 81%

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	300	300	300
TOTALS	300	300*	300

*. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	*	*	*
FOREIGN NATIONAL			
TOTALS	0	0	0

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
 * See South Pacific Regional Program which administers the Fiji bilateral program.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES			*			*			*
BILATERAL ^d			0			0			0
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d			0			0			0
REGIONAL ^e			0			0			0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).
 * See South Pacific Regional Program which administers the Fiji bilateral program.

FIJI

Introduction

Fiji is the South Pacific's most developed economy and serves as the apex of the regions air and sea lanes. Its 750,000 people depend largely on agriculture for subsistence, and income though the manufacturing and tourism sectors are becoming more important. The population is comprised primarily of indigenous Melanesian Fijians (48.0%) and Fijians of Indian descent (47.0%).

Fiji gained its independence from Great Britain in 1970. This was followed by a period of social and economic progress which was disrupted by a bloodless military coup in May, 1987. An interim civilian government has ruled since and a new constitution was promulgated in August, 1990. National elections are scheduled for March, 1992.

The economy has recovered from a severe downturn following the 1987 political crisis. Rapid growth in 1989-1990 has been slowed, however, by the poor performance of the sugar, gold and tourism sectors in 1990.

Fiji has been a strong advocate of United States regional and global interests and has provided peacekeeping forces under several United Nations programs. U.S. interests in Fiji include: (1) encouraging free elections; (2) maintaining regional access for United States warships and aircraft; (3) preserving access to the region's fisheries resources; and (4) ensuring continued support for United States positions in regional and international fora.

A.I.D. Development Strategy and Accomplishments to Date

The Fiji program, started in 1986, was interrupted by the 1987 coup d'etat. As a result of the coup, Section 513 of the annual foreign assistance appropriations act prohibited most forms of aid and only disaster relief and Sugar Compensation Program assistance could be provided. A Presidential waiver of Section 513 in December, 1988, allowed U.S. assistance to Fiji to resume. In FY 1990, \$300,000 in Economic Security Funds were provided to Fiji for the development of commercial fisheries.

Other Donors

Australia, France, Japan, New Zealand, the United Kingdom and the United States are Fiji's major bilateral donors. Led by the United States, most donors are reorienting their assistance towards private sector economic development.

FY 1993 Program

A.I.D. will continue, with \$300,000 of ESF assistance, to support for a Fiji bilateral component of a regional project, Pacific Islands Marine Resources. The activity supports export-oriented fisheries development.

Regional Director: John B. Woods

INDIA

Total U.S. Aid \$ 12,297 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 8.6% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.02 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 340
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 2.0%
 Government Budgetary Expenditures as a % of GNP...(1989) 17.7%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 60,121
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -21,511 (1988) -23,773 (1989) -18,017

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 3.0 Months of Imports (1989)
 External Public Debt as % of GNP...(1989) 24.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 5,607
 As % of Total Export Earnings..... (1989) 26.4%

POPULATION

Total Population...(Thousands, Mid 1991) 869,515
 Population Growth Rate..... (1978) 2.1% (1992) 1.9%
 Population (1991) By Age Group:
 (0-14yrs) 36.0% (15-64yrs) 60.2% (65+ yrs) 3.8%
 Married Women Aged 15-44 yrs. Using Contraception...(1980) 32.4%
 Total Fertility Rate...(1970) (1991) 3.7

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1985)Total 133.0% Urban % Rural %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 67%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1985) -5,498(86) -4,615(87) -3,904
 Total Imports(\$ Millions, US) () () (87) 19,604
 Of Which % From U.S.() %
 Major Imports CRUDE & PETROLEUM PRODUCTS; MACHINERY; GEMS
 Total Exports(\$ Millions, US) (1985) 12,087(86) 13,116(87) 15,700
 Of Which % to U.S.() %
 Major Exports GEMS & JEWELRY; GARMENTS; ENGINEERING GOODS
 Trading Partners: UNITED STATES; USSR; JAPAN

AGRICULTURE

Agricultural Production as % of GDP...(1988) 29%
 Disposable Income Spent On Food
 Food: % ()
 Ag. Exports:(1991)TEA; ;RAW COTTON; ;OILCAKES
 Ag. Imports:(1991)PULSES; ;EDIBLE OIL; ;CEREALS

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2110
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 57.2 Male 56.9 Female 57.6
 (1970) Total Male Female
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 84
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 80% (1989) Measles 56% (1989)
 Diphtheria(DPT3) 79% (1989) Polio(3) 74% (1989)
 Population with Reasonable Access to Safe Water Supply
 (1989) 57%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 99.0 Female 83.0
 Secondary (1988) Total 41.0 Female 29.0
 Adult Literacy Rate (1985) Male 57% (1985) Female 29%

INDIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	29,505 ^a	22,000	24,000
PL 480 - TITLE II ^b PL 480 - TITLE III	98,786	76,019 25,000	77,741 25,000
TOTALS	128,292	123,019*	126,741

a. Includes \$6,860,250 of DA prior-year deobligated funds, and \$1,769,750 of DA Section 517 recoveries reobligated in FY 1991.

b. See Food for Peace section of statistical annex for program detail.

*. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	19.1	15	15
FOREIGN NATIONAL	43	43	43
TOTALS	62	58	58

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	4	239	243	10	420	430		250	250
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d	4	9	13	4	30	34			0
REGIONAL ^e			0			0			0
TOTALS	8	248	256	14	450	464	0	250	250

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.

b. Academic: degree seeking.

c. Technical: non-degree seeking.

d. Funded under bilateral programs.

e. Funded under regional programs (e.g., CLASP, ATLAS).

INDIA

Introduction

The United States and India are the world's two largest democracies and share many common values and interests. India's recent efforts to accelerate the introduction of market-oriented economic policies offer new opportunities to improve relations, promote peace and undertake programs of assistance to liberalize and privatize the Indian economy.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D. has focused its program more sharply over the past year in support of India's efforts to promote private sector-led, broad-based economic growth. The country strategy emphasizes improving the financial, regulatory and competitive environment for Indian enterprises; and promoting smaller, healthier families through increased contraceptive prevalence and lower levels of malnutrition in high-risk groups.

A.I.D.'s projects have demonstrated the effectiveness of utilizing private companies and voluntary agencies to further development objectives. For example, in the energy sector, three A.I.D. projects are introducing, through joint ventures, environmentally sound, energy efficient technologies (e.g., clean coal technologies) and promoting private sector involvement in energy production and distribution. A.I.D.'s housing program continues to spur the explosive growth in housing finance companies in India (from 30 registered in 1988 to over 300 at present), which have significantly increased housing lending to below-median-income families. The Program for the Advancement of Commercial Technology has so far promoted 31 Indo-U.S. joint ventures for research and development, several of which have already led to commercial sales in the domestic and U.S. markets. The P.L. 480 Title II program with CARE and the Catholic Relief Services supplies over 225,000 tons of food assistance annually, primarily for child survival activities which reach over 7 million women and children. In addition, several projects in family planning and preventative health care directly support efforts to reduce India's cycle of rapid population growth and high infant mortality. A new Title III program begun in FY 1992 supports India's economic reform program by encouraging open market industrial policies, helping finance short term benefits for displaced workers, and expanding incomes and employment opportunities.

Other Donors

As a relatively small donor in India, A.I.D. necessarily places great emphasis on donor coordination and complementarity, particularly in light of the disciplined stabilization program underway and an ambitious, multi-year economic structural adjustment program begun in 1991 with the support of the International Monetary Fund and the World Bank. In light of these reforms, A.I.D. is adjusting its program to provide consulting assistance needed to facilitate the economic transition. Ongoing efforts at donor coordination include A.I.D.'s energy projects with the World Bank and Asian Development Bank, and the Quality Control of Health Technologies project implemented in conjunction with the Japanese aid program.

FY 1993 Program

In FY 1993 A.I.D. will provide \$24 million of Development Assistance to support for India's accelerated efforts to restructure and privatize the economy. In addition to providing incremental funding for ten on-going projects, A.I.D. will initiate two new projects: Restructuring of Enterprise and Trade, which will assist Indian enterprises to restructure and become competitive in a more open Indian economy; and the Improved Delivery of Serviced Land project, which will help promote a financially sustainable system to increase the supply of urban land with water, sewer, power and roads services. In addition, a \$78 million P.L. 480 Title II humanitarian assistance program, a P.L.480 Title III program of \$25 million, and a Housing Guaranty program of \$25 million are being requested.

Mission Director: Walter G. Bollinger

INDIA

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Restructuring of Enterprise and Trade (RESET)		PROJECT NUMBER 386-0528	
		[X] GRANT [] LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 3,500 DA		LIFE OF PROJECT FUNDING 25,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998	

Purpose: To support India's recent deregulation of the economy by assisting Indian enterprises to restructure and become more competitive in both domestic and global markets.

Project Description: India's liberalization of its formerly centrally-planned economy will require Indian enterprises in the public sector to be privatized in ownership and management. It will also require privately-owned firms to restructure in order to compete in the global marketplace.

Among the potential areas of assistance are: capitalization for restructuring through creative financial engineering; employee stock ownership plans and other means to increase labor participation in modernization; market analysis and planning for export growth; improved quality control; better supplier linkages; and automated software systems to improve manufacturing efficiencies.

These services will be rendered by promoting Indo-U.S. private sector joint ventures. Technical services will be provided by utilizing private business, trade and industrial associations both in India and the United States. For Indian firms, training in managerial, technical and financial aspects of restructuring their industries will be provided, and U.S. firms will learn how to do business in the new Indian policy environment.

Sustainability: The project is a time-limited initiative that will work predominantly with established operations to provide inputs that will make those operations commercially sustainable under highly competitive free market conditions.

Relationship to A.I.D. Strategy: The project directly supports A.I.D.'s program goal of supporting India to accelerate broad-based, market-led growth by assisting Indian enterprises to build the capacity to participate individually, and as a part of joint Indo-U.S. business alliances, in a competitive economy.

Host Country and Other Donors: The program will work in conjunction with the Government of India, other donors and other U.S. Government sponsored (i.e., Export-Import Bank) activities that are providing additional resources as part of an overall enterprise restructuring initiative.

Beneficiaries: Immediate beneficiaries of the project will be the personnel of the restructured enterprises assisted under the project, particularly those whose jobs are currently at risk in non-competitive enterprises.

Major Outputs: Eighty restructured enterprises capable of commercial sustainability in an open, competitive economy; new established enterprise standards and practices for emulation by other Indian enterprises; and newly available indigenous expertise for enterprise restructuring.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance	13,000
Training	7,000
Policy and Strategy Studies	2,000
Workshops	2,000
Commodities	1,000
Total	25,000

INDIA

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Improved Delivery of Serviced Land		PROJECT NUMBER 386-0529	
		[X] GRANT [] LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 1,000 DA		LIFE OF PROJECT FUNDING 5,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 1997	

Purpose: To promote the development of a private sector-oriented, financially sustainable system to increase the supply of urban land with water, sewer, power and roads.

Project Description: By increasing private sector participation in the land delivery process, the project will increase the supply of urban land with water, sewer, power and roads for a range of socioeconomic groups, including those below the median income. It will address severe environmental and health problems caused by an inadequate supply of serviced urban land; demonstrate market-responsive alternatives to public sector regulation of land delivery by promoting partnerships between private land developers and local governments; demonstrate innovative, replicable, and cost-recoverable alternatives for financing the provision of basic public services by promoting private sector delivery of municipal-level infrastructure and services; and support the private sector's ability to influence public policy debate of financial and regulatory reforms required for increasing the supply of serviced land.

Sustainability: The project will demonstrate the efficiency of private sector, market-oriented delivery of serviced land; promote improved mechanisms for municipal finance; and develop a system of private sector institutions which build, own, operate and transfer municipal level infrastructure and services. It will strengthen local government's ability to facilitate self-financing, private provision of serviced land, and provide cost-recoverable maintenance and operation of municipal level infrastructure and services.

Relationship to A.I.D. Strategy: The project supports the mission's strategic objective of improving the financial and regulatory environment. It builds upon the success of the ongoing housing finance program by increasing the supply of serviced residential land available for mortgage finance and ownership.

Host Country and Other Donors: The Indian Government is supporting the design and development of the project by co-sponsoring with A.I.D. four consensus-building national land policy seminars, which bring together key private and public sector actors to discuss land development issues.

Beneficiaries: The primary beneficiaries will be urban households both above and below the median income level, with improved health and environmental conditions. Informal sector businesses will also benefit by increased productivity. Secondary beneficiaries will be private sector land developers and private sector providers of municipal level infrastructure and services.

Major Outputs: Increased supply of urban land with water, sewer, power and roads; improved health and environmental conditions for urban households; improved local government capacity to intervene with the private sector at key points in the land delivery process; enhanced ability of private land developers to undertake market-responsive delivery of serviced land; and enhanced ability of the private sector to provide municipal-level infrastructure and services.

A.I.D.-Financed Inputs:**Life of Project (in thousands of dollars)**

Technical Assistance	4,000
Training	<u>1,000</u>
Total	5,000

INDONESIA

Total U.S. Aid \$ 3,792 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 6.7% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.05 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 500
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 4.0%
 Government Budgetary Expenditures as a % of GNP...(1989) 48.1%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (1989) 18,336
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -631 (1988) -2,603 (1989) -1,899

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(1989) 46.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 6,761
 As % of Total Export Earnings..... (1989) 27.0%

POPULATION

Total Population...(Thousands, Mid 1991) 192,433
 Population Growth Rate..... (1978) 2.4% (1992) 1.7%
 Population (1991) By Age Group:
 (0-14yrs) 35.3% (15-64yrs) 61.6% (65+ yrs) 3.1%
 Married Women Aged 15-44 yrs. Using Contraception...(1987) 50.6%
 Total Fertility Rate...(1970) (1991) 2.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1987) Total 17.4% Urban 20.1% Rural 16.4%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 54%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) 1,167(88) 2,073(89) 2,321
 Total Imports(\$ Millions, US) (.) (.) (89) 21,691
 Of Which % From U.S.(.) .%
 Major Imports SPECIALIZED EQUIP & MACHINERY; CRUDE OIL
 Total Exports(\$ Millions, US) (1987) 18,173(88) 20,565(89) 24,012
 Of Which % to U.S.(.) .%
 Major Exports CRUDE OIL; LIQUIFIED NATURAL GAS; PLYWOOD; TEXTILES
 Trading Partners: JAPAN; UNITED STATES; SINGAPORE

AGRICULTURE

Agricultural Production as % of GDP...(1988) 23%
 Disposable Income Spent On Food
 Food: 1985% (48)
 Ag. Exports:(1990)CRUSTACEANS ;MOLLUSCS; RUBBE;COFFEE; VEG. OI
 Ag. Imports:(1990)COTTON; WHEAT ;OIL SEEDS ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2332
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1976) Total 50.5 Male 49.2 Female 51.9
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1976) 112
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 93% (1990) Measles 86% (1990)
 Diphtheria(DPT3) 87% (1990) Polio(3) 91% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1988) 46%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 118.0 Female 115.0
 Secondary (1986) Total 46.0 Female .
 Adult Literacy Rate (1985) Male 83% (1985) Female 65%

INDONESIA

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE ECONOMIC SUPPORT FUND	59,590 ^a 6,991	45,250 5,000	45,600
PL 480 - TITLE II ^b	5,308	6,612	6,483
TOTALS	71,889	56,862*	52,083

a. Includes \$3,853,153 of DA prior-year deobligated funds, and \$765,897 of DA Sec. 517 recoveries reobligated in FY 1991.
 b. See Food for Peace section of statistical annex for program detail.
 *. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	36.7	35	35
FOREIGN NATIONAL	58	58	58
TOTALS	95	93	93

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	491	126	617	370	256	626	483	256	739
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d	3	14	17	6	58	64	3	39	42
REGIONAL ^e			0			0			0
TOTALS	494	140	634	376	314	690	486	295	781

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

INDONESIA

Introduction

Strategic location, rich natural resources, the world's fourth largest population (180 million), rapid economic progress, and an expanding market for American investment and exports continue to underscore the United States' interest in Indonesia's development.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s development strategy is to expand the private sector's role in Indonesia's development and to support a growing trade-oriented economy for long-term sustained growth, thereby improving long-term employment and income opportunities.

A.I.D. fosters the private provision of public goods and services within a responsible regulatory framework. Specific objectives of the program include privatizing state-owned enterprises; encouraging the private provision of urban services; and accelerating the private provision of family planning, health and basic educational services nationwide. A.I.D. also strengthens Indonesia's capacity to compete in world markets by continuing its successful policy dialogue with the Government of Indonesia on issues such as commercial law, trade, banking, and business services.

A.I.D. assists Indonesia to improve the quality of its human capital through new, market-oriented, privately implemented approaches to human resource development. Sustaining the natural resource base, protecting both the rural and urban environment, and promoting open participation of citizens within a more pluralistic framework are related critical themes that A.I.D.'s program resources address. In the area of participation, we are helping Indonesia improve its parliamentary research service to better inform Parliament's decision-making capacity and strengthening the role of advocacy outside of the government.

A.I.D.'s support has resulted in a number of noteworthy accomplishments. Our support for financial institution development since 1985 has increased loan portfolios for employment-generating activities in rural areas from \$150 million to \$760 million and has exceeded loan savings expectations by more than 250%. We have helped the GOI eliminate pesticide subsidies and reduce fertilizer subsidies by 26%. Our efforts have helped Indonesia reduce the population growth rate to under 2%, increase the number of couples served by private sector family planning organizations from 12% to 22%, and reduce the infant mortality rate from 135 per 1,000 live births in 1970 to 58 per 1,000 in 1990.

Other Donors

A.I.D. coordinates its program with the Inter-Governmental Group on Indonesia (IGGI) and with major donors such as Japan, the Asian Development Bank, World Bank, the International Monetary Fund and the U.S. Export-Import Bank. A.I.D. is the fourth largest donor.

FY 1993 Program

A.I.D. is requesting \$45.6 million of Development Assistance. Consistent with A.I.D.'s efforts to concentrate programs in fewer sectors and activities to enhance impact and accountability, only one new \$16 million project is proposed: Microenterprise Promotion. A.I.D. plans a number of amendments to existing projects to focus on our strategy, including a major amendment for the Agriculture and Rural Sector Support Program. A P.L. 480 Title II allocation of \$6.5 million will support maternal and child health, food for work and monetization programs. An annual increment of \$20 million is also requested for the ongoing and successful Housing Guaranty loan program.

Mission Director: Lewis P. Reade

PROJECT TITLE Microenterprise Promotion Project		PROJECT NUMBER 497-0377 [X] GRANT [] LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 4,000 DA	LIFE OF PROJECT FUNDING 16,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To develop small and microenterprises by increasing the private sector delivery of financial and business support services.

Project Description: Small and microenterprise development is recognized by the Government of Indonesia (GOI) as critical to equitable economic growth. Although public sector banking systems have provided essential support to small and microenterprise growth, the development of private sector banking services which could effectively and efficiently complement and supplant public services has lagged significantly behind its potential.

The Microenterprise Promotion project (MEPP) will have three components: private banking services; small enterprise development services; and policy analysis. Credit and savings services will be developed by private banks for small and microentrepreneurs in the urban and rural areas of five selected provinces. Business associations, formed by private and public banks or nongovernmental organizations, will sponsor small business development centers. A.I.D. will support the centers by offering partial financing through "challenge grants."

Sustainability: All business and financial services will be offered at market rates by private sector institutions. The Financial Institution Development project experience demonstrated that local financial institutions can be profitable in 12-18 months. Business development services will demonstrate viability during the project or they will be phased out.

Relationship to A.I.D. Strategy: This project supports A.I.D.'s objective of fostering the increased private provision of public goods and services within a responsible, regulatory framework which in turn underpins the objective of increasing Indonesia's competitiveness. Formal financial services at the local level are now provided by public agencies and banks. The project builds on and transfers the acclaimed, public sector experience of the Financial Institutions Development project to the private sector.

Host Country and Other Donors: The World Bank is continuing financial and technical assistance to Bank Rakyat Indonesia's village banks. The United Nations is financing technical assistance for a self-employment and microenterprise promotion project.

Beneficiaries: Small and microentrepreneurs, including women, will have new business services and financing needed to develop and expand their enterprises. Private bankers will develop new markets of small savers and borrowers.

Major Outputs: A number of small and microenterprises and business centers providing technology and business, information and marketing services to small and microenterprises; private credit and saving programs supporting hundreds to thousands microentrepreneurs, including women; and reform of local and national policies and regulations which inhibit expansion of small and microenterprises.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance	8,000
Training	3,000
Commodities	500
Challenge Grants	3,000
Evaluation	500
Contingency and Inflation	<u>1,000</u>
Total	16,000

MONGOLIA

Total U.S. Aid \$. Million (. - .)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(.)
 Average Annual Real Per Capita GNP Growth Rate (1965-89) . %
 Government Budgetary Expenditures as a % of GNP... (.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP... (.) . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (.)
 As % of Total Export Earnings..... (.) . %

POPULATION

Total Population...(Thousands, Mid 1991) 2,245
 Population Growth Rate..... (1978) 2.8% (1992) 2.7%
 Population (1991) By Age Group:
 (0-14yrs) 41.2% (15-64yrs) 54.8% (65+ yrs) 4.0%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) (1991) 4.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 32%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports MACHINERY & EQUIP; FUELS; FOODS; INDUSTRIAL GOODS
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %
 Major Exports LIVESTOCK; ANIMAL PRODUCTS; WOOL; HIDES
 Trading Partners: CZECHOSLOVAKIA; GERMANY (EAST); ROMANIA

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Fibers ; Meat products ; Live animals
 Ag. Imports:(1989) Sugar ; Cereals ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2475
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 65.0 Male 62.8 Female 67.3
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 48
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% (.) Measles .% (.)
 Diphtheria(DPT3) .% (.) Polio(3) .% (.)
 Population with Reasonable Access to Safe Water Supply
 (.) .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (.) Male .% (.) Female .%

MONGOLIA

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE ECONOMIC SUPPORT FUND	1,986 10,000 ^a	4,000	3,600 15,000
PL 480- TITLE II^b	3,621		
TOTALS	15,607	4,000*	18,600

a. Includes \$10,000,000 ESF prior-year deobligated funds reobligated in FY 1991.
 b. See Food for Peace section of statistical annex for program detail.
 *. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL		2	2
FOREIGN NATIONAL			
TOTALS	0	2	2

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	4		4	4	39	43	4	50	54
REGIONAL^e			0			0			0
THIRD COUNTRY									
BILATERAL^d			0			0			0
REGIONAL^e			0			0			0
TOTALS	4	0	4	4	39	43	4	50	54

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

MONGOLIA

Introduction

Situated between China and Russia, Mongolia recently moved from a communist, centrally planned economy to democracy and a free market economy. Open elections were held and more are imminent. Economic liberalization is ongoing, and a new constitution has been approved. Mongolia has rich pastureland, minerals and well educated people. The sudden end of aid from the C.I.S. has cut living standards by a quarter. Support for political and economic democracy underscores the United States' interest.

A.I.D. Development Strategy and Accomplishments to Date

The A.I.D. strategy focuses on two objectives: creating an enabling framework for private enterprise and supporting democratic institutions.

Under the first objective, A.I.D. is working to reform the financial sector so that it can serve entrepreneurs, stimulate investment and support foreign investment. Voluntary, member-financed, non-governmental business associations will be assisted with training and technical support. Training will continue for entrepreneurs and civil servants on the operations of free markets and the institutional arrangements needed to support them.

To support nascent democratic institutions, A.I.D. will work to strengthen the ability of the legislature, judiciary and free press to act as independent sources of information and influence. This will be accomplished by assisting the legislature to generate its own research and improve its technical competency in legal drafting. Technical assistance will be given to the judiciary to restructure the court system and streamline judicial administration. The press will benefit from training in media management and increased access to media outside Mongolia.

Mongolia's transition has not been easy. Emergency food aid from the United States has been critical in alleviating short-term food shortages, especially during the bitterly cold winter. FY 91 ESF funds were used to keep the power going for the central heating system that serves 600,000 urban Mongolians. In 1991, an A.I.D. office was established. To date, 28 Mongolians have participated in short and long term training courses in the U.S. focusing on the study of democratic institutions and private enterprise with others scheduled to arrive later in the year.

Other Donors

A.I.D. coordinates closely with other donors, including Japan and the United Nations, to support the overall reform effort developed with the support of the International Monetary Fund, the Asian Development Bank and the World Bank.

FY 93 Program

The FY 1993 request of \$3.6 million in Development Assistance will support improvements in the legal and regulatory framework and core institutions necessary for private sector development, emphasizing human resource development, employment generation and increasing exports. The requested \$15 million in Economic Support Funds will support modernization of the centralized urban heat and power system.

A.I.D. Representative: Robert L. Friedline

PROJECT TITLE Energy System Renovation		PROJECT NUMBER 438-0003 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 ESF 15,000	LIFE OF PROJECT FUNDING ESF 15,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1994

Purpose: To improve the performance and efficiency of district power/heating plants in three major urban areas, to provide technical assistance on energy price reform and to privatize the delivery system.

Project Description: The project has four components: (1) assessment, repair and modernization of the urban energy grid, five thermal power plants in Ulaanbaatar, Erdenet and Darkhan, and the distribution system; (2) technical assistance to examine foreign exchange requirements, end-use consumption, revenue, capital investment, environmental impacts of different energy and price scenarios and other key issues in energy price reform; (3) technical assistance to plan and implement privatization of this urban energy system; and (4) technology and skills transfer. 600,000 urban residents plus industrial power users depend on the centralized, Russian-built, antiquated heating/power grid. Short term measures for efficiency improvement and modernization are required. An incentive and conservation system will be studied and implemented to increase production of coal and the efficiency of the power generation and distribution system, and reduce industrial and residential demand while providing for planned industrial growth. The delivery system will be analyzed with the component costs determined so consumer charges are based on usage. Decision and policy-making processes will be analyzed. Short term training will be provided for technical and management staffs in plant supervision, repair, maintenance, construction, demand analysis and projection, efficiency analysis, decision making and policy determination. Privatization of the system's components will be studied and technical assistance provided to determine appropriate policy and assist in implementation. The linkage of the power system and the housing system will be studied and determinations made for joint privatization.

Sustainability: The system will generate substantial income. The ability of the government to purchase heat/power for government installations and parastatals will be studied as will any necessity for a public subsidy for the provision of coal or parts that require foreign exchange. Assuring delivery of heat and power in the urban areas will contribute substantially to the transition to a market-based economy

Relationship to A.I.D. Strategy: This project implements A.I.D.'s support for the ongoing transformation of the Mongolian economy.

Host Country and Other Donors: The project addresses the Government of Mongolia's move to a market-based economy and complements assistance from the International Monetary Fund, World Bank, United Nations, Asian Development Bank and other donors.

Beneficiaries: Direct beneficiaries include 600,000 urban residents plus industries, private concerns and government offices for which this power grid is the sole source of heat/power.

Major Outputs: (1) One modernized urban power grid with an assured capacity to deliver heat/power efficiently and effectively; (2) significant numbers of technicians and managers who are competent to operate the system efficiently and effectively; (3) a cost constructed rate system; and (4) a privatized system of energy services.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
- Technical Advisory Services	3,000
- Equipment and Parts	8,000
- Short-term Technical Training	2,000
- Project Support	1,000
- Evaluation and Audit	<u>1,000</u>
Total	15,000



NEPAL

Total U.S. Aid \$ 469 Million (1952-90)
 Ratio of U.S. Aid To Total ODA 5.0% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.11 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 180
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 1.0%
 Government Budgetary Expenditures as a % of GNP...() %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1990) 600
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1988) -184 (1989) -295 (1990) -239

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 42.7%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 53
 As % of Total Export Earnings..... (1989) 13.9%

POPULATION

Total Population...(Thousands, Mid 1991) 19,611
 Population Growth Rate..... (1978) 2.5% (1992) 2.4%
 Population (1991) By Age Group:
 (0-14yrs) 43.3% (15-64yrs) 54.0% (65+ yrs) 2.8%
 Married Women Aged 15-44 yrs. Using Contraception...(1986) 16.8%
 Total Fertility Rate...(1970) (1991) 5.5

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 92%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -249(88) -288(89) -349
 Total Imports(\$ Millions, US) () () (89) 712
 Of Which % From U.S.() %
 Major Imports PETROLEUM PRODUCTS; FERTILIZER; MACHINERY
 Total Exports(\$ Millions, US) (1987) 347(88) 376(89) 363
 Of Which % to U.S.() %
 Major Exports CLOTHING; CARPETS; LEATHER GOODS; GRAIN
 Trading Partners: INDIA; JAPAN; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 52%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Oil crops & fe ; Vegetables, fr; Live animals
 Ag. Imports:(1989) Fibers ; Live animals ; Tobacco and pr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2076
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 50.6 Male 50.8 Female 50.4
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 92
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 88% (1989) Measles 58% (1989)
 Diphtheria(DPT3) 71% (1989) Polio(3) 71% (1989)
 Population with Reasonable Access to Safe Water Supply
 (1985) 28%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1985) Total 82.0 Female .
 Secondary (1985) Total 26.0 Female .
 Adult Literacy Rate (1985) Male 39% (1985) Female 12%

NEPAL

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	22,776 ^a	15,000	17,500
PL 480- TITLE II ^b	999		
TOTALS	23,775	15,000*	17,500

a. Includes \$2,322,224 of DA prior-year deobligated funds and \$993,653 of DA Section 517 recoveries reobligated in FY 1991.
 b. See Food for Peace section of statistical annex for program detail.
 *. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	15.8	16	15
FOREIGN NATIONAL	34	35	35
TOTALS	50	51	50

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	12	8	20	17	13	30	8	20	28
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d	41	4	45	63	83	146	60	100	160
REGIONAL ^e			0			0			0
TOTALS	53	12	65	80	96	176	68	120	188

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

NEPAL

Introduction

U.S. interests in Nepal focus on promoting private-sector-led economic growth, improving social conditions, and strengthening democratic institutions and processes. Nepal is emerging from its 1990-91 political revolution, and the country is poised for economic and political changes. The most significant development challenges that confront Nepal lie in continued implementation of its announced reform program, growth and diversification of its economy, and consolidation of its democratic values. U.S. commitment to furthering the development process has led A.I.D. to play a major role by encouraging adoption of economic policies that maximize private sector involvement; providing technical assistance, training, and funds to address present challenges; and clearly supporting

PROJECT TITLE Redressing the Public/Private Sector Balance		PROJECT NUMBER 367-0166 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 3,000 DA	LIFE OF PROJECT FUNDING 5,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To strengthen the economy's efficiency by increasing opportunities for the private sector to take over the provision of goods and services presently provided by the public sector and to increase competitiveness within the private sector.

Project Description: The project will be developed in collaboration with the private sector and donors actively supporting public administration reform in Nepal. It will focus on increasing private sector employment opportunities for departing civil servants as part of a wider effort to help the Government of Nepal (GON) reduce its overstuffed bureaucracy and improve economic efficiency. Activities include:

1. Technical assistance to selected government agencies to enable them to contract out to the private sector an increasing proportion of their present activities and to effectively monitor the contractors;
2. Technical assistance to local chambers of commerce, trade associations, and similar private sector organizations to improve member operations to enable them to expand employment opportunities;
3. Short-term technical assistance to improve the competitiveness of private support industries;
4. Technical assistance to key government officials, special commissions, and offices with key policy responsibilities to strengthen public administration reform; and
5. Training of departing civil servants in the various aspects of small business management, and technical assistance to enable them to take advantage of new opportunities.

Sustainability: The project's activities will support the implementation of a more favorable policy, regulatory, and public financial environment by increasing economic efficiency. Over time, the private sector will become increasingly capable of providing goods and services to the public sector and the general economy. The public sector will become more efficient and effective, and less obstructionist in accomplishing its work.

Relationship to A.I.D. Strategy: Expanding the role of the private sector and increasing overall economic efficiency are high priorities and integral objectives of A.I.D.'s assistance strategy. A significant improvement in the overall efficiency of resource allocation is required for Nepal to move beyond the category of "least developed country." Increased economic efficiency is a key element toward this goal.

Host Country and Other Donors: The World Bank, Asian Development Bank, the United Kingdom, and several United Nations agencies are supporting public administration reform. The GON has formed an Administrative Reform Commission and committed itself to initiating such a program in 1992. A.I.D.'s project will complement and build on those efforts.

Beneficiaries: The primary beneficiaries of the project will be private sector entrepreneurs. As their competitiveness increases and operations expand, greater employment opportunities will be created. The overall efficiency of the public sector will increase as its size is reduced.

Major Outputs: The major outputs expected during this life of project are: 1) more capable public and private sector officials; 2) more competitiveness in the economy; and 3) increased employment in the private sector.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance	\$2,000
Training	2,500
Commodities	<u>500</u>
Total	5,000

PAKISTAN

Total U.S. Aid \$ 8,315 Million (1948-90)
 Ratio of U.S. Aid To Total ODA 34.9% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.36 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 360
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP...(1990) 22.4%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (1988) 9,292
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1986) -2,818 (1987) -2,804 (1988) -2,561

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(1989) 37.2%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,225
 As % of Total Export Earnings..... (1989) 21.4%

POPULATION

Total Population...(Thousands, Mid 1991) 118,208
 Population Growth Rate..... (1978) 2.4% (1992) 2.9%
 Population (1991) By Age Group:
 (0-14yrs) 43.9% (15-64yrs) 52.1% (65+ yrs) 4.0%
 Married Women Aged 15-44 yrs. Using Contraception...(1980) 6.4%
 Total Fertility Rate...(1970) (1991) 6.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1985)Total . % Urban 32.0% Rural 29.0%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 51%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -2,089(89) -2,352(90) -2,152
 Total Imports(\$ Millions, US) (.) (.) (90) 7,983
 Of Which % From U.S.(.) %
 Major Imports PETROLEUM PRODUCTS; MACHINERY & TRANSPORT EQUIP
 Total Exports(\$ Millions, US) (1988) 5,199(89) 5,273(90) 5,831
 Of Which % to U.S.(.) %
 Major Exports RICE; COTTON; TEXTILES; CLOTHING
 Trading Partners: JAPAN; UNITED STATES; SAUDI ARABIA

AGRICULTURE

Agricultural Production as % of GDP...(1988) 23%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Fibers ; Cereals ; Vegetables, fr
 Ag. Imports:(1989) Vegetable oils ; Cereals ; Beverages

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2331
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 56.5 Male 56.0 Female 57.1
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 107
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 87% (1991) Measles 75% (1991)
 Diphtheria(DPT3) 83% (1991) Polio(3) 83% (1991)
 Population with Reasonable Access to Safe Water Supply
 (1985) 43%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 52.1 Female 35.1
 Secondary (1987) Total 19.0 Female 11.0
 Adult Literacy Rate (1985) Male 40% (1985) Female 19%

PAKISTAN

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE ECONOMIC SUPPORT FUND	95,700 ^a	25,000 100,000 ^b	
TOTALS	95,700	125,000*	0

a. Includes \$10,100,000 of ESF prior year deobligated funds and \$85,600,000 of ESF Sec. 517 recoveries reobligated in FY 1991.

b. Excludes \$89,000,000 of ESF carryforward funds planned for obligation in FY 1992. These funds will be re-programmed for obligation in other countries.

*. At the time of printing, no FY 1992 appropriation have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	40.1	37	29
FOREIGN NATIONAL	23	29	28
TOTALS	63	66	57

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	913	472	1,385	481	350	831	353	310	663
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d	3	65	68	20	70	90	10	50	60
REGIONAL ^e			0			0			0
TOTALS	916	537	1,453	501	420	921	363	360	723

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.

b. Academic: degree seeking.

c. Technical: non-degree seeking.

d. Funded under bilateral programs.

e. Funded under regional programs (e.g., CLASP, ATLAS).

PAKISTAN

Introduction

U.S. interests in Pakistan focus on promoting nuclear non-proliferation, strengthening democratic institutions, improving basic human rights protection, improving basic social conditions, promoting private sector-led economic growth, cooperating on narcotics control, and promoting bilateral trade and investment.

A.I.D. Development Strategy

Due to non-certification by the President on Pakistan's nuclear weapons development (the Pressler Amendment), as required by section 620 E of the Foreign Assistance Act, A.I.D. has not obligated new resources to Pakistan since FY 1990. As required by Congress, A.I.D. has begun the phase-out of the program and staff.

Other Donors

Major donors include the World Bank, United Nations agencies, Asian Development Bank, and increasingly the Japanese.

FY 1993 Program

If the Executive Branch is able to make the requisite certification, and after consultation with Congress, any future program could be directed toward expanding initiatives now planned for termination, or beginning new initiatives in pursuit of limited and well-defined strategic objectives.

Mission Director: James A. Norris

PHILIPPINES

Total U.S. Aid \$ 4,396 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 35.9% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.50 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 700
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 2.0%
 Government Budgetary Expenditures as a % of GNP...(1990) 20.2%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 52.3%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 2,571
 As % of Total Export Earnings..... (1989) 20.7%

POPULATION

Total Population...(Thousands, Mid 1991) 65,759
 Population Growth Rate..... (1978) 2.7% (1992) 2.0%
 Population (1991) By Age Group:
 (0-14yrs) 38.8% (15-64yrs) 57.6% (65+ yrs) 3.6%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 36.2%
 Total Fertility Rate...(1970) (1991) 3.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1985) Total . % Urban 48.0% Rural 63.0%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 48%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) 526(89) -1,003(90) -2,472
 Total Imports(\$ Millions, US) (.) (.) (90) 14,648
 Of Which % From U.S.(.) .%
 Major Imports RAW MATERIALS; CAPITAL GOODS; PETROLEUM PRODUCTS
 Total Exports(\$ Millions, US) (1988) 10,733(89) 11,883(90) 12,176
 Of Which % to U.S.(.) .%
 Major Exports ELECTRICAL EQUIP; TEXTILES; MINERALS & DRES
 Trading Partners: UNITED STATES; JAPAN; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 23%
 Disposable Income Spent On Food
 Food: 52% (1987)
 Ag. Exports:(1989) Vegetable oils ; Vegetables, fr; Sugar
 Ag. Imports:(1989) Cereals ; Dairy products; Oil crops & fe

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2132
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 64.6 Male 62.0 Female 67.3
 (1970) Total 59.0 Male 56.0 Female 62.4
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 54
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 97% (1990) Measles 85% (1990)
 Diphtheria(DPT3) 89% (1990) Polio(3) 88% (1990)

Population with Reasonable Access to Safe Water Supply
 (1985) 52%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 106.0 Female 107.0
 Secondary (1988) Total 66.0 Female 66.0
 Adult Literacy Rate (1985) Male 86% (1985) Female 85%

PHILIPPINES

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	41,266 ^a	40,000	30,000
ECONOMIC SUPPORT FUND	123,251 ^b	120,000	45,000
SPECIAL ASSISTANCE INITIATIVES	159,828	160,000 ^d	80,000
PL 480 - TITLE II ^c	15,450	14,872	13,092
TOTALS	339,795	334,872*	168,092

a. Includes \$922,594 of DA prior-year deobligated funds reobligated in FY 1991.
 b. Includes \$3,251,029 of ESF prior-year deobligated funds reobligated in FY 1991.
 c. See Food for Peace section of statistical annex for program detail.
 d. Excludes \$40,000,000 of SAI FY 1991 carryforward funds planned for obligation in FY 1992.
 *. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request level and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	41.4 ^b	42 ^b	41 ^b
FOREIGN NATIONAL	25	42	42
TOTALS	66	84	83

a. Total full time equivalent workyears. Includes HG, excess property, and IG personnel. Excludes TDP. One workyear = 2080 hours.
 b. Includes one FTE for the Asian Development Bank.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	17	113	130	8	162	170	9	130	139
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d		79	79		18	18		29	29
REGIONAL ^e			0			0			0
TOTALS	17	192	209	8	180	188	9	159	168

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

PHILIPPINES

Introduction

The United States' strong interest in supporting Philippine economic recovery, democratic institutions and growth of pluralism stems from historic ties dating to the turn of the century. At this time, a new relationship with the Philippines is being forged, building upon substantial investment, trade and humanitarian interests.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s development strategy, which supports the Government of the Philippines' (GOP) efforts to promote broad-based, sustainable economic growth, is focused on three themes- policy reform, support for the private sector, and decentralization - and five programmatic objectives: (1) a policy and institutional framework stimulating market-based private sector growth; (2) open and competitive markets; (3) infrastructure facilitating expanded private sector activity; (4) more efficient delivery of essential services; and (5) effective, sustainable management of natural resources.

A.I.D. support of policy reforms has contributed to improved economic performance, including reduced inflation, reduced external debt, a cut in government subsidies, and privatization of government-owned enterprises. A.I.D. support of policy-based programs also has facilitated lower barriers for external trade, liberalization of investment laws, and the adoption of a new local government code that provides more authority to local government units. A.I.D. projects have resulted in increased credit availability to small and medium-scale enterprises and an improved private sector skills base through demand-driven technical and management training, and accelerated private sector investment and trade.

A.I.D. finances infrastructure development, with appropriate environmental assessments, to facilitate expanded private sector activity. The construction of over 280 kilometers of primary roads, improvement of over 1,100 secondary roads, and the construction of more than 1,400 schools, seaports and public markets has resulted in accelerated private sector expansion in the rural areas reached by A.I.D.-financed projects. Through technical assistance, training, and commodity procurement, A.I.D. has strengthened the rural cooperative system and enhanced its commercial viability.

A.I.D. encourages the efficient delivery of essential services, resulting in private sector participation. Results include increased financial resources in the health sector and the integration of family planning as an important element in maternal and child health. Achievements include dramatic improvement in access to child survival services (exceeding the World Health Organization's universal childhood immunization target of 80% of children under one year); reduction and control of acute respiratory infections; and, through the promotion of birth spacing and increased contraceptive use, improved maternal and child health and lowered fertility rates. A.I.D. has improved the welfare of approximately 33 million poor mothers and children through P.L. 480 Title II mother and child health and school feeding programs. A.I.D. also has expanded the use of private voluntary organizations (PVOs) in support of local communities through small-scale activities.

A.I.D. has advanced the objective of sustainable natural resource management to support economic growth. A.I.D. has laid the foundation for the efficient utilization of natural resources, particularly in developing the forest products and wood processing industry into an efficient and sustainable growth sector. A.I.D. also is financing a large innovative debt-for-nature swap. Programs are in place to improve the reclamation and recycling of wastes in selected industrial sectors.

Other Donors

Under the Multilateral Assistance Initiative (MAI) framework, approximately 20 donors assist the Government of the Philippines in implementing and promoting democracy and economic growth and development. The United States ranks second, behind Japan, as a bilateral contributor to this effort. The Government of the Philippines intends to use the private sector to spur growth and development

by initiating trade policy reforms, enhancing the investment climate, rationalizing the financial system, and rehabilitating infrastructure. The MAI has enhanced both donor coordination and burden-sharing, resulting in growing support for policy reforms, accelerating project implementation, and increasing utilization of donor resources.

FY 1993 Program

For FY 1993, A.I.D. is requesting \$30 million in Development Assistance (DA), \$45 million in Economic Support Funds (ESF), and \$13 million in P.L. 480 Title II resources, as well as \$80 million in Special Assistance Initiative (SAI) funds for the MAI to continue support for economic and policy reform objectives.

DA, ESF and SAI resources will encourage policy reforms to stimulate market-based, private sector growth to reinforce open and competitive markets; to support infrastructure growth; and to develop and rehabilitate the rural electric cooperative system and rural infrastructure.

FY 1993 funding also will support private sector participation to increase financial resources in the health sector, implement child survival activities, promote voluntary access to family planning services and encourage natural resources management.

Four new activities, funded under DA, ESF and SAI, are proposed for FY 1993. The Local Government Systems Development program will provide support to the Government of the Philippines for further devolving authority and capacity from the national government agencies to local governments. The Acquired Immunodeficiency Syndrome (AIDS) Prevention and Control project will work with the public and private sectors to develop AIDS prevention programs and install a national AIDS surveillance system. The Private Infrastructure Development project will advance A.I.D.'s private sector objective to promote open and competitive markets and support infrastructure development that facilitates private sector activity. The follow-on PVO Co-Financing IV project will build on the experience of the predecessor projects and continue work with PVOs and community organizations to increase employment, improve the socioeconomic status of selected groups, improve the availability of credit for off-farm rural enterprises and enhance disaster assistance capabilities.

Mission Director: Malcolm Butler

PROJECT TITLE PVO Co-Financing IV		PROJECT NUMBER 492-0470 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 2,900 DA	LIFE OF PROJECT FUNDING 25,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To promote self-sustaining, participatory development activities through Philippine and U.S. private voluntary organizations (PVOs).

Project Description: This project expands upon the experience of three successful PVO co-financing projects since 1980. The project will: (a) foster closer working relationships between PVOs and all levels of the Government of the Philippines (GOP) concerning the mobilization of credit, agrarian reform, employment-generating technology, community-based health care and sanitation, and natural resource management; (b) encourage networks of community groups, PVOs and local government units; (c) develop indigenous PVOs; and (d) promote a community-based disaster preparedness and response capability.

Sustainability: The capabilities and plans of a cooperating PVO and the beneficiary community to maintain subproject benefits after the expenditure of A.I.D. funds will be factored into subproject grant selection.

Relationship to A.I.D. Strategy: A.I.D.'s strategic goal is to promote economic growth by fostering competitive and efficient markets. The project will stimulate a participatory approach to development and public policy-making and the efficient delivery of basic services.

Host Country and Other Donors: The GOP recognizes the need to expand the role of PVOs in community development and public policy formulation and to improve the efficiency of basic services. Based on the A.I.D. model, Australia, Canada, the European Economic Commission, Germany, and Japan provide substantial financial and other support to PVOs for community development activities.

Beneficiaries: The project will benefit local communities (particularly the economically disadvantaged and ethnic and religious minorities) through the provision of technical and managerial expertise, training and modest amounts of capital. The project will promote efficient basic services, microenterprise development, appropriate technology transfer, technical training, and support for natural resource management.

Major Outputs:

- PVO implemented sustainable, employment-creating, small and microenterprise activities involving appropriate technology transfer;
- Expanded networks of PVO intermediaries working together with smaller PVOs, community organizations and local government units (particularly in areas inhabited by religious and cultural minorities), providing training in project design and management, designed to ensure the efficient delivery and sustainability of benefits;
- Strengthened collaboration between PVOs, community organizations and governments at the local, provincial and national level in disaster preparedness and response; and
- Closer policy dialogue and coordination among PVOs, communities and government units in implementing activities which impact upon credit, agrarian reform, employment-creation, health and sanitation, and natural resource management priorities.

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

Grants to Philippine and U.S. PVOs and NGOs	24,000
Technical Assistance, Consultants and Evaluation	850
Training	<u>150</u>
Total	25,000

PROJECT TITLE AIDS Prevention and Control		PROJECT NUMBER 492-0473 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 2,000 DA	LIFE OF PROJECT FUNDING 4,500 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1994	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To strengthen the national acquired immunodeficiency syndrome (AIDS) prevention and control program.

Project Description: Human immunodeficiency virus (HIV) seroprevalence rates in the Philippines are relatively low. However, seroprevalence data is gathered from HIV screening in only a few target groups and HIV positive cases are more than doubling each year. Worldwide, a reduction in the spread of AIDS has resulted from promoting effective behavioral changes. Such strategies require accurate data to assess the problem and target interventions. Although the Philippines has a well-developed health care system, the National AIDS Prevention and Control Program (NAPCP) has suffered from little attention from policy-makers, lack of information concerning the epidemiology of the disease in the Philippines, and weak management. A.I.D.-financed efforts to date have concentrated on policy dialogue to motivate action in AIDS prevention, on improving surveillance and blood testing capabilities, and on building a base of accurate information about the disease for public and specific target groups at high risk. The proposed project will concentrate on surveillance and information, and education and communication efforts with private voluntary organizations playing an important role. At the end of the project, (1) the capacity of the NAPCP to design and manage interventions will be strengthened; (2) a national AIDS surveillance system will be in place to serve as an information basis for AIDS policy and interventions; and (3) private sector strategies for effecting behavioral changes will be developed and tested.

Sustainability: The Government of the Philippines (GOP) is committed to AIDS prevention and control. Better information on the spread of HIV infection will assist the public and the private sectors in garnering needed resources for these activities.

Relationship to A.I.D. Strategy: This project supports the A.I.D. strategic objective for the Philippines of more efficient delivery of essential services. Lack of appropriate interventions to prevent the spread of AIDS will result in a drain on health and other social service resources.

Host Country and Other Donors: Proposed project activities are within the context of the national medium-term Plan for the Prevention and Control of AIDS in the Philippines approved by the GOP and World Health Organization (WHO) in October 1990. This plan is supported by the Asian Development Bank, WHO, the European Economic Community, and A.I.D.

Beneficiaries: Direct beneficiaries are persons at high risk of contracting AIDS from blood transfusions and high-risk behavior, and intravenous drug users. Indirect beneficiaries are the Philippine people who will face a lower risk of AIDS through maintaining low prevalence within the population.

Major Outputs:

- Improved capacity of the NAPCP, including a functioning national AIDS surveillance system;
- Demonstrated AIDS prevention information, education and communication strategies; and
- Private sector involvement in AIDS prevention;

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	1,500
Training	1,000
Commodities	1,000
Monitoring and Evaluation	<u>1,000</u>
Total	4,500

PROJECT TITLE Private Infrastructure Development Program		PROJECT NUMBER 492-0476 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 SAI- 23,000	LIFE OF PROJECT FUNDING SAI- 75,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1994	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: The program's purpose is to support the Government of the Philippines' (GOP) policy reforms in the infrastructure sector that enhance investment, particularly U.S. investments, and the efficient usage of official development assistance (ODA) by the private sector.

Project Description: The program will provide performance-based disbursements based on specific policy reforms and investment benchmarks adopted to enhance the private sector's role in the country's economic development. Given A.I.D.'s substantial funding for infrastructure projects in the Philippines and the common theme of encouraging private investment in the infrastructure sector, this program will complement the current program portfolio. It also will support the GOP's articulated plans to use the private sector as the country's engine of growth.

As with other sector programs, there will be a need to set specific benchmarks that are measurable and acceptable to both governments. The prospects for success of the program is high, since the GOP recognizes the need for the policy reforms envisioned under the program.

Sustainability: The program will support an investment climate that is conducive to long-term private sector involvement.

Relationship to A.I.D. Strategy: One of A.I.D.'s five key program objectives is the promotion of broad-based, sustainable economic growth through the provision of infrastructure that facilitates private sector activity. The policy reforms to be supported by the program directly support A.I.D.'s strategy because they are aimed at enhancing private investment in infrastructure.

Host Country and Other Donors: A.I.D., as well as other donors, has other projects in the infrastructure sector which enhance private sector participation. The proposed program will complement and support these projects.

Beneficiaries: Because of the nature of program assistance, the benefits accruing to the general population from the program, although indirect, will be far-reaching. With the policy reforms and increased private sector investment and utilization of official development assistance funds, the country as a whole will benefit from the economic growth resulting from increased infrastructure investments.

Major Outputs:

- Policy changes that enhance the efficient usage of ODA by the private sector;
- Policy changes that support private sector investment and ownership; and
- Actual increase in level of U.S. investment over the life of the project.

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

Infrastructure Sector Assistance	73,000
Monitoring, Evaluation and Audit	<u>2,000</u>
Total	75,000

SRI LANKA
 Total U.S. Aid \$ 1,208 Million (1952-90)
 Ratio of U.S. Aid To Total ODA 11.1% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.37 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 430
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP...(1990) 28.9%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1988) 2,406 (1989) 2,194 (1990) 2,243
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () ()

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 61.1%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 290
 As % of Total Export Earnings..... (1989) 14.9%

POPULATION

Total Population...(Thousands, Mid 1991) 17,424
 Population Growth Rate..... (1978) 1.8% (1992) 1.2%
 Population (1991) By Age Group:
 (0-14yrs) 31.2% (15-64yrs) 63.5% (65+ yrs) 5.3%
 Married Women Aged 15-44 yrs. Using Contraception...(1987) 62.3%
 Total Fertility Rate...(1970) (1991) 2.3

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1985) Total 45.8% Urban 48.6% Rural 44.5%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 52%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () (90) -630
 Total Imports(\$ Millions, US) (1988) 2,571(89) 2,569(90) 3,059
 Of Which % From U.S.() %
 Major Imports FOOD & BEVERAGES; TEXTILES; PETROLEUM; MACHINERY & E
 Total Exports(\$ Millions, US) () () (90) 2,430
 Of Which % to U.S.() %
 Major Exports TEA; TEXTILES; PETROLEUM PRODUCTS; COCONUT; RUBBER
 Trading Partners: UNITED STATES; JAPAN; UNITED KINGDOM

AGRICULTURE

Agricultural Production as % of GDP...(1988) 24%
 Disposable Income Spent On Food
 Food: 41% (1987)
 Ag. Exports:(1989) Beverages ; Vegetable oils; Vegetables, fr
 Ag. Imports:(1989) Cereals ; Sugar ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2333
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 71.1 Male 68.5 Female 73.7
 (1970) Total Male Female
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 21
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 97% (1989) Measles 81% (1989)
 Diphtheria(DPT3) 89% (1989) Polio(3) 87% (1989)
 Population with Reasonable Access to Safe Water Supply
 (1985) 40%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 104.0 Female 102.0
 Secondary (1986) Total 66.0 Female 69.0
 Adult Literacy Rate (1985) Male 91% (1985) Female 83%

SRI LANKA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	26,090 ^a	19,300	16,500
PL 480 - TITLE I ^{bc}	12,200	0	0
PL 480 - TITLE III ^c	45,900	45,900	45,900
TOTALS	84,190	65,200	62,400

a. Includes \$6,378,394 of DA prior-year deobligated funds and \$8,621,606 of DA Section 517 recoveries reobligated in FY 1991.
 b. Excludes Title I program administered by USDA.
 c. See Food for Peace section of statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	19.4	18	16
FOREIGN NATIONAL	18	18	18
TOTALS	37	36	34

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	52	82	134	41	98	139	30	34	64
REGIONAL^e			0			0			0
THIRD COUNTRY									
BILATERAL^d	15	97	112	4	128	132	8	34	42
REGIONAL^e			0			0			0
TOTALS	67	179	246	45	226	271	38	68	106

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

SRI LANKA

Introduction

U.S. interests in Sri Lanka are to: (a) promote national and regional stability; (b) support the Government's policies of a private sector-oriented, market economy; and (c) support the strengthening of democratic institutions and the rule of law.

Despite the continued fighting in the Northeast, Sri Lanka's economy has shown remarkable resiliency. Most economic indicators are up: gross domestic product (GDP); many non-traditional exports; international reserves; number of tourists; and manufacturing productivity. The Government's privatization program has been generally successful and has been accompanied by the stock exchange's strong bull market.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s 1992-1996 strategic framework envisages Sri Lanka as a newly industrializing country (NIC) by 2001. This can be done by focusing on agricultural development-led industrialization and placing private initiative at the forefront. The three sub-goals which form the core of the strategic vision are: effective market economy; protection of the environment and productive resource base; and an active, pluralistic democracy.

A.I.D.'s contributions to the Government's privatization plan and liberalization of the economy have been significant. This is supported by a mid-term evaluation of the Private Sector Policy Support project which found A.I.D. technical assistance playing a pivotal role in accelerating the number of privatizations and in computerizing the stock exchange. This project has strengthened local Chambers of Commerce to frame policy discussion with the government to promote the country's liberalization program. In A.I.D.'s effort to assist in the diversification and commercialization of agriculture, the Mahaweli Agriculture and Research Development project is introducing the first modern fruit and vegetable cold chain and handling facility to Sri Lanka and is testing and extending 40 new agricultural products. The Agricultural Planning and Analysis project is supporting work resulting in downsizing of agricultural bureaucracies and several major privatizations. Other A.I.D. contributions are providing the base for export-oriented agro-industries. Under the Irrigation Systems Management project the new performance disbursements have resulted in the first-of-its-kind model agreement to turn over irrigation systems to private water-user groups. Furthermore, 250,000 hectares have been reserved for wildlife with the assistance of the Mahaweli Environment Protection project. A Human Rights Center has been established at the University of Colombo under the Private Voluntary Agency Project.

Other Donors

A.I.D. is working closely with the World Bank, International Monetary Fund, the Asian Development Bank and the Japanese, the four largest donors in Sri Lanka. Sectors of collaboration include development of agricultural enterprise, financial markets, the private sector and the environment. A.I.D. is also working closely with the United Nations in the area of technical assistance coordination and training.

FY 1993 Program

Development assistance of \$16.5 million will finance three ongoing private sector projects, two ongoing agricultural technology and enterprise projects to promote high-value exports and agro-business, and an environmental project to develop and implement policies which incorporate sustainable economic growth approaches. A P.L. 480 Title III program of \$45.9 million is planned for the third year of A.I.D.'s multi-year food plan to support the transformation of the agricultural sector through policy reforms.

Mission Director: Richard M. Brown

THAILAND

Total U.S. Aid \$ 1,177 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 6.1% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.06 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,230
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 4.0%
 Government Budgetary Expenditures as a % of GNP...(1990) 15.6%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1990) 12,468
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1988) 590 (1989) 2,153 (1990) 3,201

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 18.1%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 2,269
 As % of Total Export Earnings..... (1989) 8.4%

POPULATION

Total Population...(Thousands, Mid 1991) 56,814
 Population Growth Rate..... (1978) 2.0% (1992) 1.4%
 Population (1991) By Age Group:
 (0-14yrs) 31.1% (15-64yrs) 64.8% (65+ yrs) 4.1%
 Married Women Aged 15-44 yrs. Using Contraception...(1987) 67.5%

Total Fertility Rate...(1970) 6.1 (1991) 2.2

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 66%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -909(89) -1,891(90) -5,343
 Total Imports(\$ Millions, US) () () (90) 34,868
 Of Which % From U.S.() %
 Major Imports MACHINERY & PARTS; PETROLEUM PRODUCTS; CHEMICALS
 Total Exports(\$ Millions, US) (1988) 20,357(89) 25,228(90) 29,525
 Of Which % to U.S.() %
 Major Exports LIGHT MANUFACTURES; FISHERY PRODUCTS; RICE; TAPIOCA
 Trading Partners: JAPAN; UNITED STATES; SINGAPORE

AGRICULTURE

Agricultural Production as % of GDP...(1988) 17%
 Disposable Income Spent On Food
 Food: 25% (1987)
 Ag. Exports:(1989) Cereals ; Vegetables, fr; Sugar
 Ag. Imports:(1989) Fibers ; Dairy products; Oil crops & fe

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2308
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 68.5 Male 66.2 Female 71.0
 (1970) Total 58.3 Male 55.2 Female 61.6
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 37
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 99% (1990) Measles 80% (1990)
 Diphtheria(DPT3) 92% (1990) Polio(3) 92% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 64%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 95.0 Female
 Secondary (1987) Total 28.0 Female
 Adult Literacy Rate (1985) Male 94% (1985) Female 88%

THAILAND

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE ECONOMIC SUPPORT FUND	1,347 ^a	12,300 2,500 ^c	6,000
PL 480 - TITLE IIb	1,915	1,906	2,610
TOTALS	3,262	16,706[*]	8,610

Footnotes:

a. Includes \$115,000 of DA Section 517 recoveries reobligated in FY 1991.

b. See Food for Peace section of statistical Annex for program detail.

c. Excludes \$2,500,000 of ESF carryforward funds planned for obligation in FY 1992.

*. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	13	9	9
FOREIGN NATIONAL	41	38	35
TOTALS	54	47	44

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	33	67	100	32	0	32	25	75	100
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d		4	4			0			0
REGIONAL ^e			0			0			0
TOTALS	33	71	104	32	0	32	25	75	100

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

THAILAND

Introduction

Thailand's rapidly growing economy is increasingly global, demonstrating the results of sound economic management and commitment to market systems. Thailand cooperates closely with the United States on regional issues such as refugee settlement, the Cambodia peace accords, and narcotics control. In response to a military coup in February, 1991, A.I.D. suspended economic assistance to Thailand. Elections are set for March 22, 1992. Return to a democratically elected government would permit resumption of A.I.D. assistance.

Development Strategy and Accomplishments to Date

The A.I.D. program that is planned after 1992 elections will concentrate on three Thai development objectives: increasing Thai work force productivity, reducing the spread of the acquired immune deficiency syndrome (AIDS), and management of Thailand's environment and natural resources. The FY 1992 U.S.-Thai Development Partnership Fund will support these three objectives. In addition, the Management of Natural Resources and Environment project further supports Thailand's efforts at improving the quality of its air, soils and water, and conserving its natural resources and wildlife.

Prior to the military coup, A.I.D. programs supported the commercialization of research from the laboratory to the market place, thereby producing jobs and income. One example is the development of a hybrid, disease resistant papaya that has been introduced and is providing small farmers in the poor area of Northeast Thailand with higher incomes from trees that bear more fruit and live longer. In biotechnology, U.S. and Thai joint ventures are under negotiation in the area of equipment distribution and marketing, manufacturing, clinical trials, and sales of diagnostics and devices for infectious diseases, especially sexually transmitted diseases and HIV/AIDS. Prior to the coup, A.I.D. and the Royal Thai Government (RTG) spent about \$100,000 on matchmaking, while the pending ventures have a value of \$5.0 million. Action-oriented policy studies assisted by A.I.D. have led to creation of a major Thai government-backed overhaul of environmental laws and environmental impact assessment procedures. Another accomplishment is a highly successful outreach program that reduced the spread of HIV/AIDS infection among low-income groups in Chiang Mai Province. The program was developed by Program for Appropriate Technology in Health (PATH), an A.I.D.- assisted private voluntary organization.

Other Donors

Japan is Thailand's largest donor, authorizing over \$600 million in assistance to Thailand in FY 1991. Other major donors are the World Bank and the Asian Development Bank. Yet, the Thai covet U.S. expertise and assistance, access to U.S. technology, and strong, sustainable private sector linkages between the two countries.

FY 1993 Program

The \$6.0 million of Development Assistance in FY 1993 will continue the three program objectives described above. Title II support will contribute to Thailand's program for relief to villages along the Cambodia and Laos borders.

Mission Director: Thomas H. Reese, III

SOUTH PACIFIC

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	9,201 ^a	9,250	7,500
ECONOMIC SUPPORT FUND	10,000	10,000	10,000
TOTALS	19,201	19,250*	17,500

a. Includes \$3,780,182 of DA prior-year deobligated funds reobligated in FY 1991.
 *. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	7.9	7	7
FOREIGN NATIONAL	0	0	0
TOTALS	8	7	7

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	8	16	24	8	25	33	3	32	35
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d	1	5	6	3	20	23	4	22	26
REGIONAL ^e			0			0			0
TOTALS	9	21	30	11	45	56	7	54	61

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

SOUTH PACIFIC

Introduction

A.I.D.'s South Pacific Regional Program assists Papua New Guinea (PNG), Vanuatu, Solomon Islands, Fiji, Kiribati, Tuvalu, Tonga, Western Samoa, Cook Islands and Niue. The program promotes stability through sustainable economic growth, demonstrates U.S. good will towards longtime allies, encourages U.S. - South Pacific investment and trade, and helps assure U.S. access to the region's sea lanes and marine resources. A critical element since 1988 has been the South Pacific Regional Fisheries Treaty Program, which has provided \$10 million annually in Economic Support Fund transfers in return for assured U.S. fishing rights.

A.I.D. Development Strategy and Accomplishments to Date

All countries in the region have the potential for more rapid, sustained growth -- through mobilization of the private sector and outward-oriented strategies emphasizing positive terms of trade. However, the bulk of the 5.3 million population is subject to high mortality, high fertility and high levels of chronic enervation and morbidity from malaria and malnutrition. Ecosystems and resources of long-term importance to the economies and societies of the 1,300 islands (e.g., forests, lagoon and reef systems and high-seas fish stocks) are also in jeopardy from misuse.

A.I.D.'s strategy focuses on three objectives to be realized through private and community enterprise: (1) to increase exports of high value products -- from fisheries, agriculture, eco-industries through access and increased competitiveness in U.S. trade and investment markets; (2) to improve family health -- focused on child and maternal survival, family planning and slowing the spread of the acquired immunodeficiency virus (AIDS)); and (3) to conserve vital ecosystems and natural resources -- focused on development of environmentally protective businesses and sustainable yield management regimes.

Seven core projects serve these objectives; the four newest -- Marine Resources, Market Access and Competitiveness, Profitable Environmental Protection and Commercial Agriculture -- were designated as U.S. Presidential initiatives in October, 1990. These projects build on accomplishments such as expanded agricultural extension efforts to support commercial production, work with islanders to determine sustainable fish yield limits and being the first donor to provide AIDS prevention assistance.

Other Donors

Major donors, including Australia, Japan and the Asian Development Bank, support AIDS prevention, environmental protection, trade, and agricultural and fisheries development in the South Pacific. The United States is not a major donor in the region.

FY 1993 Program

In FY 1993, \$7.5 million of Development Assistance and \$10 million of Economic Support Funds are requested. The program will emphasize export and investment development primarily in Fiji, Papua New Guinea and Tonga. In addition, marine product development and stock management will be emphasized in Kiribati, Tuvalu, Cook Islands, Tonga, Fiji and PNG. Child Survival will be stressed in PNG, Vanuatu and Solomon Islands, with AIDS prevention and family planning being stressed region-wide. Lastly, conservation of tropical forests and biodiversity will form the focus of activities in Vanuatu, PNG and Solomon Islands.

A successor to the Economic Support Funded Regional Fisheries Treaty Program is also expected to be put in place in FY 1993, pending completion of negotiations on a new treaty.

Regional Director: John B. Woods

ASEAN

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	4,630 ^a	3,300	3,000
TOTALS	4,630	3,300*	3,000

a. Includes \$1,146,664 of DA prior-year deobligated funds and \$22,961 of Section 517 recoveries reobligated in FY 1991.
 *. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request level and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	2.2	2	2
FOREIGN NATIONAL	2	2	2
TOTALS	4	4	4

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d			0			0			0
REGIONAL ^e	3	8	11			0			0
THIRD COUNTRY									
BILATERAL ^d			0			0			0
REGIONAL ^e	128	947	1,075	55	544	599	5	100	105
TOTALS	131	955	1,086	55	544	599	5	100	105

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

ASEAN

Introduction

In 1967, the countries of Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand formed the Association of Southeast Asian Nations (ASEAN) to promote regional political and economic cooperation. Together, the ASEAN countries have a population of 320 million persons and a gross domestic product (GDP) of \$275 billion. ASEAN is our seventh largest trading partner. ASEAN country development has been characterized by (a) the opening of economies to market forces, (b) financing growth by attracting private foreign investment, (c) an export orientation, and (d) strengthened democratic processes.

Much of ASEAN embodies a substantial degree of democratic pluralism. ASEAN governmental structures and traditions embody many democratic principles that allow for substantial personal freedom. The regional trends of prosperity, political stability, and societal liberties appear to be mutually reinforcing and serve to further democratic trends among member countries. In addition, ASEAN governments view a continued U.S. presence in the area as a stabilizing influence.

A.I.D. Development Strategy and Accomplishments to Date

Early A.I.D. programs stressed regional cooperation through training and the development of technical institutions. Results include the establishment of sustainable regional institutions, such as the Plant Quarantine Training Institute in Malaysia and the Asian Institute of Management in the Philippines. Current A.I.D. program support encourages regional economic growth and open markets through greater private sector investment in the region, and stronger U.S. business linkages with ASEAN to foster trade and investment and commercialization of U.S. technology in the ASEAN countries.

The FY 1992 Environmental Improvement Project will bring U.S. corporate solutions to industrial and urban environmental problems associated with the inefficient and uneconomic use of natural resources. Working closely with other U.S. agencies such as the Environmental Protection Agency and the Overseas Private Investment Corporation, as well as the private sector, the project promotes policy and institutional development, technical assistance and training, technology commercialization (U.S. equipment, systems and services) and investment. This project will complement the FY 1990 A.I.D.-ASEAN Private Investment and Trade Opportunities project.

Other Donors

The ASEAN region is a direct recipient of over \$2 billion in Japanese official development assistance for ASEAN projects, exclusive of bilateral aid. Coordination is formally maintained through economic ministerial sessions, and with donors and multilateral bank consultations. Informal coordination is maintained through A.I.D. support to the Pacific Economic Coordination Conference and the Asia Pacific Economic Coordination mechanism.

FY 1993 Program

The A.I.D. program of \$3.0 million in Development Assistance will continue to encourage the liberalization of regional trade and opportunities for the U.S. private sector to broaden and expand its participation and contribution to the region's economic growth and the resolution of industrial environmental problems.

A.I.D. Representative: Lawrence J. Ervin

ASIA REGIONAL

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	16,169 ^a	22,712	47,025
ECONOMIC SUPPORT FUND	1,189		
TOTALS	17,358	22,712*	47,025

a. Includes \$363,157 of DA prior-year deobligated funds and \$317,324 of DA Sec. 517 recoveries reobligated in FY 1991.
 *. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL			
FOREIGN NATIONAL			
TOTALS	0	0	0

a. Program is managed by AID/W.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d			0			0			0
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d			0			0			0
REGIONAL ^e			0			0			0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

ASIA REGIONAL

Introduction

The Asia Bureau's regional project portfolio consists of a limited number of projects which support new and on going Asian bilateral and regional field programs and provide Agency and Bureau leadership for evolving development goals. Regional projects are developed in coordination with A.I.D./Washington and Asia missions' field programs. They are managed from Washington for administrative effectiveness and convenience.

A.I.D. Development Strategy and Accomplishments to Date

The Irrigation Support project for Asia and the Near East (ISPAN) provides technical assistance to Asia missions in water resource development policy issues, water supply efficiency and reliability, and equity of water delivery and use. In FY 1991, ISPAN developed a strategic framework for water resources management and prepared flood action plans for Bangladesh. The new FY 1992 Regional Agribusiness project will provide support to mission agribusiness development efforts for market information services, trade and investment promotion, analysis, and agribusiness environmental issues.

The Asia Pacific Economic Cooperation Partnership for Education project establishes sustainable U.S. educational links in countries belonging to the Association of Southeast Asian Nations (ASEAN) with an explicit objective of supporting private sector-led growth. During FY 1991, the project established 13 U.S.-ASEAN university partnerships in technology and business education, and produced a quarterly newsletter, ASPIRE, for 10,000 Asian students studying in the United States.

The Environmental Support project for Asia supports planning activities, technical assistance for mission and Washington offices in forestry, biodiversity, natural resources, economics and environmental education. It also supports the Global Environmental Facility coordinated by the World Bank. In FY 1991 activities included support for a regional workshop in Colombo, Sri Lanka on sustainable environmental development, and the development of environmental impact statements.

The Asia Democracy Program supports the development and strengthening of sustainable democratic societies. It provides non-partisan funding and technical assistance to improve the electoral process, develop varied and impartial media, strengthen public advocacy and legislatures, and improve the judicial process and protection. Programs are being developed and carried out with host country governments, the private sector, and non-governmental organizations (NGOs). In FY 1991 funds were provided to Nepal, Indonesia, Mongolia, Sri Lanka, Bangladesh and Fiji.

During FY 1992 A.I.D. initiated an interagency process to develop the U.S.-Asia Environmental Partnership. This partnership will address the serious environmental problems that constrain continued Asian economic growth by mobilizing private sector resources to improve and protect the environment in the Asia-Pacific region. Major activities include expanding the fellowship program, increasing the number of environmentally focused trade missions, and initiating full activities in Asia biodiversity sites. The FY 1993 request includes \$25 million for continued activities under the U.S.-Asia Environmental Partnership begun in FY 1992.

FY 1993 Program

A.I.D. requests \$47.025 million of Development Assistance for this program, to continue the activities discussed above, and to begin the new Sustainability in Asia project. This project will provide missions with technical assistance and access to U.S. and Asian information networks for technology commercialization and health care.

PROJECT TITLE Sustainability in Asia		PROJECT NUMBER 499-0017 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 2,500 DA	LIFE OF PROJECT FUNDING 10,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1998	ESTIMATED PROJECT COMPLETION FY 1999

Purpose: To assist Asia missions in achieving sustainable development programs through approaches relying on technology cooperation and promotion of long term partnerships and linkages. The project will identify the critical factors affecting long term sustainability and incorporate these factors in the design and implementation of new and ongoing programs and projects in Asian countries.

Project Description: Given the need to improve the long term staying power of the benefits of A.I.D. assistance and increased emphasis on measurable impact and accountability, sustainability has become a central concern of the Bureau. This means that not only is economic viability a key consideration, but financial returns and client demand must be factored into the development equation. This is best done by fostering private sector partnerships in the provision of goods and services within a responsible regulatory framework. The activities financed under this project will cut across different projects and sectors by providing technical services and training. Among other things, the project will focus on such areas as 1) private provision of public services and cost recovery mechanisms, in the health and education sectors; 2) commercialization of for-profit environmental technologies; 3) the efficient provision of reliable energy flows; 4) development of long-term linkages through promotion of partnerships (business, educational and community groups) in Asia and the U.S.; and 5) strategic planning for new country programs.

Sustainability: The project is devoted entirely to promoting the sustainability of development program impact.

Relationship to A.I.D. Strategy: The project will support the strategic objectives of Asia programs as well as cross cutting themes of privatization and the reduced role of government, reliable provision of family services and promotion of policies for sustainable environmental activities.

Host Country and Other Donors: Private participation in host countries will be emphasized and non-governmental organizations will be tapped to provide expertise.

Major Outputs:

- Identification of key factors affecting sustainability;
- Sustainability criteria built into the design of implementation of development programs and projects;
- Increased private sector involvement in development activities;
- Reduced role of governments and reduction of the public cost associated with development activities;
- Programming strategies for Asian countries which are newly receiving A.I.D. assistance;
- Technical assistance to missions on partnerships and linkages development, intellectual property, licensing arrangements, and technological and industrial excellence;
- Increase in the number and variety of financially sustainable private sector entities providing energy services to the community;
- Increase in number of trained energy managers and other professionals with critical skills related to energy services.

A.I.D.-Financed Inputs:

Technical Assistance	5,000
Institutional Development	1,000
Commodities	1,000
Training	<u>3,000</u>
Total	10,000

Life of Project (In thousands of dollars)

6,000

SOUTHEAST ASIA CONTINGENCY FUND

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	0	0	50,000
TOTALS	0	0	50,000

SOUTHEAST ASIA CONTINGENCY FUND

Introduction

The achievement of the Comprehensive Political Settlement of the Cambodian conflict in October 1991 marks the beginning of a process in which the United States will be seeking to normalize relations with Cambodia and Viet Nam and further improve relations with Laos. Already, we have upgraded our relations with Laos, opened a diplomatic mission in Phnom Penh (accredited to the Cambodian Supreme National Council), lifted our economic embargo against Cambodia, and relaxed travel restrictions against Viet Nam. The pace and scope of normalization with Viet Nam will depend on progress in the Cambodia settlement process and the extent of cooperation received on POW/MIA concerns.

A.I.D. Development Strategy and Accomplishments To Date

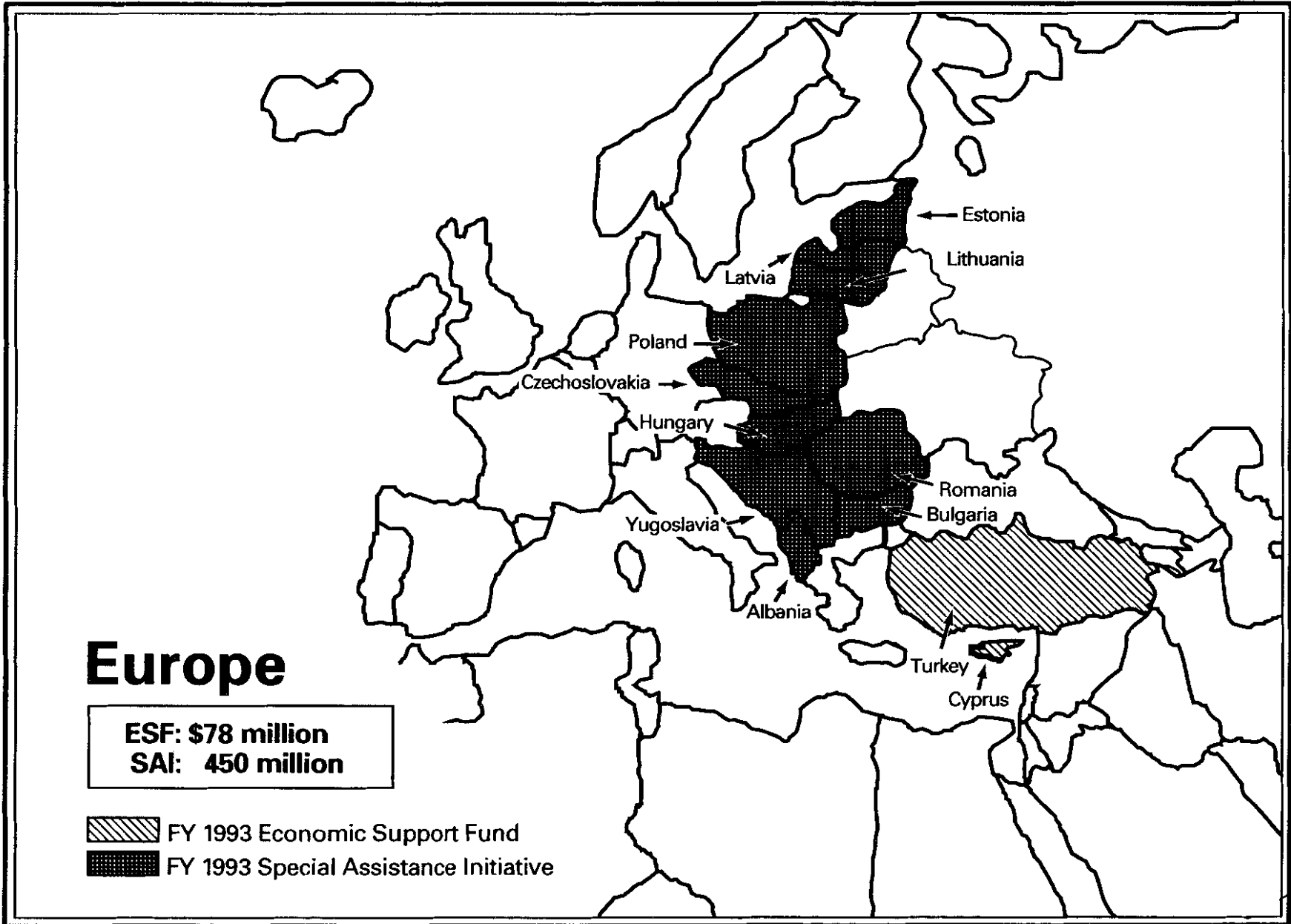
Ongoing humanitarian assistance programs in the region are meeting pressing needs for food, health care, especially for children and victims of war, as well as nutrition aid and help for orphans. In addition, in Cambodia the A.I.D. program is supporting the peace accords through the provision of technical assistance and training.

Other Donors

Major donors are Japan, France, Australia, Canada, the European Economic Community, and the Association of Southeast Asian Nations (ASEAN). The United Nations will play a major role in donor coordination. The United States is one of the leading bilateral donors in Cambodia.

FY 1993 Program

The \$50 million ESF Southeast Asia Contingency Fund will be used to promote democracy and peace. The fund will be used to meet pressing humanitarian needs, rebuild infrastructure, foster trade and investment and provide much needed skills training.



SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
PRESENTATION COUNTRIES

	POPULATION			HEALTH			EDUCATION		--POPULATION DENSITY-- (PERSONS PER SQUARE KM)		
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
ALBANIA	3,335 (91)	1.8% (92)	75 (91)	.	.	50 (91)	.	47% (89)	277 (87)	107 (87)	
	2,727 (81)	2.0% (81)	70 (81)	.	.	72 (81)	.	.	244 (81)	95 (81)	
BULGARIA	8,911 (91)	-0.1% (92)	73 (91)	276 (84)	.	13 (91)	.	49% (89)	145 (87)	81 (87)	
	8,869 (81)	0.3% (81)	.	399 (81)	.	19 (81)	.	.	144 (81)	80 (81)	
CYPRUS	709 (91)	1.0% (92)	76 (91)	746 (87)	100% (85)	10 (91)	.	46% (89)	420 (87)	74 (87)	
	634 (81)	1.2% (81)	.	1,060 (81)	.	.	.	.	388 (81)	69 (81)
CZECHOSLOVAKIA	15,725 (91)	0.3% (92)	73 (91)	277 (85)	100% (85)	11 (91)	.	53% (89)	230 (87)	122 (87)	
	15,320 (81)	0.4% (81)	71 (81)	350 (81)	.	17 (81)	.	.	224 (81)	120 (81)	
HUNGARY	10,558 (91)	-0.1% (92)	72 (91)	307 (85)	99% (85)	14 (91)	.	49% (89)	163 (87)	114 (87)	
	10,712 (81)	0.0% (81)	70 (81)	391 (81)	.	21 (81)	.	.	162 (81)	115 (81)	
POLAND	37,800 (91)	0.1% (92)	73 (91)	487 (85)	89% (85)	12 (91)	.	51% (89)	200 (87)	120 (87)	
	35,902 (81)	0.9% (81)	70 (81)	550 (81)	.	21 (81)	.	.	191 (81)	115 (81)	
ROMANIA	23,397 (91)	0.5% (92)	72 (91)	567 (85)	.	18 (91)	.	50% (89)	152 (87)	97 (87)	
	22,353 (81)	0.7% (81)	.	700 (81)	.	29 (81)	.	.	150 (81)	94 (81)	
TURKEY	58,383 (91)	2.1% (92)	69 (91)	1,365 (87)	.	58 (91)	62% (85)	43% (89)	144 (87)	68 (87)	
	46,254 (81)	2.5% (81)	63 (81)	1,625 (81)	.	93 (81)	.	.	120 (81)	59 (81)	
YUGOSLAVIA	23,976 (91)	0.6% (92)	73 (91)	549 (86)	75% (85)	21 (91)	.	45% (89)	166 (87)	92 (87)	
	22,471 (81)	0.7% (81)	70 (81)	700 (81)	.	30 (81)	.	.	157 (81)	88 (81)	
SUMMARY	(MRY)	182,794 *	0.9% #	72 #	753 #	88% #	30 #	62% #	47% #	211 @	97 @
	(81)	165,242 *	1.2% #	68 #	862 #	. #	44 #	. #	. #	198 @	93 @

* = SUM, @ = ARITHMETIC MEAN, # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
SELECTED OTHER COUNTRIES

	POPULATION			HEALTH			EDUCATION		--POPULATION DENSITY-- (PERSONS PER SQUARE KM)		
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
AUSTRIA	7,666 (91)	0.3% (92)	77 (91)	388 (85)	.	5 (91)	.	47% (89)	217 (87)	90 (87)	
	7,565 (81)	0.2% (81)	73 (81)	440 (81)	.	13 (81)	.	.	205 (81)	90 (81)	
GREECE	10,043 (91)	0.1% (92)	78 (91)	351 (84)	.	10 (91)	.	38% (89)	109 (87)	76 (87)	
	9,729 (81)	0.9% (81)	.	394 (81)	.	16 (81)	.	.	106 (81)	74 (81)	
IRELAND	3,489 (91)	-0.2% (92)	75 (91)	681 (84)	.	6 (91)	.	38% (89)	62 (87)	50 (87)	
	3,443 (81)	1.2% (81)	.	775 (81)	.	10 (81)	.	.	60 (81)	49 (81)	
PORTUGAL	10,388 (91)	0.3% (92)	75 (91)	412 (85)	58% (85)	13 (91)	.	45% (89)	312 (87)	111 (87)	
	9,850 (81)	0.7% (81)	72 (81)	494 (81)	.	22 (81)	.	.	299 (81)	107 (81)	
SPAIN	39,385 (91)	0.3% (92)	78 (91)	316 (84)	98% (85)	6 (91)	.	36% (89)	126 (87)	77 (87)	
	37,751 (81)	0.7% (81)	76 (81)	361 (81)	.	10 (81)	.	.	121 (81)	75 (81)	
519 SUMMARY	(MRY)	70,970 *	0.2% #	77 #	361 #	90% #	8 #	#	39% #	165 @	81 @
	(81)	68,338 *	0.7% #	75 #	414 #	. #	13 #	. #	. #	158 @	79 @
REGION SUMMARY	(MRY)	253,764 *	0.7% #	73 #	642 #	89% #	23 #	62% #	45% #	195 @	91 @
	(81)	233,580 *	1.0% #	70 #	729 #	. #	35 #	. #	. #	184 @	88 @

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REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
PRESENTATION COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP ALL SOURCES	
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP		
ALBANIA	623 (90)	.	.	.	.	.	.
BULGARIA	2,320 (89)	.	.	116.4% (90)	.	.	.	
CYPRUS	7,050 (89)	44.9% (89) 32.1% (81)	265.4% (89) 123.6% (81)	.	5.0 (90) 0.0 (81)	0.09% (90)	.	
CZECHOSLOVAKIA	3,460 (89)	.	.	19.4% (89)	0.3 (90)	0.00% (90)	.	
HUNGARY	2,580 (89) 2,150 (81)	.	.	22.7% (89) 15.6% (81)	0.9 (90)	0.00% (90)	.	
POLAND	1,780 (89)	.	.	8.7% (89)	81.8 (90) 0.1 (81)	0.14% (90)	.	
ROMANIA	1,227 (90)	.	.	11.7% (89) 12.0% (81)	63.8 (90)	0.20% (90)	.	
TURKEY	1,370 (89) 1,440 (81)	27.5% (86) 31.3% (81)	215.5% (86) 386.7% (81)	32.1% (89) 28.7% (81)	515.9 (90) 0.5 (81)	0.49% (90)	0.2% (89)	
YUGOSLAVIA	2,920 (89) 3,450 (81)	.	.	10.0% (89) 5.1% (81)	0.1 (90) 0.0 (81)	0.00% (90)	0.1% (89)	
SUMMARY	(MRY) (81)	1.944 # 2.104 #	42.1% & 31.3% &	257.3% & 386.7% &	31.8% & 13.1% &	667.8 * 0.6 *	0.09% & % &	0.1% & % &

* = SUM, & = WEIGHTED MEAN (BY GNP PER CAPITA), # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
 REGIONAL SUMMARY, FY93
 (DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
 SELECTED OTHER COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP ALL SOURCES	
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP		
AUSTRIA	17,360 (89) 10,140 (81)	.	.	.	0.0 (90) 0.0 (81)	0.00% (90)	.	
GREECE	5,340 (89) 4,470 (81)	34.0% (81)	301.2% (81)	.	349.1 (90) 0.3 (81)	0.52% (90)	0.1% (89)	
IRELAND	8,500 (89) 5,580 (81)	.	.	.	0.0 (90)	0.00% (90)	.	
PORTUGAL	4,250 (89) 2,500 (81)	.	.	19.8% (89) 25.6% (81)	126.6 (90) 0.1 (81)	0.23% (90)	0.2% (89)	
SPAIN	9,150 (89) 5,610 (81)	40.6% (87)	347.0% (87)	.	1.9 (90) 0.0 (81)	0.00% (90)	.	
SUMMARY	(MRY) (81)	8,748 # 5,499 #	38.2% & 27.7% &	330.2% & 246.0% &	19.8% & 25.6% &	477.6 * 0.5 *	0.08% & % &	0.1% & % &
REGION SUMMARY	(MRY) (81)	3,847 # 3,674 #	39.6% & 28.2% &	303.4% & 263.6% &	29.3% & 16.4% &	1145.4 * 1.1 *	0.09% & % &	0.1% & % &

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 REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
PRESENTATION COUNTRIES

		AVERAGE ANNUAL GROWTH GNP PER CAP % -19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCDUNT BALANCE \$US MILLION
ALBANIA					63.6% (90)	-92 (89)			
BULGARIA		(89)	3.3% (89)	1.4% (89)	71.3% (90)	-757 (90)			
CYPRUS					28.8% (89)	-227 (90)	4.7% (89)	0.9% (89)	46 (90)
CZECHOSLOVAKIA		(89)	1.7% (89)	1.6% (89)	28.3% (81)	-272 (81)	18.7% (81)	2.0% (81)	-148 (81)
					59.0% (88)	-649 (90)			-1,227 (90)
HUNGARY		(89)	1.6% (89)	7.5% (89)	51.2% (88)	899 (81)	3.4% (89)	2.1% (89)	225 (81)
						984 (89)	5.0% (81)	2.4% (81)	379 (90)
POLAND		(89)	2.5% (89)	38.1% (89)	69.9% (89)	-239 (81)	5.8% (88)		-893 (81)
						3,448 (89)			3,067 (90)
ROMANIA		(89)			43.1% (90)	-1,153 (81)			-3,986 (81)
					40.1% (81)	-1,660 (90)			-3,254 (90)
TURKEY		3.0% (89)	5.1% (89)	41.4% (89)	22.8% (89)	-10,966 (88)	19.3% (89)	2.2% (88)	-833 (81)
					23.3% (81)	-2,949 (81)	7.5% (81)	3.6% (81)	-2,616 (90)
YUGOSLAVIA		3.0% (89)	1.3% (89)	96.9% (89)			-5.2% (89)	2.2% (89)	-1,936 (81)
							4.1% (81)	4.1% (81)	-2,364 (90)
SUMMARY	(MRY)	3.0% @	2.6% @	31.1% @	46.7% &	-688 &	4.0% &	1.5% &	-587 &
	(81)	. % @	. % @	. % @	23.3% &	-1,326 &	6.0% &	3.5% &	-1,139 &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
SELECTED OTHER COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % 65-19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION
AUSTRIA	3.0% (89)	1.9% (89)	3.8% (89)	39.3% (89)	1,504 (90)	10.4% (89)	1.1% (89)	690 (90)
GREECE	3.0% (89)	1.6% (89)	18.2% (89)	39.0% (81)	-879 (81)	7.8% (81)	1.1% (81)	-1,464 (81)
IRELAND	2.0% (89)	1.8% (89)	7.8% (89)	43.0% (89)	-4,741 (89)	27.1% (81)	4.3% (81)	-3,537 (90)
PORTUGAL	3.0% (89)	2.5% (89)	19.1% (89)	27.9% (81)	-2,413 (81)	27.1% (81)	4.3% (81)	-2,408 (81)
SPAIN	2.0% (89)	3.1% (89)	9.4% (89)	41.3% (89)	3,264 (89)	.	1.5% (87)	1,433 (90)
				53.9% (81)	-2,596 (81)	.	.	-2,601 (81)
				43.8% (88)	-2,825 (88)	23.9% (87)	2.4% (87)	-139 (90)
				44.2% (81)	-4,705 (81)	27.1% (81)	2.9% (81)	-2,605 (81)
				.	-16,148 (90)	11.3% (87)	2.2% (87)	-16,819 (90)
				.	-3,780 (81)	17.4% (81)	1.2% (81)	-4,989 (81)
SUMMARY	(MRY)	2.6% @	2.2% @	11.7% @	-2,942 &	14.7% &	1.9% &	-3,346 &
	(81)	. % @	. % @	. % @	-2,373 &	16.1% &	2.0% &	-2,637 &
REGION SUMMARY	(MRY)	2.7% @	2.4% @	22.3% @	-2,234 &	11.5% &	1.8% &	-2,480 &
	(81)	. % @	. % @	. % @	-2,255 &	14.7% &	2.3% &	-2,338 &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

Overview of
Europe Programs

Europe

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	10,000	0 ^a	0
ECONOMIC SUPPORT FUND	320,138 ^{bc}	118,000 ^{ad}	78,000
SPECIAL ASSISTANCE INITIATIVES	286,258	400,000 ^{ae}	450,000
PL 480 - TITLE II	324 ^f	256 ^f	0
TOTALS	616,720	518,256	528,000

Footnotes:

a. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

b. Includes \$200,000,000 from the FY 1991 Dire Emergency Supplemental Appropriations Act (P.L. 102-27).

c. Includes \$11,573,000 of FY 1990 ESF carry-over funds obligated in FY 1991.

d. Excludes \$19,769,000 of FY 1990 ESF carry-over funds and \$51,000,000 of FY 1991 ESF carry-over funds planned for obligation in FY 1992.

e. Excludes \$80,792,000 of FY 1991 SAI carry-over funds planned for obligation in FY 1992.

f. See Food for Peace section of Statistical Annex for program detail.

EUROPE

Introduction

In the aftermath of the Cold War, no program better exemplifies the critical role of foreign assistance in helping shape a new world order than the program developed to help the countries of Central and Eastern Europe make the transition to democracy and the free market. In a short time, A.I.D. has put in place a broad program involving over 20 U.S. Government departments and agencies and relying heavily on the participation of the American private sector. This program is strengthening democratic institutions, helping establish market-based economies, and assisting these countries maintain the quality of life of their people during this difficult period of change.

Because of the broad nature of U.S. assistance efforts in Central and Eastern Europe and the critical place this program occupies in U.S. foreign policy, President Bush named the Deputy Secretary of State as Coordinator of U.S. Assistance to Eastern Europe. He is assisted by three Deputy Coordinators: the Deputy Secretary of the Treasury, the Administrator of A.I.D., and the Chairman of the Council of Economic Advisers. The Coordinators set the policy direction for the program and monitor the participation of a wide range of U.S. departments and agencies involved in the program.

The democratic and free-market revolution that swept Central and Eastern Europe in 1989 has now reached the republics emerging from the demise of the Soviet Union. The new challenges and opportunities that these dramatic events present for U.S. foreign policy and assistance efforts are historic. They will further shape A.I.D.'s programs in the Europe region over the coming year.

Current Environment

The winter of 1991-2 finds Eastern Europe still struggling with the revolutionary political changes and economic reforms that are now sweeping across the entire former Soviet Bloc. Restructuring and privatization of state-owned enterprises are proving to be difficult and time-consuming tasks. Exports from Eastern Europe to the former Soviet Union dropped by more than half during 1991. Industrial output (dominated by state enterprises) seems to have dropped by a further 20% on average, while measured gross domestic product (GDP) fell about 10%. These data may somewhat overstate the gravity of the decline in production, since much of the rapid growth of private production in industrial, service, and agricultural sectors is not adequately measured. Moreover, consumer welfare has been less hard-hit than production -- reflecting both improved availability of goods without queuing or panic buying and some shift of expenditures from investment toward consumption.

Nonetheless, economic austerity in the region during 1991 has had a heavy impact on some groups within the region and has led to a fracturing of political leadership in some cases. Poland, which introduced the most sweeping financial and market reforms in the region during 1990, has seen a progressive splintering of its political leadership during 1991 -- a condition which has weakened the ability of the government to persevere in its economic stabilization program. In Albania, already the poorest country in Europe, the breakdown of the command economy led to a sharp decline in industrial production, food distribution, and living standards in urban areas. The result has been food shortages, riots and desperate scenes of thousands of people trying to flee the country. Meanwhile, the Baltic countries face the daunting task of not only building democratic institutions and market economies, but creating independent nations while their fates are still tied to what was the Soviet Union. Most tragically, in Yugoslavia extreme nationalism filled the void left by the decline of communism and central authority. The result has been thousands killed and a sharp downturn in the economy.

With the dissolution of the Soviet Union in December 1991, leaders of the twelve newly independent republics are struggling to maintain control while introducing far-reaching economic and political reforms. Six republics (Russia, Byelarus, Ukraine, Armenia, Kazakhstan, and Kyrgyzstan) have taken dramatic steps including the introduction of more realistic prices for food and energy, privatization of housing and the agricultural sector, the dissolution of the state security apparatus, and the creation of multi-party governmental systems. Other republics, primarily in Central Asia, have indicated less willingness to introduce the radical reforms necessary to transform their political and economic

systems. The collapse of central control is resulting in ethnic or other factional disputes in many parts of the region. Georgia is currently undergoing severe internal unrest. And Armenia, already suffering the results of an economic blockade by Azerbaijan, is likely to be further overwhelmed by the influx of refugees from renewed fighting in the disputed Nagorno-Karabakh region.

But amidst the hazards and hardships of transition to democratic societies and market-led economies there are encouraging signs. Poland's shock program did result in stabilizing the currency and controlling inflation, and the markets are well-stocked. Hungary, which had a head start in liberalizing its economy, is attracting significant foreign investment. Poland, Hungary and the Czech and Slovak Federal Republic (CSFR) have all succeeded in expanding exports to the West, although this has not fully compensated for loss of markets to the east. And Bulgaria, a country with little background to suggest it would be in the forefront of structural adjustment, is attracting highly favorable attention for its policy reforms.

Elsewhere, resolution of the longstanding situation in Cyprus has received new impetus from President Bush's visit to the region in 1991. The President also called for increased cooperation between the United States and Turkey. From the crossroads between Eastern Europe, the new Eurasian republics, and the Middle East, Turkey offers a free-market role model for its neighbors. To maintain this position, however, Turkey's new coalition government needs to rein in its fiscal deficit and accelerate the pace of privatization. Turkey also played a key role in the Persian Gulf War and has important water resources which make it an important factor in the Middle East peace process. A resurgent sense of ethnic identification in Bulgaria, conflicts in Georgia and Armenia, and possible political instability in the nearby Muslim states of the former Soviet Union all pose potential challenges to Turkey over the next few years.

A.I.D. Programs and Strategy for Europe

A.I.D.'s goal in Europe is to carry out a focussed, quick-response, and well-managed program of assistance, fully integrated with U.S. foreign policy, to help the people of the region create a Europe that is whole, prosperous and free. This is not an isolated effort; rather, it involves a wide range of U.S. Government agencies and attempts to bring to bear the wealth of experience, knowledge, and resources of the vast American private sector, including businesses and voluntary organizations alike. Our aim is to provide the best America has to offer to help Central and Eastern Europe succeed in its historic transition to democratic, free-market systems.

The regional program for Central and Eastern Europe is providing much-needed technical advice and resources to now ten countries. It is also a model on which the new U.S. assistance program in the republics of the Commonwealth of Independent States (CIS) is being developed. The program has three objectives. The first is to help develop democratic institutions that will form the foundation for enduring political freedom and encourage broad-based participation in civic and economic affairs. The second objective is the establishment of market-based economies to replace the collapsing centrally-planned systems. The third objective is to maintain or improve the quality of life of a population that is simultaneously enduring both the legacy of the old order, such as environmental degradation and lack of housing, and the hardships associated with the dramatic structural changes being made in the region.

Following the Armenian earthquake in 1988, A.I.D. provided assistance to help that region recover. In 1990, in response to growing disruptions in the production and supply of critical medicines and other medical supplies in the Soviet Union, A.I.D. funded a grant to Project HOPE to transport, handle, and in limited cases purchase, emergency medicines and supplies. Building on this experience and A.I.D.'s activities in Central and Eastern Europe, an initial technical assistance program has begun using FY 1991 Economic Support Funds reprogrammed from Pakistan. This \$5 million program will allow the United States quickly to place technical advisors on the ground in selected republics of the new Commonwealth of Independent States to help in the reform process there. The focus of these efforts will be on energy efficiency and pricing, business training and technical assistance, rule of law, shelter advisors, and support for private, voluntary organizations. A more substantial A.I.D. technical

assistance program is being developed beginning in FY 1992, and is discussed in a separate section of this Congressional Presentation.

Accomplishments to Date

The centerpiece of A.I.D.'s activities in Europe is the regional program for Central and Eastern Europe. In a short period of time, this program has had an impact.

To strengthen democratic institutions, A.I.D. resources have helped give democratic opposition parties the wherewithal to campaign for elections, and have funded civic education campaigns and election observers, as in the 1991 Bulgarian elections which led to democratic party rule. Under a legislative strengthening project, equipment and advice have been provided to the legislatures of Poland, Hungary, Bulgaria and the CSFR. Working with the U.S. Information Agency (USIA), A.I.D. resources have helped support the independent media in Eastern Europe in the form of equipment and training. In Albania, the country that has had the furthest to go to become a democracy, special assistance is being provided to ex-political prisoners and a mass reprinting of Albanian primary school textbooks has been completed to ensure access to educational materials and to de-politicize existing materials. Five grants have been awarded to strengthen local government as an alternative to central control. The Citizens Democracy Corps is now operational in the entire region, linking U.S. private voluntary initiative with targeted needs in Eastern Europe to foster intellectual, political, economic, and personal freedom. With A.I.D. funding, the U.S. Information Agency (USIA) is using various exchange programs to familiarize East Europeans with the principles and practices associated with the rule of law.

The economic restructuring component of the A.I.D. program aims directly to stimulate and support private business activity, as well as to help create the legal, policy and institutional environment conducive to private enterprise development. Through the end of FY 1991, the Enterprise Funds in Poland and Hungary have provided loans totaling \$100 million, mainly to small and medium-sized enterprises. New Enterprise Funds have now been established in Bulgaria and the CSFR. The International Executive Service Corps (IESC) has sent retired executive volunteers to assist nearly 350 firms throughout Eastern Europe. Working with the Treasury Department, A.I.D. funds have supported long- and short-term technical experts throughout the region providing critical advice to ministries, central banks and key commercial banks to help build the financial structures and systems that are critical to the success of any market economy. Banker training has begun in Hungary and will soon be supported in the other countries of the region.

A.I.D. resources, in conjunction with Commerce Department programs, are promoting the growth of U. S. investment in Central and Eastern Europe, the participation of U.S. firms in infrastructure development, and increased involvement of small- and medium-sized U.S. companies in bilateral trade with the region. An Eastern European Business Information Center has been created to provide a clearinghouse on business opportunities in the region and on U.S. Government programs supporting expanded trade and investment. Five grants have been awarded to U.S. trade associations, allowing them to establish offices and business contacts in Central and Eastern Europe. Assistance has also been provided through the Trade and Development Program (TDP) and the Overseas Private Investment Corporation (OPIC) for project feasibility studies and other pre-investment services which will lead to increased U.S. exports to and investment in the region.

Long- and short-term advisors have also helped establish the legal and institutional framework needed to promote and enforce competitive market conditions. Economists and attorneys are now in the CSFR and Poland, and Hungary and Bulgaria will soon be included. Privatization is clearly a cornerstone of economic reform in all countries. In Poland, Hungary, and the CSFR, U.S.-funded advisors are playing key roles in the development of systems and procedures necessary for mass privatization of state-owned enterprises. In addition, assistance has been targeted at specific companies, such as the Polish national airlines, and at specific sectors, such as the large agribusiness sector in Hungary. Technical assistance has also been provided to Romania, Bulgaria, Albania, Yugoslavia, and the three Baltic countries.

In the telecommunications sector, assistance to promote private ownership and liberalization has resulted in more favorable legislation in Hungary and liberalization of media restrictions in Romania. In the energy sector, a multifaceted program to decrease costs and increase safety is well advanced. U.S. experts have conducted energy audits and provided energy-saving equipment to 48 industrial plants, resulting in substantial energy savings. Short-term improvement measures and longer-term investment needs have been identified for major East European refineries. Technical assistance and training have been provided to enable countries in the region to operate in a competitive oil purchasing environment and to understand the implications of different energy pricing policies. In Hungary, a grant provided critical balance-of-payments support linked to energy pricing reform, while also helping to provide a temporary cushion for families affected.

Accomplishments in the critical agricultural sector include new cooperative laws in Poland and Hungary, a farmer-oriented extension service in Poland, and marketing information services in Poland and Hungary. In Bulgaria, grant funds are facilitating land privatization, and in Albania, A.I.D. is taking the lead in a multi-donor program to enable farmers to regain access to needed inputs.

To help improve the quality-of-life of the people of the region during the difficult economic transition, the United States is providing much-needed assistance in unemployment compensation programs, health, housing and the environment. In various countries, the U.S. Department of Labor has initiated vocational training and unemployment compensation pilot activities to accommodate the needs of the growing ranks of unemployed.

Critically needed medicines have been distributed to tens of thousands of children and elderly in Poland, Bulgaria, Romania, Hungary, the CSFR, Latvia, Lithuania, Estonia and Albania. Grants have been awarded to six U.S. institutions to establish medical partnerships with Eastern European institutions. Additional grants are helping provide direct medical services to handicapped children, especially in Romania. Work has also begun to develop improved health insurance programs in Poland, Hungary and the CSFR.

A fundamental objective of A.I.D. assistance in the health area is to stimulate the development of private health care markets in Central and Eastern Europe, as part of the region's overall economic transition. The program is aimed at supporting public policy changes that promote sustainable private health systems that generate jobs, investment and capital accumulation. It is helping strengthen the management capability of existing public health care institutions to become attractive partners for private investment from internal and external sources. Finally, the program facilitates private investment by U.S. firms that will provide the capital needed to modernize these health care systems and keep these markets open to American businesses. A U.S. Health Industry Investment Mission was sponsored by A.I.D. in November 1991 to evaluate the health care investment environment in Poland and Hungary as an initial step in this process.

Environmental degradation has been one of the most devastating legacies of four decades of communism in Central and Eastern Europe. With A.I.D. funding, Environmental Action Plans have been prepared for Bulgaria and the CSFR. The plan in the CSFR served as a basis for major environmental policy reforms, and in turn, the World Bank's Structural Adjustment Loan and A.I.D.'s Environmental Sector Grant. In addition, U.S. private sector environmental technology has been demonstrated through over 50 training and technical assistance programs in industrial health, safety, and pollution prevention.

A.I.D. assistance also focuses on expanding the private sector role in housing delivery; strengthening municipal capacity to promote private development; and establishing viable systems of housing finance. Technical assistance and training have been provided to Bulgaria, the CSFR, Hungary and Poland.

Improved Bureau Management

Within the overall policy framework provided by the Coordinators, A.I.D. directly manages many U.S. assistance projects in Central and Eastern Europe, and has oversight responsibility for activities managed by other U.S. Government agencies in the region with funds appropriated to it. Two

significant organizational changes were made by A.I.D. in 1991 related to the management of our European programs. First, as part of an Agency-wide reorganization, a new Bureau for Europe was created to be responsible for these high priority and innovative activities. Second, within this Bureau, a Regional Mission for Europe was established in Washington to oversee A.I.D.'s programs in Central and Eastern Europe. This Mission, led by a Mission Director with fully delegated approval and implementation authorities, is complemented with small A.I.D. Representatives' Offices in each country. A.I.D. has devoted priority attention to staffing both Mission and overseas offices. As a result, five new field posts were created, housed, equipped and staffed by mid-1991, another four overseas offices were opened with temporary personnel by year's end, and virtually all positions currently assigned to these units -- in Washington and in the region -- are now filled.

New procedures developed especially for A.I.D.'s Central and Eastern European programs have resulted in rapid project design, approval and implementation. The average length of time between project conception to signed contract has been reduced to approximately nine months (and this includes several projects which involved lengthy competitive awards processes). The rate of expenditures under this program has also far exceeded Agency averages. As of September 30, 1991, 61% of funds obligated over the past two years for Central and Eastern Europe had been expended.

FY 1993 Budget Request

During FY 1993, A.I.D. will continue to carry out its regional program in Central and Eastern Europe, building on the activities already underway. A slight increase in the funding requested for this program will allow a more substantial response to the needs of the Baltic nations and the Balkan countries, without reducing planned levels of assistance to Hungary, Poland, and the CSFR. In addition, A.I.D. will continue to support Turkey's economic reforms and its role as a key NATO ally in a critical part of the world, as well as efforts at reconciliation between Greek and Turkish Cypriots and an eventual resolution to the Cyprus situation.

To fund this program in Europe in FY 1993, A.I.D. is requesting \$78 million in Economic Support Funds and \$450 million in Special Assistance Initiative funds. Housing Guaranty programs of \$20 million are also planned for the region.

CYPRUS

Total U.S. Aid \$ 291 Million (1961-90)
 Ratio of U.S. Aid To Total ODA . . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 2.17 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 7,050
 Average Annual Real Per Capita GNP Growth Rate (. . .) . %
 Government Budgetary Expenditures as a % of GNP... (1989) 28.8%
 Total Expenditures and Net Lending (\$ Millions, US):
 (. .) (. .) (1989) 1,345
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -156 (1988) -134 (1989) -63

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . . Months of Imports (. .)
 External Public Debt as % of GNP... (. .) . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (. .)
 As % of Total Export Earnings..... (. .) . %

POPULATION

Total Population...(Thousands, Mid 1991) 709
 Population Growth Rate..... (1978) 0.5% (1992) 1.0%
 Population (1991) By Age Group:
 (0-14yrs) 26.1% (15-64yrs) 63.7% (65+ yrs) 10.1%
 Married Women Aged 15-44 yrs. Using Contraception...(. .) . %
 Total Fertility Rate...(1970) 2.5 (1991) 2.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (. .) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 22%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -109(89) -259(90) -227
 Total Imports(\$ Millions, US) (. .) (. .) (90) 3,000
 Of Which % From U.S. (. .) . %
 Major Imports CONSUMER GOODS; PETROLEUM; FOOD; FEED GRAINS; MACHIN
 Total Exports(\$ Millions, US) (1988) 2,056(89) 2,352(90) 2,774
 Of Which % to U.S. (. .) . %
 Major Exports CITRUS; POTATOES; GRAPES; WINE; CEMENT; APPAREL
 Trading Partners: UNITED KINGDOM; ITALY; JAPAN

AGRICULTURE

Agricultural Production as % of GDP...(1988) 7%
 Disposable Income Spent On Food
 Food: . % (. .)
 Ag. Exports:(1989) Vegetables, fr ; Barley ; Tobacco and pr
 Ag. Imports:(1989) Cereals ; Meat products ; Oil crops & fe

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 19
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 75.5 Male 73.3 Female 77.8
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 10
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) . % (. .) Measles 76% (1989)
 Diphtheria(DPT3) 93% (1989) Polio(3) 93% (1989)
 Population with Reasonable Access to Safe Water Supply
 (1985) 100%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 106.0 Female 106.0
 Secondary (1987) Total 87.0 Female 88.0
 Adult Literacy Rate (. .) Male . % (. .) Female . %

Cyprus

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	14,957 ^a	3,000 ^{bc}	3,000
TOTALS	14,957	3,000	3,000

a. Includes \$9,957,000 of FY 1990 ESF carry-over funds obligated in FY 1991.
b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.
c. Excludes \$10,000,000 of FY 1991 ESF carry-over funds planned for obligation in FY 1992.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	b	b	b
FOREIGN NATIONAL	b	b	b
TOTALS	0	0	0

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
b. Program is managed by A.I.D. Washington.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	184	44	228	180	45	225	175	30	205
REGIONAL ^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	184	44	228	180	45	225	175	30	205

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

CYPRUS

U.S. Interests

The 1974 hostilities on Cyprus and the separation of the island into Greek and Turkish Cypriot areas are a source of continuing tension between two important U.S. allies in the eastern Mediterranean -- Greece and Turkey -- both of which are members of the North Atlantic Treaty Organization (NATO). The hostilities resulted in the severe economic disruptions and the displacement of over 200,000 Cypriots, creating substantial joblessness and burdening the resources of both parts of the island. In the Turkish Cypriot north, economic development has lagged considerably behind that of the Greek Cypriot south. During a visit to the region in July 1991, President Bush pledged renewed U.S. efforts to help resolve the Cyprus situation and to promote reconciliation on the island.

A.I.D. Development Strategy and Accomplishments to Date

U.S. assistance to Cyprus is designed to encourage joint economic and social development between the two communities. Between FY 1975 and FY 1991, the United States provided approximately \$300 million to Cyprus. Of this amount, \$230.2 million was committed for development projects, and \$69.8 million for the Cyprus-American Scholarship Program (CASP). The development projects have been administered through the United Nations High Commission for Refugees (UNHCR). In previous years, projects were implemented separately by the two communities, but in FY 1991 the policy was changed to require implementation of a single list of projects, all of which were to benefit both communities. Bicomunal activities have supported interventions in the fields of agriculture, education, environment, forestry, and health. Examples include plant protection and veterinarian activities, establishment of library facilities, pollution monitoring, fire fighting, and health rehabilitation.

Under the scholarship program, which was begun in 1981, 746 students have completed undergraduate or graduate degree programs; 228 are still studying in the United States. In addition, 197 participants have attended short-term training programs in the United States.

Other Donors

No other donors contribute to the Cyprus-American Scholarship Program or to the UNHCR activities in Cyprus.

FY 1993 Program Highlights

A.I.D. requests \$3 million of Economic Support Funds in FY 1993 to continue supporting bicomunal development activities in Cyprus.

A.I.D./Washington Office Director: Frank Almaguer

TURKEY

Total U.S. Aid \$ 4,532 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 28.5% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.15 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,370
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP...(1989) 22.8%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 18,321
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -2,737 (1988) -2,713 (1989) -3,536

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 45.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 6,048
 As % of Total Export Earnings..... (1989) 32.1%

POPULATION

Total Population...(Thousands, Mid 1991) 58,383
 Population Growth Rate..... (1978) 2.1% (1992) 2.1%
 Population (1991) By Age Group:
 (0-14yrs) 36.3% (15-64yrs) 58.9% (65+ yrs) 4.8%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 63.4%
 Total Fertility Rate...(1970) (1991) 3.5

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 50%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) -4,406(87) -4,541(88)-10,966
 Total Imports(\$ Millions, US) () () (88) 15,327
 Of Which % From U.S.() .%
 Major Imports CRUDE OIL; MACHINERY; TRANSPORT EQUIP; METALS
 Total Exports(\$ Millions, US) (1986) 7,431(87) 10,317(88) 4,361
 Of Which % to U.S.() .%
 Major Exports INDUSTRIAL PRODUCTS; CROPS; LIVESTOCK PRODUCTS
 Trading Partners: GERMANY; IRAQ; UNITED STATES

AGRICULTURE

Agricultural Production as % of GDP...(1988) 16%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Vegetables, fr ; Tobacco and pr; Live animals
 Ag. Imports:(1989) Cereals ; Vegetable oils; Tobacco and pr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3043
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 69.4 Male 67.1 Female 71.7
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 58
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 48% (1989) Measles 78% (1990)
 Diphtheria(DPT3) 84% (1990) Polio(3) 84% (1990)
 Population with Reasonable Access to Safe Water Supply
 () .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 117.0 Female 113.0
 Secondary (1987) Total 46.0 Female 34.0
 Adult Literacy Rate (1985) Male 86% (1985) Female 62%

Turkey

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	250,000 ^a	75,000 ^{bc}	75,000
TOTALS	250,000	75,000	75,000

a. Includes \$200,000,000 from the FY 1991 Dire Emergency Supplemental Appropriations Act (P.L.102-27).
b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.
c. Excludes \$1,000,000 of FY 1991 ESF carry-over funds planned for obligation in FY 1992.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	b	b	b
FOREIGN NATIONAL	b	b	b
TOTALS	0	0	0

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
b. Program is managed by A.I.D. Washington.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d			0			0			0
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d			0			0			0
REGIONAL ^e			0			0			0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

TURKEY

U.S. Interests

Turkey is a close, valued ally in the North Atlantic Treaty Organization (NATO). Its location, between Europe and the Middle East -- bordering Iraq, Iran, Syria, Bulgaria, Georgia and Armenia -- is of strategic importance to the United States. The United States has an interest in encouraging and supporting the growth, development, and stability of a democratic, Western-oriented Turkey, willing and able to meet its NATO commitments. Turkey made important contributions to the success of the recent Persian Gulf War, and is one of the countries most seriously affected by the war.

A.I.D. Development Strategy and Accomplishments to Date

Since 1980, Turkey has been implementing vigorously an outward-oriented and growth-stimulating adjustment program, which serves as a model of sound free-market policies to other Islamic countries and newly-independent republics in the region. This program features a flexible exchange rate regime, extensive liberalization of trade restrictions, fiscal and monetary restraint, and pricing liberalization. Major accomplishments to date include a tripling of exports between 1980 and 1985, another 50% increase through 1990, and an average annual gross domestic product (GDP) growth rate of 5% from 1981-1990. Disappointments include a stubbornly high inflation rate and slow progress on privatization.

The A.I.D. strategy is to provide resources which, in conjunction with those provided by international financial institutions, other governments and private lenders, will permit Turkey to continue to service its large debt, while importing the goods and services it needs for continued economic growth and stability. As of mid-1991, Turkey's external debt was \$43.8 billion, or approximately 40% of gross national product. Debt service as a percentage of exports amounted to 29% during 1990. A.I.D. funds have also assisted Turkey to offset losses to its economy from the Gulf War.

Other Donor Contributions

Turkey's major donor has been the World Bank, whose structural adjustment and project assistance has averaged about \$500 million annually during the 1980s. The Persian Gulf crisis caused a sharp rise in assistance from the Arab states. During 1990, \$600 million, or about 60% of total foreign assistance disbursements, came from Arab states, and during 1991, Arab assistance disbursements were \$1.2 billion, out of total foreign assistance of just over \$1.5 billion.

FY 1993 Program Highlights

A.I.D. requests \$75 million in Economic Support Funds (ESF) to provide budget support as the Government of Turkey continues to implement an export-led, private-sector-oriented reform program.

A.I.D. Washington Office Director: Frank Almaguer

PROJECT TITLE Cash Transfer		PROJECT NUMBER 277-XX93 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 \$75,000,000 ESF		LIFE OF PROJECT FUNDING \$75,000,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1993	

Purpose: To provide balance of payments support to Turkey as it continues to implement an export-led, private-sector oriented economic reform program.

Project Description: In 1980, the Turkish Government announced a comprehensive economic adjustment program featuring a more flexible foreign exchange regime and major efforts to reform Turkey's parastatal enterprises and restrictive fiscal, monetary and wage policies. These policy changes have transformed Turkey's economy from one which looked inward, producing for a highly protected domestic market, to one which increasingly is oriented toward the world market.

As a result, Turkey tripled its exports between 1980 and 1985, and registered another 50% increase through 1990. Average annual growth in Gross Domestic Product (GDP) was 5% during the 1980s. However, the inflation rate remained stubbornly high, and only slow progress was made on privatization. Turkey continues to have a large debt, equivalent to approximately 40% of GDP.

This proposed activity will consist of a cash transfer grant of \$75 million in Economic Support Funds to provide budget support as the Government of Turkey continues to implement an export-led, private sector-oriented reform program.

Sustainability: The cash transfer will stimulate long-term improvements in Turkey's institutional and financial investment program. Additionally, policy reform now underway will accelerate economic growth that can be sustained independently of external concessionary assistance.

Relationship to A.I.D. Strategy: A.I.D.'s strategy is to provide resources which, in conjunction with those provided by other governments and private lenders, permit Turkey to service its debt and continue implementation of its economic reform program while importing the goods and services it needs for economic growth. Turkey is a close, valued ally in the North Atlantic Treaty Organization (NATO) and its location is of strategic importance to the United States. Turkey was effective in implementing Persian Gulf War sanctions despite the economic costs it incurred.

Host Country and Other Donors: Turkey's major donor has been the World Bank, whose structural adjustment and project assistance has averaged \$500 million annually during the 1980s. The Persian Gulf crisis caused a sharp rise in assistance from Arab states: during 1990, \$600 million was provided from these countries, and during 1991, Arab assistance disbursements were \$1.2 billion.

Beneficiaries: The people of Turkey will benefit from increased economic development and stability resulting from the cash transfer.

Major Outputs: The \$75 million transfer supports Turkey's economic adjustment and development efforts.

A.I.D.-Financed Inputs:

Cash Grant
Total

Life of Project (In thousands of dollars)

75,000
75,000

ALBANIA

Total U.S. Aid \$ 20 Million (1946-47)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1990) 623
 Average Annual Real Per Capita GNP Growth Rate.(-) . %
 Government Budgetary Expenditures as a % of GNP...(1990) 63.6%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () ()
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () (1990) 338

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1990) 21.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... ()
 As % of Total Export Earnings..... () . %

POPULATION

Total Population...(Thousands, Mid 1991) 3,335
 Population Growth Rate..... (1978) 2.1% (1992) 1.8%
 Population (1991) By Age Group:
 (0-14yrs) 31.7% (15-64yrs) 62.2% (65+ yrs) 6.1%
 Married Women Aged 15-44 yrs. Using Contraception...() . %
 Total Fertility Rate...(1970) (1991) 2.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1990) 60%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () (89) -92
 Total Imports(\$ Millions, US) () () (89) 593
 Of Which % From U.S.() . %
 Major Imports FUELS; MINERALS; MACHINERY & EQUIP; CHEMICALS; FOOD
 Total Exports(\$ Millions, US) () () (89) 500
 Of Which % to U.S.() . %
 Major Exports FUELS; MINERALS; NON-FOOD AG.; FOOD

Trading Partners: YUGOSLAVIA; ITALY; ROMANIA

AGRICULTURE

Agricultural Production as % of GDP...() . %
 Disposable Income Spent On Food
 Food: . % ()
 Ag. Exports:(1989) Tobacco and pr ; Beverages ; Vegetables, fr
 Ag. Imports:(1989) Sugar ; Cereals ; Vegetable oils

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2728
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 75.1 Male 71.8 Female 78.7
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 50
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% () Measles .% ()
 Diphtheria(DPT3) .% () Polio(3) .% ()
 Population with Reasonable Access to Safe Water Supply
 () . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary () Total . Female .
 Secondary () Total . Female .
 Adult Literacy Rate () Male .% () Female .%

544

BULGARIA

Total U.S. Aid \$. Million (. - .)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 2,320
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1990) 71.3%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 0.4 Months of Imports (1990)
 External Public Debt as % of GNP...(.) . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (.)
 As % of Total Export Earnings..... (1990) 116%

POPULATION

Total Population...(Thousands, Mid 1991) 8,911
 Population Growth Rate..... (1978) 0.1% (1992) -0.1%
 Population (1991) By Age Group:
 (0-14yrs) 20.3% (15-64yrs) 66.4% (65+ yrs) 13.3%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) 2.2 (1991) 1.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(.) . %

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (90) -757
 Total Imports(\$ Millions, US) (.) (.) (90) 3,372
 Of Which % From U.S.(.) . %
 Major Imports FUELS; MINERALS; RAW MATERIALS; MACHINERY & EQUIP
 Total Exports(\$ Millions, US) (.) (.) (90) 2,615
 Of Which % to U.S.(.) . %
 Major Exports MACHINERY & EQUIP; AG. PRODUCTS; MANUFACTURES
 Trading Partners: GERMANY; GERMANY (EAST); POLAND

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Tobacco and pr ; Beverages ; Meat products
 Ag. Imports:(1989) Cereals ; Oil crops & fe; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3612
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 72.7 Male 69.4 Female 76.1
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 13
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) . % (.) Measles . % (.)
 Diphtheria(DPT3) . % (.) Polio(3) . % (.)

Population with Reasonable Access to Safe Water Supply
 (.) . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 104.0 Female 103.0
 Secondary (1987) Total 76.0 Female 76.0
 Adult Literacy Rate (.) Male : % (.) Female . %

CZECHOSLOVAKIA

Total U.S. Aid \$ 193 Million (1946-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 3,460
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1988) 59.0%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1986) 55,050 (1987) 62,462 (1988) 70,695
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1986) -500 (1987) -109 (1988) -3,045

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)

546

External Public Debt as % of GNP...(1989) 16.9%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,483
 As % of Total Export Earnings..... (1989) 19.4%

POPULATION

Total Population...(Thousands, Mid 1991) 15,725
 Population Growth Rate..... (1978) 0.7% (1992) 0.3%
 Population (1991) By Age Group:
 (0-14yrs) 22.3% (15-64yrs) 65.8% (65+ yrs) 11.9%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) 2.1 (1991) 1.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 10%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) 1,275(89) 894(90) -649
 Total Imports(\$ Millions, US) (.) (.) (90) 14,462
 Of Which % From U.S.(.) . %
 Major Imports MACHINERY & EQUIP; FUELS; MINERALS; METALS
 Total Exports(\$ Millions, US) (1988) 17,252(89) 16,379(90) 13,813
 Of Which % to U.S.(.) . %
 Major Exports MACHINERY & EQUIP; FUELS; MINERALS & METALS
 Trading Partners: USSR; GERMANY; POLAND

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Meat products ; Dairy products; Beverages
 Ag. Imports:(1989) Fibers ; Sugar ; Vegetables, fr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3563
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 72.9 Male 69.0 Female 76.8
 (1970) Total 69.6 Male 66.2 Female 72.9
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 11
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% (.) Measles .% (.)
 Diphtheria(DPT3) .% (.) Polio(3) .% (.)

Population with Reasonable Access to Safe Water Supply
 (1985) 100%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (.) Male .% (.) Female .%

HUNGARY

Total U.S. Aid \$ 34 Million (1946-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.00 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 2,580
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1988) 51.2%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 16,239
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -858 (1988) -63 (1989) -552

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 62.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 2,836
 As % of Total Export Earnings..... (1989) 22.7%

POPULATION

Total Population...(Thousands, Mid 1991) 10,558
 Population Growth Rate..... (1978) 0.3% (1992) -0.1%
 Population (1991) By Age Group:
 (0-14yrs) 19.4% (15-64yrs) 67.0% (65+ yrs) 13.6%
 Married Women Aged 15-44 yrs. Using Contraception...() %
 Total Fertility Rate...(1970) 2.0 (1991) 1.8

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 13%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -126(88) 768(89) 984
 Total Imports(\$ Millions, US) () () (89) 9,489
 Of Which % From U.S.() %
 Major Imports CAPITAL GOODS; FUELS; MANUFACTURES
 Total Exports(\$ Millions, US) (1987) 9,887(88) 10,521(89) 10,473
 Of Which % to U.S.() %
 Major Exports CAPITAL GOODS; FOODS; CONSUMER GOODS; FUEL
 Trading Partners: USSR; GERMANY; GERMANY (EAST)

AGRICULTURE

Agricultural Production as % of GDP...(1988) 14%
 Disposable Income Spent On Food
 Food: . % ()
 Ag. Exports:(1989) Meat products ; Cereals ; Live animals
 Ag. Imports:(1989) Oil crops & fe ; Beverages ; Fibers

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3599
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 71.6 Male 67.5 Female 75.7
 (1970) Total 69.6 Male 66.8 Female 72.6
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 14
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) . % () Measles . % ()
 Diphtheria(DPT3) . % () Polio(3) . % ()
 Population with Reasonable Access to Safe Water Supply
 (1985) 99%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 97.0 Female 97.0
 Secondary (1987) Total 70.0 Female 70.0
 Adult Literacy Rate () Male . % () Female . %

POLAND

Total U.S. Aid \$ 783 Million (1946-90)
 Ratio of U.S. Aid To Total ODA .% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.01 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,780
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) .%
 Government Budgetary Expenditures as a % of GNP...(1989) 69.9%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1988) 27,143
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1986) -236 (1987) -911 (1988) -1,563

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 54.8%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,441
 As % of Total Export Earnings..... (1989) 8.7%

POPULATION

Total Population...(Thousands, Mid 1991) 37,800
 Population Growth Rate..... (1978) 0.9% (1992) 0.1%
 Population (1991) By Age Group:
 (0-14yrs) 24.7% (15-64yrs) 65.1% (65+ yrs) 10.2%
 Married Women Aged 15-44 yrs. Using Contraception...() .%
 Total Fertility Rate...(1970) 2.2 (1991) 2.1

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total .% Urban .% Rural .%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 22%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) 2,290(88) 1,884(89) 3,448
 Total Imports(\$ Millions, US) () () (89) 12,235
 Of Which % From U.S.() .%
 Major Imports MACHINERY & EQUIP; FUELS; MINERALS; METALS
 Total Exports(\$ Millions, US) (1987) 14,430(88) 15,666(89) 15,683
 Of Which % to U.S.() .%
 Major Exports MACHINERY & EQUIP; FUELS; MINERALS; METALS
 Trading Partners: USSR; GERMANY; CZECHOSLOVAKIA

AGRICULTURE

Agricultural Production as % of GDP...() .%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Meat products ; Live animals ; Vegetables, fr
 Ag. Imports:(1989) Cereals ; Oil crops & fe; Beverages

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3456
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 72.9 Male 68.6 Female 77.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 12
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% () Measles .% ()
 Diphtheria(DPT3) .% () Polio(3) .% ()
 Population with Reasonable Access to Safe Water Supply
 (1985) 89%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 101.0 Female 101.0
 Secondary (1987) Total 80.0 Female 82.0
 Adult Literacy Rate () Male .% () Female .%

ROMANIA

Total U.S. Aid \$ 87 Million (1970-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1990) 1,227
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1990) 43.1%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 21,482
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) 4,126 (1988) 3,501 (1989) 4,408

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1988) 2.8%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,751
 As % of Total Export Earnings..... (1989) 11.7%

POPULATION

Total Population...(Thousands, Mid 1991) 23,397
 Population Growth Rate..... (1978) 0.9% (1992) 0.5%
 Population (1991) By Age Group:
 (0-14yrs) 23.2% (15-64yrs) 66.2% (65+ yrs) 10.6%
 Married Women Aged 15-44 yrs. Using Contraception...() %
 Total Fertility Rate...(1970) 2.9 (1991) 2.1

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 22%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () (90) -1,660
 Total Imports(\$ Millions, US) () () (90) 5,130
 Of Which % From U.S.() %
 Major Imports FUELS; MINERALS; METALS; MACHINERY & EQUIP
 Total Exports(\$ Millions, US) () () (90) 3,470
 Of Which % to U.S.() %
 Major Exports MACHINERY & EQUIP; FUELS; MINERALS; METALS
 Trading Partners: USSR; GERMANY; IRAN

AGRICULTURE

Agricultural Production as % of GDP...() %
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Meat products ; Vegetables, fr; Cereals
 Ag. Imports:(1989) Fibers ; Sugar ; Cereals

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3352
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 71.9 Male 69.0 Female 74.9
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 18
 Percent Of Children 12-23 Months Did Fully Immunized Against
 Tuberculosis(BCG) .% () Measles .% ()
 Diphtheria(DPT3) .% () Polio(3) .% ()
 Population with Reasonable Access to Safe Water Supply
 () %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary () Total . Female .
 Secondary () Total . Female .
 Adult Literacy Rate () Male .% () Female .%

YUGOSLAVIA

Total U.S. Aid \$ 2,060 Million (1946-79)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 2,920
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP... (.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (1989) 3,980
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) 27 (1988) 40 (1989) 208

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP... (1989) 24.4%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,932
 As % of Total Export Earnings..... (1989) 10.0%

POPULATION

Total Population...(Thousands, Mid 1991) 23,976
 Population Growth Rate..... (1978) 0.9% (1992) 0.6%
 Population (1991) By Age Group:
 (0-14yrs) 22.4% (15-64yrs) 67.9% (65+ yrs) 9.7%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) 2.3 (1991) 1.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 24%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports RAW MATERIALS; SEMIMANUFACTURES; CAPITAL GOODS
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %
 Major Exports RAW MATERIALS & SEMIMANUFACTURES; CONSUMER GOODS
 Trading Partners: USSR; GERMANY; ITALY

AGRICULTURE

Agricultural Production as % of GDP...(1987) 13%
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Meat products ; Cereals ; Live animals
 Ag. Imports:(1989) Fibers ; Beverages ; Meat products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3501
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 73.0 Male 70.0 Female 76.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 21
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% (.) Measles .% (.)
 Diphtheria(DPT3) .% (.) Polio(3) .% (.)
 Population with Reasonable Access to Safe Water Supply
 (1985) 75%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 95.0 Female 94.0
 Secondary (1987) Total 80.0 Female 79.0
 Adult Literacy Rate (.) Male .% (.) Female .%

Eastern Europe Regional

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	10,000	0 ^a	0
ECONOMIC SUPPORT FUND	12,539 ^b	0 ^{ac}	0
SPECIAL ASSISTANCE INITIATIVES	286,258	400,000 ^{ad}	450,000
PL 480 - TITLE II	324 ^e	256 ^e	0
TOTALS	309,121	400,256	450,000

a. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

b. Includes \$1,616,000 of FY 1990 ESF carry-over funds obligated in FY 1991.

c. Excludes \$20,000,000 of FY 1991 ESF carry-over funds planned for obligation in FY 1992.

d. Excludes \$80,792,000 of FY 1991 SAI carry-over funds planned for obligation in FY 1992.

e. See Food for Peace section of Statistical Annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	16.75 ^b	71 ^c	88 ^d
FOREIGN NATIONAL	0	0	0
TOTALS	17	71	88

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

b. Includes 2.5 overseas, 14 in Regional Mission for Europe (in Washington), and 0.25 for IG/Vienna.

c. Includes 23 overseas, 46 in Regional Mission for Europe (in Washington), and 2 for IG/Vienna.

d. Includes 37 overseas, 48 in Regional Mission for Europe (in Washington), and 3 for IG/Vienna.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	19	130	149	60	580	640	140	830	970
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	19	130	149	60	580	640	140	830	970

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.

b. Academic: degree seeking.

c. Technical: non-degree seeking.

d. Funded under bilateral programs.

e. Funded under regional programs (e.g., CLASP, ATLAS).

EASTERN EUROPE REGIONAL

U.S. Interests

The revolutions of 1989 brought freedom to the nations of Central and Eastern Europe. Never before had the world witnessed a peaceful transition from communism to democracy. The task now is to build democracy and a functioning free economy on the ruins of four decades of economic misrule and political repression. It is an undertaking of historically unparalleled dimensions and consequences, not only because of the breadth and depth of the changes taking place in the region, but also because of the suddenness, intensity and success of the popular democratic uprisings.

There is no shortage of will to confront these challenges, but there are shortages of both the expertise and resources to address the host of problems facing the region. Among these are nationalist and ethnic tensions, heavy debt burdens, wasteful patterns of energy use, inefficient state-owned enterprises, deteriorating health standards, and severe environmental degradation.

The nations of Central and Eastern Europe have turned to the United States and other donor countries and multilateral development institutions to help develop new political and economic institutions and minimize the suffering during the transition. Responding to this challenge, and helping to ensure the future stability and prosperity of this region, are top priorities of the U.S. Government.

A.I.D. Development Strategy

A.I.D.'s assistance to Eastern Europe is a broad program involving over 20 U.S. Government departments and agencies and relying heavily upon the participation of the American private sector. The effort is led by the Deputy Secretary of State, as Coordinator for U.S. Assistance to Eastern Europe. The regional program has three objectives:

- to help develop and strengthen democratic institutions that will form the foundation for enduring political freedom and encourage broad participation in civic and economic affairs;
- to assist in the transformation of centrally-planned economies to market-based systems; and
- to assist in maintaining and improving the basic quality of life of these nations while they undergo economic restructuring and political reform.

Other Donors

The International Monetary Fund (IMF) and the World Bank are providing substantial financial assistance and policy advice to the countries of Central and Eastern Europe. Their program commitments amount to about 30% of total bilateral and multilateral pledges to Eastern Europe, and the Fund and Bank disbursed over \$3 billion in loans during 1991, approximately half of the total economic assistance to the region. The G-24 donor mechanism, chaired by the European Community, continues to serve as the formal focal point for coordination among bilateral donors on major strategic decisions about their assistance to Central and Eastern Europe. U.S. official assistance to Eastern Europe has amounted to 8% of the total amount of bilateral aid pledged through the end of 1991, and over 17% of funding provided on a grant basis. Due to our rapid expenditure rate, the U.S. Government has accounted for a more substantial portion of total assistance disbursed to date.

FY 1993 Program Highlights

A.I.D. requests \$450 million in Special Assistance Initiative funding to continue this program of assistance to Central and Eastern Europe for a fourth year. The FY 1993 request level will permit a more substantial response to the needs of the Baltic and Balkan countries, without reducing the level of assistance provided to Hungary, Poland and the Czech and Slovak Federal Republic. Of the total, \$33,750,000 is requested for the development of democratic institutions, \$337,500,000 to promote economic restructuring, and \$73,750,000 for programs to improve the quality of life. Finally, A.I.D. requests \$5,000,000 for audits, evaluations, and other program support.

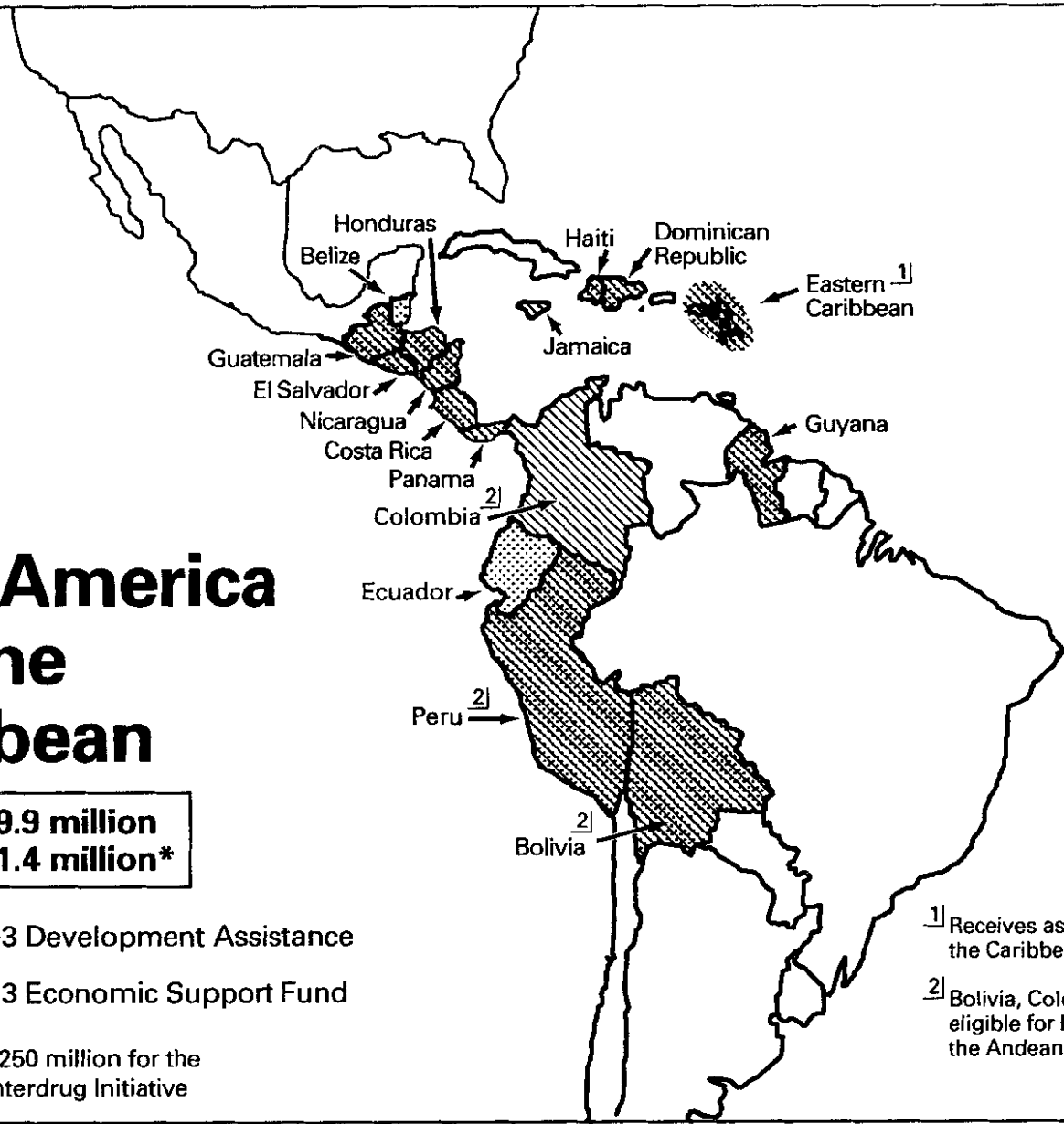
Mission Director: Frank Almaguer

Latin America and the Caribbean

DA: \$399.9 million
ESF: \$651.4 million*

-  FY 1993 Development Assistance
-  FY 1993 Economic Support Fund

* Includes \$250 million for the Andean Counterdrug Initiative



- ^{1]} Receives assistance only through the Caribbean Regional Program
- ^{2]} Bolivia, Colombia and Peru are eligible for ESF assistance through the Andean Counterdrug Initiative.

Economic and
Social Data
(Regional Summary)

REGION: LATIN AMERICA
PRESENTATION COUNTRIES

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

	POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY-- (PERSONS PER SQUARE KM)	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
BELIZE	228 (91)	3.6% (92)	70 (91)	2,215 (86)	65% (85)	31 (91)			170 (87)	8 (87)	
	154 (81)	4.6% (81)	67 (81)			42 (81)			153 (81)	6 (81)	
BOLIVIA	7,154 (91)	2.3% (92)	61 (91)	1,538 (84)	53% (85)	85 (91)	65% (85)	31% (89)	22 (87)	6 (87)	
	5,573 (81)	2.5% (81)	55 (81)	2,000 (81)		118 (81)			19 (81)	5 (81)	
COLOMBIA	33,778 (91)	2.1% (92)	71 (91)	1,245 (84)		37 (91)	87% (85)	33% (89)	68 (87)	27 (87)	
	27,156 (81)	2.1% (81)	65 (81)			54 (81)			63 (81)	24 (81)	
COSTA RICA	3,109 (91)	2.5% (92)	77 (91)	958 (84)	93% (88)	13 (91)	93% (85)	35% (89)	92 (87)	51 (87)	
	2,366 (81)	2.5% (81)							87 (81)	44 (81)	
DOMINICAN REPUBLIC	7,375 (91)	1.9% (92)	67 (91)	1,763 (84)	50% (85)	58 (91)	77% (85)	31% (89)	188 (87)	138 (87)	
	5,984 (81)	2.3% (81)	63 (81)			79 (81)			166 (81)	120 (81)	
EQUADOR	10,696 (91)	2.2% (92)	69 (91)	822 (84)	55% (90)	44 (91)	80% (85)	30% (89)	128 (87)	35 (87)	
	8,361 (81)	2.9% (81)							124 (81)	29 (81)	
EL SALVADOR	5,452 (91)	2.2% (92)	71 (91)	2,829 (84)	54% (85)	27 (91)	69% (85)	33% (89)	367 (87)	235 (87)	
	4,611 (81)	-1.0% (81)	57 (81)	2,550 (81)		82 (81)			342 (81)	217 (81)	
GUATEMALA	9,266 (91)	2.4% (92)	63 (91)	2,184 (84)	58% (85)	58 (91)	47% (85)	29% (89)	261 (87)	77 (87)	
	7,097 (81)	3.3% (81)	56 (81)			73 (81)			232 (81)	65 (81)	
GUYANA	744 (91)	-0.6% (92)	64 (91)	6,220 (85)	82% (85)	51 (91)	95% (85)	37% (89)	46 (87)	4 (87)	
	761 (81)	0.3% (81)	62 (81)			60 (81)			45 (81)	4 (81)	
HAITI	6,287 (91)	2.3% (92)	54 (91)	7,179 (84)	38% (85)	106 (91)	35% (85)	42% (89)	439 (87)	221 (87)	
	5,555 (81)	1.5% (81)	53 (81)	9,183 (81)		106 (81)			393 (81)	199 (81)	
HONDURAS	4,949 (91)	2.9% (92)	66 (91)	1,511 (84)	64% (87)	56 (91)	58% (85)	31% (89)	109 (87)	42 (87)	
	3,744 (81)	3.2% (81)	60 (81)	3,100 (81)		84 (81)			91 (81)	34 (81)	
JAMAICA	2,489 (91)	0.9% (92)	74 (91)	2,044 (84)	75% (91)	18 (91)		49% (89)	509 (87)	215 (87)	
	2,258 (81)	1.3% (81)		2,791 (81)					461 (81)	197 (81)	
NICARAGUA	3,770 (91)	2.8% (92)	62 (91)	1,498 (84)	48% (85)	59 (91)		31% (89)	54 (87)	27 (87)	
	2,869 (81)	3.3% (81)	56 (81)	2,228 (81)		84 (81)			46 (81)	22 (81)	
PANAMA	2,478 (91)	2.1% (92)	74 (91)	1,000 (85)	82% (85)	17 (91)	88% (85)	36% (89)	120 (87)	30 (87)	
	1,998 (81)	2.1% (81)	71 (81)	1,010 (81)		27 (81)			110 (81)	26 (81)	
PERU	22,323 (91)	2.0% (92)	64 (91)	1,042 (84)	53% (85)	61 (91)	78% (85)	32% (89)	66 (87)	16 (87)	
	17,755 (81)	2.6% (81)	60 (81)			81 (81)			58 (81)	14 (81)	
SUMMARY	(MRY)	120,098 •	2.1% #	67 #	1,729 #	56% #	51 #	75% #	33% #	176 @	75 @
	(81)	96,242 *	2.3% #	61 #	3,767 #	#	74 #	#	#	159 @	67 @

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REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

REGION: LATIN AMERICA
SELECTED OTHER COUNTRIES

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

	POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY--	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
ARGENTINA	32,528 (91)	1.1% (92)	70 (91)	374 (84)	.	36 (91)	95% (85)	35% (89)	17 (87)	11 (87)	
	28,645 (81)	1.4% (81)	67 (81)			50 (81)			16 (81)	10 (81)	
BARBADOS	255 (91)	0.1% (92)	73 (91)	1,123 (84)	100% (85)	23 (91)		52% (89)	686 (87)	591 (87)	
	252 (81)	-0.1% (81)	73 (81)			23 (81)			675 (81)	581 (81)	
BRAZIL	155,356 (91)	1.8% (92)	65 (91)	1,080 (84)	84% (85)	68 (91)	76% (85)	37% (89)	58 (87)	17 (87)	
	126,054 (81)	2.5% (81)	62 (81)	1,301 (81)		79 (81)			53 (81)	15 (81)	
CHILE	13,318 (91)	1.6% (92)	73 (91)	1,231 (84)	87% (85)	18 (91)		36% (89)	72 (87)	17 (87)	
	11,282 (81)	1.7% (81)				28 (81)			65 (81)	15 (81)	
GRENADA	84 (91)	-0.3% (92)	72 (91)	2,116 (84)		29 (91)			672 (87)	277 (87)	
	89 (81)	-1.4% (81)	70 (81)			35 (81)			551 (81)	259 (81)	
MEXICO	81,141 (91)	2.0% (92)	72 (91)	1,242 (82)	70% (85)	32 (91)	88% (85)	34% (89)	83 (87)	42 (87)	
	71,399 (81)	2.5% (81)	67 (81)	1,215 (81)		50 (81)			73 (81)	37 (81)	
PARAGUAY	4,799 (91)	2.8% (92)	70 (91)	1,459 (84)	22% (85)	47 (91)	85% (85)	33% (89)	18 (87)	10 (87)	
	3,494 (81)	3.3% (81)	68 (81)	1,751 (81)		56 (81)			18 (81)	8 (81)	
SURINAME	402 (91)	1.4% (92)	69 (91)	1,264 (84)	98% (85)	39 (91)		33% (89)	475 (87)	3 (87)	
	353 (81)	-0.5% (81)	65 (81)			48 (81)			487 (81)	2 (81)	
URUGUAY	3,121 (91)	0.6% (92)	73 (91)	513 (85)		22 (91)		39% (89)	20 (87)	17 (87)	
	2,936 (81)	0.5% (81)	71 (81)	501 (81)		34 (81)			19 (81)	17 (81)	
VENEZUELA	20,186 (91)	2.4% (92)	74 (91)	701 (84)	80% (85)	25 (91)	85% (85)	35% (89)	85 (87)	20 (87)	
	15,485 (81)	3.0% (81)	69 (81)	1,002 (81)		39 (81)			74 (81)	17 (81)	
SUMMARY	(MRY)	311,190 *	1.8% #	68 #	1,031 #	79% #	49 #	82% #	36% #	219 @	101 @
	(81)	259,987 *	2.4% #	65 #	1,248 #	. #	62 #	. #	. #	203 @	96 @
REGION SUMMARY	(MRY)	431,288 *	1.9% #	68 #	1,225 #	73% #	50 #	80% #	35% #	193 @	85 @
	(81)	356,229 *	2.3% #	64 #	1,520 #	. #	65 #	. #	. #	177 @	79 @

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REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: LATIN AMERICA
PRESENTATION COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE		
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP ALL SOURCES
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP	
BELIZE	1,720 (89)	.	.	5.8% (89)	8.5 (90)	2.29% (90)	.
	1,220 (81)	.	.	.	0.0 (81)	.	.
BOLIVIA	620 (89)	.	.	28.3% (90)	148.8 (90)	3.51% (90)	9.6% (89)
	560 (81)	.	.	27.4% (81)	0.1 (81)	.	.
COLOMBIA	1,190 (89)	.	.	38.0% (89)	94.2 (90)	0.24% (90)	0.2% (89)
	1,320 (81)	.	.	13.4% (81)	0.1 (81)	.	.
COSTA RICA	1,940 (90)	.	.	15.5% (89)	95.5 (90)	1.75% (90)	4.3% (89)
	1,540 (81)	.	.	16.6% (81)	0.1 (81)	.	.
DOMINICAN REPUBLIC	790 (89)	.	.	8.3% (89)	27.7 (90)	0.40% (90)	2.1% (89)
	1,180 (81)	.	.	15.0% (81)	0.0 (81)	.	.
ECUADOR	1,020 (89)	.	.	27.6% (90)	25.1 (90)	0.25% (90)	1.6% (89)
	1,490 (81)	.	.	30.8% (81)	0.0 (81)	.	.
EL SALVADOR	1,070 (89)	.	.	17.4% (89)	327.7 (90)	6.21% (90)	7.6% (89)
	750 (81)	.	.	4.9% (81)	0.3 (81)	.	.
GUATEMALA	910 (89)	.	.	16.2% (89)	118.1 (90)	1.60% (90)	3.1% (89)
	1,200 (81)	.	.	3.9% (81)	0.1 (81)	.	.
GUYANA	340 (89)	.	.	9.7% (89)	8.7 (90)	3.53% (90)	.
	730 (81)	.	.	21.2% (81)	0.0 (81)	.	.
HAITI	360 (89)	64.0% (87)	586.5% (87)	8.7% (89)	59.5 (90)	2.46% (90)	8.4% (89)
	270 (81)	.	.	8.4% (81)	0.1 (81)	.	.
HONOURAS	483 (90)	.	.	10.0% (89)	213.9 (90)	8.66% (90)	5.2% (89)
	690 (81)	.	.	12.8% (81)	0.2 (81)	.	.
JAMAICA	1,351 (90)	169.0% (84)	493.3% (84)	16.6% (89)	74.5 (90)	2.14% (90)	6.6% (89)
	1,240 (81)	96.1% (81)	277.6% (81)	15.8% (81)	0.1 (81)	.	.
NICARAGUA	800 (87)	.	.	9.1% (89)	223.2 (90)	.	.
	760 (81)	.	.	27.6% (81)	0.2 (81)	.	.
PANAMA	1,760 (89)	.	.	0.0% (89)	397.1 (90)	9.07% (90)	0.4% (89)
	1,820 (81)	.	.	5.0% (81)	0.4 (81)	.	.
PERU	1,010 (89)	.	.	4.3% (89)	94.9 (90)	0.27% (90)	1.0% (89)
	1,240 (81)	.	.	44.9% (81)	0.1 (81)	.	.
SUMMARY	(MRY)	1,001 #	146.9% &	513.0% &	14.1% &	1917.4 *	3.01% &
	(81)	1,138 #	96.1% &	277.6% &	17.8% &	1.9 *	% &

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REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
SELECTED OTHER COUNTRIES

	POPULATION			HEALTH			EDUCATION		--POPULATION DENSITY-- (PERSONS PER SQUARE KM)		
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
AUSTRIA	7,666 (91)	0.3% (92)	77 (91)	388 (85)	.	5 (91)	.	47% (89)	217 (87)	90 (87)	
	7,565 (81)	0.2% (81)	73 (81)	440 (81)	.	13 (81)	.	.	205 (81)	90 (81)	
GREECE	10,043 (91)	0.1% (92)	78 (91)	351 (84)	.	10 (91)	.	38% (89)	109 (87)	76 (87)	
	9,729 (81)	0.9% (81)	.	394 (81)	.	16 (81)	.	.	106 (81)	74 (81)	
IRELAND	3,489 (91)	-0.2% (92)	75 (91)	681 (84)	.	6 (91)	.	38% (89)	62 (87)	50 (87)	
	3,443 (81)	1.2% (81)	.	775 (81)	.	10 (81)	.	.	60 (81)	49 (81)	
PORTUGAL	10,388 (91)	0.3% (92)	75 (91)	412 (85)	58% (85)	13 (91)	.	45% (89)	312 (87)	111 (87)	
	9,850 (81)	0.7% (81)	72 (81)	494 (81)	.	22 (81)	.	.	299 (81)	107 (81)	
SPAIN	39,385 (91)	0.3% (92)	78 (91)	316 (84)	98% (85)	6 (91)	.	36% (89)	126 (87)	77 (87)	
	37,751 (81)	0.7% (81)	76 (81)	361 (81)	.	10 (81)	.	.	121 (81)	75 (81)	
519 SUMMARY	(MRY)	70,970 *	0.2% #	77 #	361 #	90% #	8 #	#	39% #	165 @	81 @
	(81)	68,338 *	0.7% #	75 #	414 #	. #	13 #	. #	. #	158 @	79 @
REGION SUMMARY	(MRY)	253,764 *	0.7% #	73 #	642 #	89% #	23 #	62% #	45% #	195 @	91 @
	(81)	233,580 *	1.0% #	70 #	729 #	. #	35 #	. #	. #	184 @	88 @

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REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
PRESENTATION COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP ALL SOURCES	
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP		
ALBANIA	623 (90)	.	.	.	.	.	.
BULGARIA	2,320 (89)	.	.	116.4% (90)	.	.	.	
CYPRUS	7,050 (89)	44.9% (89) 32.1% (81)	265.4% (89) 123.6% (81)	.	5.0 (90) 0.0 (81)	0.09% (90)	.	
CZECHOSLOVAKIA	3,460 (89)	.	.	19.4% (89)	0.3 (90)	0.00% (90)	.	
HUNGARY	2,580 (89) 2,150 (81)	.	.	22.7% (89) 15.6% (81)	0.9 (90)	0.00% (90)	.	
POLAND	1,780 (89)	.	.	8.7% (89)	81.8 (90) 0.1 (81)	0.14% (90)	.	
ROMANIA	1,227 (90)	.	.	11.7% (89) 12.0% (81)	63.8 (90)	0.20% (90)	.	
TURKEY	1,370 (89) 1,440 (81)	27.5% (86) 31.3% (81)	215.5% (86) 386.7% (81)	32.1% (89) 28.7% (81)	515.9 (90) 0.5 (81)	0.49% (90)	0.2% (89)	
YUGOSLAVIA	2,920 (89) 3,450 (81)	.	.	10.0% (89) 5.1% (81)	0.1 (90) 0.0 (81)	0.00% (90)	0.1% (89)	
SUMMARY	(MRY) (81)	1.944 # 2.104 #	42.1% & 31.3% &	257.3% & 386.7% &	31.8% & 13.1% &	667.8 * 0.6 *	0.09% & % &	0.1% & % &

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REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
 REGIONAL SUMMARY, FY93
 (DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
 SELECTED OTHER COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP ALL SOURCES	
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP		
AUSTRIA	17,360 (89) 10,140 (81)	.	.	.	0.0 (90) 0.0 (81)	0.00% (90)	.	
GREECE	5,340 (89) 4,470 (81)	34.0% (81)	301.2% (81)	.	349.1 (90) 0.3 (81)	0.52% (90)	0.1% (89)	
IRELAND	8,500 (89) 5,580 (81)	.	.	.	0.0 (90)	0.00% (90)	.	
PORTUGAL	4,250 (89) 2,500 (81)	.	.	19.8% (89) 25.6% (81)	126.6 (90) 0.1 (81)	0.23% (90)	0.2% (89)	
SPAIN	9,150 (89) 5,610 (81)	40.6% (87)	347.0% (87)	.	1.9 (90) 0.0 (81)	0.00% (90)	.	
SUMMARY	(MRY) (81)	8,748 # 5,499 #	38.2% & 27.7% &	330.2% & 246.0% &	19.8% & 25.6% &	477.6 * 0.5 *	0.08% & % &	0.1% & % &
REGION SUMMARY	(MRY) (81)	3,847 # 3,674 #	39.6% & 28.2% &	303.4% & 263.6% &	29.3% & 16.4% &	1145.4 * 1.1 *	0.09% & % &	0.1% & % &

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 REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
PRESENTATION COUNTRIES

		AVERAGE ANNUAL GROWTH GNP PER CAP % -19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCDUNT BALANCE \$US MILLION
ALBANIA					63.6% (90)	-92 (89)			
BULGARIA		(89)	3.3% (89)	1.4% (89)	71.3% (90)	-757 (90)			
CYPRUS					28.8% (89)	-227 (90)	4.7% (89)	0.9% (89)	46 (90)
CZECHOSLOVAKIA		(89)	1.7% (89)	1.6% (89)	28.3% (81)	-272 (81)	18.7% (81)	2.0% (81)	-148 (81)
					59.0% (88)	-649 (90)			-1,227 (90)
HUNGARY		(89)	1.6% (89)	7.5% (89)	51.2% (88)	899 (81)	3.4% (89)	2.1% (89)	225 (81)
						984 (89)	5.0% (81)	2.4% (81)	379 (90)
POLAND		(89)	2.5% (89)	38.1% (89)	69.9% (89)	-239 (81)	5.8% (88)		-893 (81)
						3,448 (89)			3,067 (90)
ROMANIA		(89)			43.1% (90)	-1,153 (81)			-3,986 (81)
					40.1% (81)	-1,660 (90)			-3,254 (90)
TURKEY		3.0% (89)	5.1% (89)	41.4% (89)	22.8% (89)	-10,966 (88)	19.3% (89)	2.2% (88)	-833 (81)
					23.3% (81)	-2,949 (81)	7.5% (81)	3.6% (81)	-2,616 (90)
YUGOSLAVIA		3.0% (89)	1.3% (89)	96.9% (89)			-5.2% (89)	2.2% (89)	-1,936 (81)
							4.1% (81)	4.1% (81)	-2,364 (90)
SUMMARY	(MRY)	3.0% @	2.6% @	31.1% @	46.7% &	-688 &	4.0% &	1.5% &	-587 &
	(81)	. % @	. % @	. % @	23.3% &	-1,326 &	6.0% &	3.5% &	-1,139 &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: EUROPE
SELECTED OTHER COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % 65-19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION
AUSTRIA	3.0% (89)	1.9% (89)	3.8% (89)	39.3% (89)	1,504 (90)	10.4% (89)	1.1% (89)	690 (90)
GREECE	3.0% (89)	1.6% (89)	18.2% (89)	39.0% (81)	-879 (81)	7.8% (81)	1.1% (81)	-1,464 (81)
IRELAND	2.0% (89)	1.8% (89)	7.8% (89)	43.0% (89)	-4,741 (89)	27.1% (81)	4.3% (81)	-3,537 (90)
PORTUGAL	3.0% (89)	2.5% (89)	19.1% (89)	27.9% (81)	-2,413 (81)	27.1% (81)	4.3% (81)	-2,408 (81)
SPAIN	2.0% (89)	3.1% (89)	9.4% (89)	41.3% (89)	3,264 (89)	.	1.5% (87)	1,433 (90)
				53.9% (81)	-2,596 (81)	.	.	-2,601 (81)
				43.8% (88)	-2,825 (88)	23.9% (87)	2.4% (87)	-139 (90)
				44.2% (81)	-4,705 (81)	27.1% (81)	2.9% (81)	-2,605 (81)
				.	-16,148 (90)	11.3% (87)	2.2% (87)	-16,819 (90)
				.	-3,780 (81)	17.4% (81)	1.2% (81)	-4,989 (81)
SUMMARY	(MRY)							
	(81)	2.6% @	2.2% @	11.7% @	-2,942 &	14.7% &	1.9% &	-3,346 &
		. % @	. % @	. % @	-2,373 &	16.1% &	2.0% &	-2,637 &
REGION SUMMARY	(MRY)							
	(81)	2.7% @	2.4% @	22.3% @	-2,234 &	11.5% &	1.8% &	-2,480 &
		. % @	. % @	. % @	-2,255 &	14.7% &	2.3% &	-2,338 &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

CYPRUS

Total U.S. Aid \$ 291 Million (1961-90)
 Ratio of U.S. Aid To Total ODA . . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 2.17 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 7,050
 Average Annual Real Per Capita GNP Growth Rate (. . .) . %
 Government Budgetary Expenditures as a % of GNP... (1989) 28.8%
 Total Expenditures and Net Lending (\$ Millions, US):
 (. .) (. .) (1989) 1,345
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -156 (1988) -134 (1989) -63

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (. .)
 External Public Debt as % of GNP... (. .) . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (. .)
 As % of Total Export Earnings..... (. .) . %

POPULATION

Total Population...(Thousands, Mid 1991) 709
 Population Growth Rate..... (1978) 0.5% (1992) 1.0%
 Population (1991) By Age Group:
 (0-14yrs) 26.1% (15-64yrs) 63.7% (65+ yrs) 10.1%
 Married Women Aged 15-44 yrs. Using Contraception...(. .) . %
 Total Fertility Rate...(1970) 2.5 (1991) 2.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (. .) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 22%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -109(89) -259(90) -227
 Total Imports(\$ Millions, US) (. .) (. .) (90) 3,000
 Of Which % From U.S.(. .) . %
 Major Imports CONSUMER GOODS; PETROLEUM; FOOD; FEED GRAINS; MACHIN
 Total Exports(\$ Millions, US) (1988) 2,056(89) 2,352(90) 2,774
 Of Which % to U.S.(. .) . %
 Major Exports CITRUS; POTATOES; GRAPES; WINE; CEMENT; APPAREL
 Trading Partners: UNITED KINGDOM; ITALY; JAPAN

AGRICULTURE

Agricultural Production as % of GDP...(1988) 7%
 Disposable Income Spent On Food
 Food: . % (. .)
 Ag. Exports:(1989) Vegetables, fr ; Barley ; Tobacco and pr
 Ag. Imports:(1989) Cereals ; Meat products ; Oil crops & fe

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 19
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 75.5 Male 73.3 Female 77.8
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 10
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) . % (. .) Measles 76% (1989)
 Diphtheria(DPT3) 93% (1989) Polio(3) 93% (1989)
 Population with Reasonable Access to Safe Water Supply
 (1985) 100%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 106.0 Female 106.0
 Secondary (1987) Total 87.0 Female 88.0
 Adult Literacy Rate (. .) Male . % (. .) Female . %

TURKEY

Total U.S. Aid \$ 4,532 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 28.5% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.15 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,370
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP...(1989) 22.8%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 18,321
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -2,737 (1988) -2,713 (1989) -3,536

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 45.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 6,048
 As % of Total Export Earnings..... (1989) 32.1%

POPULATION

Total Population...(Thousands, Mid 1991) 58,383
 Population Growth Rate..... (1978) 2.1% (1992) 2.1%
 Population (1991) By Age Group:
 (0-14yrs) 36.3% (15-64yrs) 58.9% (65+ yrs) 4.8%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 63.4%
 Total Fertility Rate...(1970) (1991) 3.5

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 50%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) -4,406(87) -4,541(88)-10,966
 Total Imports(\$ Millions, US) () () (88) 15,327
 Of Which % From U.S.() .%
 Major Imports CRUDE OIL; MACHINERY; TRANSPORT EQUIP; METALS
 Total Exports(\$ Millions, US) (1986) 7,431(87) 10,317(88) 4,361
 Of Which % to U.S.() .%
 Major Exports INDUSTRIAL PRODUCTS; CROPS; LIVESTOCK PRODUCTS
 Trading Partners: GERMANY; IRAQ; UNITED STATES

AGRICULTURE

Agricultural Production as % of GDP...(1988) 16%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Vegetables, fr ; Tobacco and pr; Live animals
 Ag. Imports:(1989) Cereals ; Vegetable oils; Tobacco and pr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3043
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 69.4 Male 67.1 Female 71.7
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 58
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 48% (1989) Measles 78% (1990)
 Diphtheria(DPT3) 84% (1990) Polio(3) 84% (1990)
 Population with Reasonable Access to Safe Water Supply
 () .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 117.0 Female 113.0
 Secondary (1987) Total 46.0 Female 34.0
 Adult Literacy Rate (1985) Male 86% (1985) Female 62%

ALBANIA

Total U.S. Aid \$ 20 Million (1946-47)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1990) 623
 Average Annual Real Per Capita GNP Growth Rate.(-) . %
 Government Budgetary Expenditures as a % of GNP...(1990) 63.6%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (1990) 338

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1990) 21.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (.)
 As % of Total Export Earnings..... (.) . %

POPULATION

Total Population...(Thousands, Mid 1991) 3,335
 Population Growth Rate..... (1978) 2.1% (1992) 1.8%
 Population (1991) By Age Group:
 (0-14yrs) 31.7% (15-64yrs) 62.2% (65+ yrs) 6.1%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) (1991) 2.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1990) 60%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (89) -92
 Total Imports(\$ Millions, US) (.) (.) (89) 593
 Of Which % From U.S.(.) . %
 Major Imports FUELS; MINERALS; MACHINERY & EQUIP; CHEMICALS; FOOD
 Total Exports(\$ Millions, US) (.) (.) (89) 500
 Of Which % to U.S.(.) . %
 Major Exports FUELS; MINERALS; NON-FOOD AG.; FOOD

Trading Partners: YUGOSLAVIA; ITALY; ROMANIA

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Tobacco and pr ; Beverages ; Vegetables, fr
 Ag. Imports:(1989) Sugar ; Cereals ; Vegetable oils

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2728
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 75.1 Male 71.8 Female 78.7
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 50
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% (.) Measles .% (.)
 Diphtheria(DPT3) .% (.) Polio(3) .% (.)
 Population with Reasonable Access to Safe Water Supply
 (.) . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (.) Male .% (.) Female .%

544

BULGARIA

Total U.S. Aid \$. Million (. - .)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 2,320
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1990) 71.3%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 0.4 Months of Imports (1990)
 External Public Debt as % of GNP...(.) . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (.)
 As % of Total Export Earnings..... (1990) 116%

POPULATION

Total Population...(Thousands, Mid 1991) 8,911
 Population Growth Rate..... (1978) 0.1% (1992) -0.1%
 Population (1991) By Age Group:
 (0-14yrs) 20.3% (15-64yrs) 66.4% (65+ yrs) 13.3%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) 2.2 (1991) 1.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(.) . %

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (90) -757
 Total Imports(\$ Millions, US) (.) (.) (90) 3,372
 Of Which % From U.S.(.) . %
 Major Imports FUELS; MINERALS; RAW MATERIALS; MACHINERY & EQUIP
 Total Exports(\$ Millions, US) (.) (.) (90) 2,615
 Of Which % to U.S.(.) . %
 Major Exports MACHINERY & EQUIP; AG. PRODUCTS; MANUFACTURES
 Trading Partners: GERMANY; GERMANY (EAST); POLAND

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Tobacco and pr ; Beverages ; Meat products
 Ag. Imports:(1989) Cereals ; Oil crops & fe; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3612
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 72.7 Male 69.4 Female 76.1
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 13
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) . % (.) Measles . % (.)
 Diphtheria(DPT3) . % (.) Polio(3) . % (.)

Population with Reasonable Access to Safe Water Supply
 (.) . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 104.0 Female 103.0
 Secondary (1987) Total 76.0 Female 76.0
 Adult Literacy Rate (.) Male : % (.) Female . %

CZECHOSLOVAKIA

Total U.S. Aid \$ 193 Million (1946-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 3,460
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1988) 59.0%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1986) 55,050 (1987) 62,462 (1988) 70,695
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1986) -500 (1987) -109 (1988) -3,045

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)

546

External Public Debt as % of GNP...(1989) 16.9%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,483
 As % of Total Export Earnings..... (1989) 19.4%

POPULATION

Total Population...(Thousands, Mid 1991) 15,725
 Population Growth Rate..... (1978) 0.7% (1992) 0.3%
 Population (1991) By Age Group:
 (0-14yrs) 22.3% (15-64yrs) 65.8% (65+ yrs) 11.9%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) 2.1 (1991) 1.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 10%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) 1,275(89) 894(90) -649
 Total Imports(\$ Millions, US) (.) (.) (90) 14,462
 Of Which % From U.S.(.) . %
 Major Imports MACHINERY & EQUIP; FUELS; MINERALS; METALS
 Total Exports(\$ Millions, US) (1988) 17,252(89) 16,379(90) 13,813
 Of Which % to U.S.(.) . %
 Major Exports MACHINERY & EQUIP; FUELS; MINERALS & METALS
 Trading Partners: USSR; GERMANY; POLAND

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Meat products ; Dairy products; Beverages
 Ag. Imports:(1989) Fibers ; Sugar ; Vegetables, fr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3563
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 72.9 Male 69.0 Female 76.8
 (1970) Total 69.6 Male 66.2 Female 72.9
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 11
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% (.) Measles .% (.)
 Diphtheria(DPT3) .% (.) Polio(3) .% (.)

Population with Reasonable Access to Safe Water Supply
 (1985) 100%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (.) Male .% (.) Female .%

HUNGARY

Total U.S. Aid \$ 34 Million (1946-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.00 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 2,580
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1988) 51.2%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 16,239
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -858 (1988) -63 (1989) -552

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 62.0%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 2,836
 As % of Total Export Earnings..... (1989) 22.7%

POPULATION

Total Population...(Thousands, Mid 1991) 10,558
 Population Growth Rate..... (1978) 0.3% (1992) -0.1%
 Population (1991) By Age Group:
 (0-14yrs) 19.4% (15-64yrs) 67.0% (65+ yrs) 13.6%
 Married Women Aged 15-44 yrs. Using Contraception...() %
 Total Fertility Rate...(1970) 2.0 (1991) 1.8

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 13%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -126(88) 768(89) 984
 Total Imports(\$ Millions, US) () () (89) 9,489
 Of Which % From U.S.() %
 Major Imports CAPITAL GOODS; FUELS; MANUFACTURES
 Total Exports(\$ Millions, US) (1987) 9,887(88) 10,521(89) 10,473
 Of Which % to U.S.() %
 Major Exports CAPITAL GOODS; FOODS; CONSUMER GOODS; FUEL
 Trading Partners: USSR; GERMANY; GERMANY (EAST)

AGRICULTURE

Agricultural Production as % of GDP...(1988) 14%
 Disposable Income Spent On Food
 Food: . % ()
 Ag. Exports:(1989) Meat products ; Cereals ; Live animals
 Ag. Imports:(1989) Oil crops & fe ; Beverages ; Fibers

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3599
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 71.6 Male 67.5 Female 75.7
 (1970) Total 69.6 Male 66.8 Female 72.6
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 14
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) . % () Measles . % ()
 Diphtheria(DPT3) . % () Polio(3) . % ()
 Population with Reasonable Access to Safe Water Supply
 (1985) 99%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 97.0 Female 97.0
 Secondary (1987) Total 70.0 Female 70.0
 Adult Literacy Rate () Male . % () Female . %

POLAND

Total U.S. Aid \$ 783 Million (1946-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.01 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,780
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1989) 69.9%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (1988) 27,143
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1986) -236 (1987) -911 (1988) -1,563

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 54.8%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,441
 As % of Total Export Earnings..... (1989) 8.7%

POPULATION

Total Population...(Thousands, Mid 1991) 37,800
 Population Growth Rate..... (1978) 0.9% (1992) 0.1%
 Population (1991) By Age Group:
 (0-14yrs) 24.7% (15-64yrs) 65.1% (65+ yrs) 10.2%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) 2.2 (1991) 2.1

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 22%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) 2,290(88) 1,884(89) 3,448
 Total Imports(\$ Millions, US) (.) (.) (89) 12,235
 Of Which % From U.S.(.) . %
 Major Imports MACHINERY & EQUIP; FUELS; MINERALS; METALS
 Total Exports(\$ Millions, US) (1987) 14,430(88) 15,666(89) 15,683
 Of Which % to U.S.(.) . %
 Major Exports MACHINERY & EQUIP; FUELS; MINERALS; METALS
 Trading Partners: USSR; GERMANY; CZECHOSLOVAKIA

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Meat products ; Live animals ; Vegetables, fr
 Ag. Imports:(1989) Cereals ; Oil crops & fe; Beverages

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3456
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 72.9 Male 68.6 Female 77.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 12
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% (.) Measles .% (.)
 Diphtheria(DPT3) .% (.) Polio(3) .% (.)
 Population with Reasonable Access to Safe Water Supply
 (1985) 89%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 101.0 Female 101.0
 Secondary (1987) Total 80.0 Female 82.0
 Adult Literacy Rate (.) Male .% (.) Female .%

ROMANIA

Total U.S. Aid \$ 87 Million (1970-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1990) 1,227
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1990) 43.1%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 21,482
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) 4,126 (1988) 3,501 (1989) 4,408

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1988) 2.8%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,751
 As % of Total Export Earnings..... (1989) 11.7%

POPULATION

Total Population...(Thousands, Mid 1991) 23,397
 Population Growth Rate..... (1978) 0.9% (1992) 0.5%
 Population (1991) By Age Group:
 (0-14yrs) 23.2% (15-64yrs) 66.2% (65+ yrs) 10.6%
 Married Women Aged 15-44 yrs. Using Contraception...() %
 Total Fertility Rate...(1970) 2.9 (1991) 2.1

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 22%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () (90) -1,660
 Total Imports(\$ Millions, US) () () (90) 5,130
 Of Which % From U.S.() %
 Major Imports FUELS; MINERALS; METALS; MACHINERY & EQUIP
 Total Exports(\$ Millions, US) () () (90) 3,470
 Of Which % to U.S.() %
 Major Exports MACHINERY & EQUIP; FUELS; MINERALS; METALS
 Trading Partners: USSR; GERMANY; IRAN

AGRICULTURE

Agricultural Production as % of GDP...() %
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Meat products ; Vegetables, fr; Cereals
 Ag. Imports:(1989) Fibers ; Sugar ; Cereals

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3352
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 71.9 Male 69.0 Female 74.9
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 18
 Percent Of Children 12-23 Months Did Fully Immunized Against
 Tuberculosis(BCG) .% () Measles .% ()
 Diphtheria(DPT3) .% () Polio(3) .% ()
 Population with Reasonable Access to Safe Water Supply
 () %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary () Total . Female .
 Secondary () Total . Female .
 Adult Literacy Rate () Male .% () Female .%

YUGOSLAVIA

Total U.S. Aid \$ 2,060 Million (1946-79)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 2,920
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP... (.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (1989) 3,980
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) 27 (1988) 40 (1989) 208

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP... (1989) 24.4%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,932
 As % of Total Export Earnings..... (1989) 10.0%

POPULATION

Total Population...(Thousands, Mid 1991) 23,976
 Population Growth Rate..... (1978) 0.9% (1992) 0.6%
 Population (1991) By Age Group:
 (0-14yrs) 22.4% (15-64yrs) 67.9% (65+ yrs) 9.7%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) 2.3 (1991) 1.9

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 24%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports RAW MATERIALS; SEMIMANUFACTURES; CAPITAL GOODS
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %
 Major Exports RAW MATERIALS & SEMIMANUFACTURES; CONSUMER GOODS
 Trading Partners: USSR; GERMANY; ITALY

AGRICULTURE

Agricultural Production as % of GDP...(1987) 13%
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Meat products ; Cereals ; Live animals
 Ag. Imports:(1989) Fibers ; Beverages ; Meat products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3501
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 73.0 Male 70.0 Female 76.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 21
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% (.) Measles .% (.)
 Diphtheria(DPT3) .% (.) Polio(3) .% (.)
 Population with Reasonable Access to Safe Water Supply
 (1985) 75%

EDUCATION AND LITERACY

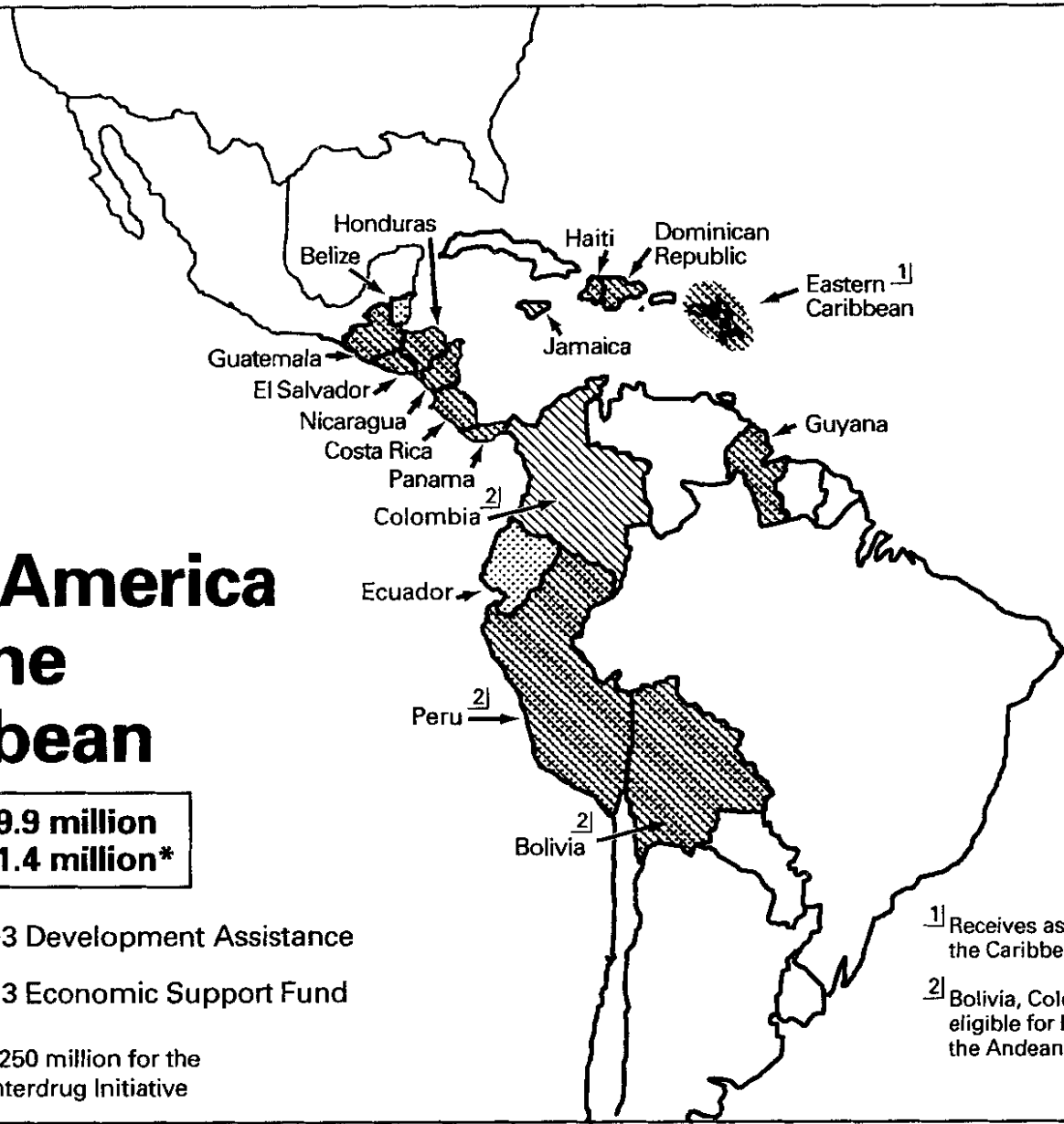
Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 95.0 Female 94.0
 Secondary (1987) Total 80.0 Female 79.0
 Adult Literacy Rate (.) Male .% (.) Female .%

Latin America and the Caribbean

DA: \$399.9 million
ESF: \$651.4 million*

-  FY 1993 Development Assistance
-  FY 1993 Economic Support Fund

* Includes \$250 million for the Andean Counterdrug Initiative



¹ Receives assistance only through the Caribbean Regional Program

² Bolivia, Colombia and Peru are eligible for ESF assistance through the Andean Counterdrug Initiative.

REGION: LATIN AMERICA
PRESENTATION COUNTRIES

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

	POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY-- (PERSONS PER SQUARE KM)	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
BELIZE	228 (91)	3.6% (92)	70 (91)	2,215 (86)	65% (85)	31 (91)			170 (87)	8 (87)	
	154 (81)	4.6% (81)	67 (81)			42 (81)			153 (81)	6 (81)	
BOLIVIA	7,154 (91)	2.3% (92)	61 (91)	1,538 (84)	53% (85)	85 (91)	65% (85)	31% (89)	22 (87)	6 (87)	
	5,573 (81)	2.5% (81)	55 (81)	2,000 (81)		118 (81)			19 (81)	5 (81)	
COLOMBIA	33,778 (91)	2.1% (92)	71 (91)	1,245 (84)		37 (91)	87% (85)	33% (89)	68 (87)	27 (87)	
	27,156 (81)	2.1% (81)	65 (81)			54 (81)			63 (81)	24 (81)	
COSTA RICA	3,109 (91)	2.5% (92)	77 (91)	958 (84)	93% (88)	13 (91)	93% (85)	35% (89)	92 (87)	51 (87)	
	2,366 (81)	2.5% (81)							87 (81)	44 (81)	
DOMINICAN REPUBLIC	7,375 (91)	1.9% (92)	67 (91)	1,763 (84)	50% (85)	58 (91)	77% (85)	31% (89)	188 (87)	138 (87)	
	5,984 (81)	2.3% (81)	63 (81)			79 (81)			166 (81)	120 (81)	
EQUADOR	10,696 (91)	2.2% (92)	69 (91)	822 (84)	55% (90)	44 (91)	80% (85)	30% (89)	128 (87)	35 (87)	
	8,361 (81)	2.9% (81)							124 (81)	29 (81)	
EL SALVADOR	5,452 (91)	2.2% (92)	71 (91)	2,829 (84)	54% (85)	27 (91)	69% (85)	33% (89)	367 (87)	235 (87)	
	4,611 (81)	-1.0% (81)	57 (81)	2,550 (81)		82 (81)			342 (81)	217 (81)	
GUATEMALA	9,266 (91)	2.4% (92)	63 (91)	2,184 (84)	58% (85)	58 (91)	47% (85)	29% (89)	261 (87)	77 (87)	
	7,097 (81)	3.3% (81)	56 (81)			73 (81)			232 (81)	65 (81)	
GUYANA	744 (91)	-0.6% (92)	64 (91)	6,220 (85)	82% (85)	51 (91)	95% (85)	37% (89)	46 (87)	4 (87)	
	761 (81)	0.3% (81)	62 (81)			60 (81)			45 (81)	4 (81)	
HAITI	6,287 (91)	2.3% (92)	54 (91)	7,179 (84)	38% (85)	106 (91)	35% (85)	42% (89)	439 (87)	221 (87)	
	5,555 (81)	1.5% (81)	53 (81)	9,183 (81)		106 (81)			393 (81)	199 (81)	
HONDURAS	4,949 (91)	2.9% (92)	66 (91)	1,511 (84)	64% (87)	56 (91)	58% (85)	31% (89)	109 (87)	42 (87)	
	3,744 (81)	3.2% (81)	60 (81)	3,100 (81)		84 (81)			91 (81)	34 (81)	
JAMAICA	2,489 (91)	0.9% (92)	74 (91)	2,044 (84)	75% (91)	18 (91)		49% (89)	509 (87)	215 (87)	
	2,258 (81)	1.3% (81)		2,791 (81)					461 (81)	197 (81)	
NICARAGUA	3,770 (91)	2.8% (92)	62 (91)	1,498 (84)	48% (85)	59 (91)		31% (89)	54 (87)	27 (87)	
	2,869 (81)	3.3% (81)	56 (81)	2,228 (81)		84 (81)			46 (81)	22 (81)	
PANAMA	2,478 (91)	2.1% (92)	74 (91)	1,000 (85)	82% (85)	17 (91)	88% (85)	36% (89)	120 (87)	30 (87)	
	1,998 (81)	2.1% (81)	71 (81)	1,010 (81)		27 (81)			110 (81)	26 (81)	
PERU	22,323 (91)	2.0% (92)	64 (91)	1,042 (84)	53% (85)	61 (91)	78% (85)	32% (89)	66 (87)	16 (87)	
	17,755 (81)	2.6% (81)	60 (81)			81 (81)			58 (81)	14 (81)	
SUMMARY	(MRY)	120,098 •	2.1% #	67 #	1,729 #	56% #	51 #	75% #	33% #	176 @	75 @
	(81)	96,242 *	2.3% #	61 #	3,767 #	#	74 #	#	#	159 @	67 @

* = SUM, @ = ARITHMETIC MEAN, # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

REGION: LATIN AMERICA
SELECTED OTHER COUNTRIES

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

	POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY--	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
ARGENTINA	32,528 (91)	1.1% (92)	70 (91)	374 (84)	.	36 (91)	95% (85)	35% (89)	17 (87)	11 (87)	
	28,645 (81)	1.4% (81)	67 (81)			50 (81)			16 (81)	10 (81)	
BARBADOS	255 (91)	0.1% (92)	73 (91)	1,123 (84)	100% (85)	23 (91)		52% (89)	686 (87)	591 (87)	
	252 (81)	-0.1% (81)	73 (81)			23 (81)			675 (81)	581 (81)	
BRAZIL	155,356 (91)	1.8% (92)	65 (91)	1,080 (84)	84% (85)	68 (91)	76% (85)	37% (89)	58 (87)	17 (87)	
	126,054 (81)	2.5% (81)	62 (81)	1,301 (81)		79 (81)			53 (81)	15 (81)	
CHILE	13,318 (91)	1.6% (92)	73 (91)	1,231 (84)	87% (85)	18 (91)		36% (89)	72 (87)	17 (87)	
	11,282 (81)	1.7% (81)				28 (81)			65 (81)	15 (81)	
GRENADA	84 (91)	-0.3% (92)	72 (91)	2,116 (84)		29 (91)			672 (87)	277 (87)	
	89 (81)	-1.4% (81)	70 (81)			35 (81)			551 (81)	259 (81)	
MEXICO	81,141 (91)	2.0% (92)	72 (91)	1,242 (82)	70% (85)	32 (91)	88% (85)	34% (89)	83 (87)	42 (87)	
	71,399 (81)	2.5% (81)	67 (81)	1,215 (81)		50 (81)			73 (81)	37 (81)	
PARAGUAY	4,799 (91)	2.8% (92)	70 (91)	1,459 (84)	22% (85)	47 (91)	85% (85)	33% (89)	18 (87)	10 (87)	
	3,494 (81)	3.3% (81)	68 (81)	1,751 (81)		56 (81)			18 (81)	8 (81)	
SURINAME	402 (91)	1.4% (92)	69 (91)	1,264 (84)	98% (85)	39 (91)		33% (89)	475 (87)	3 (87)	
	353 (81)	-0.5% (81)	65 (81)			48 (81)			487 (81)	2 (81)	
URUGUAY	3,121 (91)	0.6% (92)	73 (91)	513 (85)		22 (91)		39% (89)	20 (87)	17 (87)	
	2,936 (81)	0.5% (81)	71 (81)	501 (81)		34 (81)			19 (81)	17 (81)	
VENEZUELA	20,186 (91)	2.4% (92)	74 (91)	701 (84)	80% (85)	25 (91)	85% (85)	35% (89)	85 (87)	20 (87)	
	15,485 (81)	3.0% (81)	69 (81)	1,002 (81)		39 (81)			74 (81)	17 (81)	
SUMMARY	(MRY)	311,190 *	1.8% #	68 #	1,031 #	79% #	49 #	82% #	36% #	219 @	101 @
	(81)	259,987 *	2.4% #	65 #	1,248 #	. #	62 #	. #	. #	203 @	96 @
REGION SUMMARY	(MRY)	431,288 *	1.9% #	68 #	1,225 #	73% #	50 #	80% #	35% #	193 @	85 @
	(81)	356,229 *	2.3% #	64 #	1,520 #	. #	65 #	. #	. #	177 @	79 @

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REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: LATIN AMERICA
SELECTED OTHER COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING			TOTAL US OBLIGATIONS	NET ECON. DISBURSEMENTS-ODA AS A % OF GNP		
		AS % OF GNP	AS % OF EXPORTS	DEBT SERVICE RATIO	US AID \$ MILLION	US AID AS % GNP	ALL SOURCES	
ARGENTINA	2,160 (89) 1,960 (81)	.	.	22.9% (89) 18.2% (81)	0.9 (90)	0.00% (90)	0.4% (89)	
BARBADOS	6,370 (89) 3,520 (81)	35.3% (85) 31.5% (81)	378.1% (88) 152.5% (81)	.	0.0 (90) 0.0 (81)	0.00% (90)	.	
BRAZIL	2,540 (89) 2,030 (81)	17.9% (86) 12.8% (81)	.	18.6% (89) 34.0% (81)	3.2 (90) 0.0 (81)	0.00% (90)	0.0% (89)	
CHILE	1,770 (89) 2,600 (81)	127.7% (82)	.	17.0% (89) 29.6% (81)	2.1 (90) 0.0 (81)	0.01% (90)	0.2% (89)	
GRENADA	1,900 (89)	.	.	6.1% (88) 2.6% (81)	0.0 (90)	0.02% (90)	.	
MEXICO	1,990 (89) 3,000 (81)	81.6% (86)	380.3% (85)	25.0% (90) 30.9% (81)	41.8 (90) 0.0 (81)	0.02% (90)	0.0% (89)	
PARAGUAY	1,030 (89) 1,680 (81)	.	.	10.3% (89) 8.9% (81)	3.4 (90) 0.0 (81)	0.06% (90)	2.2% (89)	
SURINAME	3,020 (89) 2,950 (81)	94.9% (86)	396.8% (86)	.	0.0 (90) 0.0 (81)	0.00% (90)	.	
URUGUAY	2,620 (89) 3,590 (81)	.	.	19.6% (89) 10.0% (81)	2.8 (90) 0.0 (81)	0.03% (90)	0.5% (89)	
VENEZUELA	2,450 (89) 4,730 (81)	52.8% (86) 16.2% (81)	332.9% (86) 53.9% (81)	16.4% (89) 10.6% (81)	1.2 (90) 0.0 (81)	0.00% (90)	0.0% (89)	
SUMMARY	(MRY) (81)	2,299 # 2,490 #	59.3% & 20.7% &	374.5% & 95.9% &	17.6% & 19.1% &	55.5 * 0.1 *	0.01% & % &	0.3% & % &
REGION SUMMARY	(MRY) (81)	1,938 # 2,125 #	66.8% & 28.9% &	389.7% & 119.7% &	15.9% & 18.5% &	1973.0 * 2.0 *	1.09% & % &	1.8% & % &

* = SUM, & = WEIGHTED MEAN (BY GNP PER CAPITA), # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: LATIN AMERICA
SELECTED OTHER COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING			TOTAL US OBLIGATIONS	NET ECON. DISBURSEMENTS-ODA AS A % OF GNP		
		AS % OF GNP	AS % OF EXPORTS	DEBT SERVICE RATIO	US AID \$ MILLION	US AID AS % GNP	ALL SOURCES	
ARGENTINA	2,160 (89) 1,960 (81)	.	.	22.9% (89) 18.2% (81)	0.9 (90)	0.00% (90)	0.4% (89)	
BARBADOS	6,370 (89) 3,520 (81)	35.3% (85) 31.5% (81)	378.1% (88) 152.5% (81)	.	0.0 (90) 0.0 (81)	0.00% (90)	.	
BRAZIL	2,540 (89) 2,030 (81)	17.9% (86) 12.8% (81)	.	18.6% (89) 34.0% (81)	3.2 (90) 0.0 (81)	0.00% (90)	0.0% (89)	
CHILE	1,770 (89) 2,600 (81)	127.7% (82)	.	17.0% (89) 29.6% (81)	2.1 (90) 0.0 (81)	0.01% (90)	0.2% (89)	
GRENADA	1,900 (89)	.	.	6.1% (88) 2.6% (81)	0.0 (90)	0.02% (90)	.	
MEXICO	1,990 (89) 3,000 (81)	81.6% (86)	380.3% (85)	25.0% (90) 30.9% (81)	41.8 (90) 0.0 (81)	0.02% (90)	0.0% (89)	
PARAGUAY	1,030 (89) 1,680 (81)	.	.	10.3% (89) 8.9% (81)	3.4 (90) 0.0 (81)	0.06% (90)	2.2% (89)	
SURINAME	3,020 (89) 2,950 (81)	94.9% (86)	396.8% (86)	.	0.0 (90) 0.0 (81)	0.00% (90)	.	
URUGUAY	2,620 (89) 3,590 (81)	.	.	19.6% (89) 10.0% (81)	2.8 (90) 0.0 (81)	0.03% (90)	0.5% (89)	
VENEZUELA	2,450 (89) 4,730 (81)	52.8% (86) 16.2% (81)	332.9% (86) 53.9% (81)	16.4% (89) 10.6% (81)	1.2 (90) 0.0 (81)	0.00% (90)	0.0% (89)	
SUMMARY	(MRY) (81)	2,299 # 2,490 #	59.3% & 20.7% &	374.5% & 95.9% &	17.6% & 19.1% &	55.5 * 0.1 *	0.01% & % &	0.3% & % &
REGION SUMMARY	(MRY) (81)	1,938 # 2,125 #	66.8% & 28.9% &	389.7% & 119.7% &	15.9% & 18.5% &	1973.0 * 2.0 *	1.09% & % &	1.8% & % &

* = SUM, & = WEIGHTED MEAN (BY GNP PER CAPITA), # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: LATIN AMERICA
PRESENTATION COUNTRIES

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	AVERAGE ANNUAL GROWTH GNP PER CAP % -19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION	
BELIZE					-19 (84)		1.7% (85)	-19 (89)	
BOLIVIA	-1.0% (89)	-0.9% (89)	391.9% (89)	20.0% (89)	-44 (81) -900 (85)	9.5% (89)	1.2% (81) 1.9% (84)	-201 (90) -466 (81)	
COLOMBIA	2.0% (89)	3.5% (89)	24.3% (89)		2,610 (90) -1,297 (81)		1.0% (84)	391 (90) -1,961 (81)	
COSTA RICA	1.0% (89)	2.8% (89)	24.8% (89)		-569 (90)	8.0% (89)	0.4% (89)	-584 (90)	
DOMINICAN REPUBLIC	2.5% (89)	2.4% (89)	19.1% (89)	20.4% (89)	-129 (81) -287 (90)	13.9% (81) 17.8% (83)	0.6% (81) 0.9% (88)	-409 (81) -59 (90)	
ECUADOR	3.0% (89)	1.9% (89)	34.4% (89)	16.0% (88)	-305 (81) -209 (89)	15.4% (81)	1.4% (81)	-389 (81) -136 (90)	
EL SALVADOR	0.0% (89)	0.6% (89)	16.8% (89)	9.6% (90) 18.6% (81)	-140 (81) -670 (90)			-998 (81) -370 (89)	
GUATEMALA	1.0% (89)	0.4% (89)	13.4% (89)		-239 (81) -424 (90)	14.4% (89)		-250 (81) -367 (89)	
GUYANA				191.1% (90) 79.8% (81)	-201 (90) -116 (81)	40.5% (81) 40.5% (81)	7.3% (85) 3.9% (81)	-97 (85) -185 (81)	
HAITI	0.0% (89)	-0.5% (89)	6.8% (89)	17.6% (89) 20.2% (81)	-180 (90) -278 (81)			-55 (90) -149 (81)	
HONDURAS	1.0% (89)	2.3% (89)	4.7% (89)	19.5% (88) 16.7% (81)	-410 (90) -196 (81)			-302 (89) -303 (81)	
JAMAICA	-1.0% (89)	1.2% (89)	18.5% (89)	29.0% (90) 49.6% (81)	-665 (90) -308 (81)	43.0% (83) 30.1% (81)		-296 (89) -337 (81)	
NICARAGUA	(89)	-1.6% (89)			-523 (87) -324 (81)	50.6% (88) 27.2% (81)		-715 (88) -592 (81)	
PANAMA	2.0% (89)		2.5% (89)	28.3% (88) 34.8% (81)	395 (89) -210 (81)	17.2% (88) 24.5% (81)	2.3% (88)	135 (90) 56 (81)	
PERU	0.0% (89)	0.4% (89)	160.3% (89)		1,293 (89)			-674 (90) -1,733 (81)	
SUMMARY	(MRY) (81)	0.9% @ % @	1.0% @ % @	59.8% @ % @	28.8% & 38.9% &	15 & -301 &	22.5% & 25.6% &	1.6% & 1.5% &	-218 & -649 &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: LATIN AMERICA
SELECTED OTHER COUNTRIES

		AVERAGE ANNUAL GROWTH GNP PER CAP % 65-19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION
ARGENTINA		0.0% (89)	-0.3% (89)	334.8% (89)		1,507 (86)	16.9% (88)	1.3% (88)	1,789 (90)
BARBADDS						31 (88)	35.7% (81)	1.8% (81)	-4,712 (81)
BRAZIL		4.0% (89)	3.0% (89)	227.8% (89)	32.7% (88)	-88 (81)	7.9% (88)	0.6% (88)	-3 (89)
CHILE		0.0% (89)	2.7% (89)	20.5% (89)		14,324 (89)	20.1% (81)	1.1% (81)	-119 (81)
GRENADA							9.0% (81)	0.8% (81)	-11,751 (81)
MEXICO		3.0% (89)	0.7% (89)	72.7% (89)		1,587 (88)	0.8% (88)	2.5% (88)	-790 (90)
599 PARAGUAY						-3,374 (81)	-8.5% (81)	3.6% (81)	-4,733 (81)
						-35 (87)			-14 (89)
SURINAME		3.0% (89)	0.7% (89)	72.7% (89)		-29 (81)			-14 (81)
URUGUAY		3.0% (89)	2.2% (89)	23.2% (89)		10,049 (87)	-5.6% (90)	0.4% (89)	-5,255 (90)
VENEZUELA		3.0% (89)	2.2% (89)	23.2% (89)		-3,917 (81)	30.5% (81)	0.5% (81)	-16,061 (81)
					51.5% (86)	-278 (89)	-8.5% (88)	0.9% (87)	91 (90)
					39.6% (81)	-383 (81)	12.7% (81)	1.4% (81)	-374 (81)
		1.0% (89)	0.1% (89)	59.2% (89)		151 (89)	47.2% (86)	2.3% (86)	33 (90)
						-139 (81)			-28 (81)
		1.0% (89)	0.1% (89)	59.2% (89)		216 (84)	6.4% (88)		224 (90)
						-447 (81)	5.9% (81)		-461 (81)
		-1.0% (89)	1.0% (89)	16.0% (89)		9,677 (90)	13.1% (82)	1.2% (86)	7,960 (90)
						3,874 (81)	3.8% (81)	1.1% (81)	4,000 (81)
SUMMARY	(MRY)	1.4% @	1.3% @	107.7% @	42.9% &	3,366 &	14.8% &	1.2% &	574 &
	(81)	. % @	. % @	. % @	39.6% &	-234 &	12.5% &	1.4% &	-2,972 &
REGION SUMMARY	(MRY)	1.1% @	1.2% @	77.5% @	34.7% &	2,117 &	16.8% &	1.3% &	279 &
	(81)	. % @	. % @	. % @	39.2% &	-260 &	16.0% &	1.4% &	-2,131 &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

Overview of Latin
America and
Caribbean Programs

LATIN AMERICA AND THE CARIBBEAN

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	397,017 ^a	406,200 ^b	399,970
ECONOMIC SUPPORT FUND	718,749 ^c	713,900 ^d	651,400
PL 480 - TITLE I ^e	96,910	0	0
PL 480 - TITLE II	97,459	97,285	105,763
PL 480 - TITLE III	87,000	89,100	79,100
TOTALS	1,397,135	1,306,485	1,236,233

Footnotes:

a. Includes \$10,000,000 from the FY 1990 Dire Emergency Supplemental Appropriations Act (PL 101-302), \$7,587,937 in FY 1991 Section 517 recoveries and \$19,366,212 in FY 1991 reobligations of prior-year deobligated DA funds.

b. At the time of printing no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

c. Includes \$106,661,277 in FY 1990 ESF carry-over funds, of which \$96,910,309 is from the FY 1990 Dire Emergency Supplemental Appropriations Act, \$87,458 in FY 1991 Section 517 recoveries, and \$12,965 in FY 1991 reobligations of prior year deobligated ESF funds.

d. FY 1992 ESF level does not include \$30,947,000 in FY 1991 ESF carryover funds or \$349,683 in FY 1991 Section 517 recoveries.

e. See Food for Peace section of the statistical annex for program detail.

LATIN AMERICA AND THE CARIBBEAN

Introduction

A quiet revolution for political and economic freedom is under way in the Western Hemisphere. In its own right, it is just as profound as the revolutionary events in Eastern Europe and the former Soviet Union. Elected civilian governments hold office in almost all nations, encompassing 96% of the Hemisphere's population. The "open market" outlook now embraced by most countries in the region is a far cry from the discriminatory and protective trade and investment policies of the past. While the pace of economic reform varies, the region clearly has moved out of the economic crisis of the 1980s.

The year 1992 marks the 500th anniversary of Christopher Columbus's great voyage. The anniversary reminds all Americans throughout the Hemisphere of their common aspirations to build better lives for themselves and their children in the New World, and of their shared legacy of the promise of freedom. It challenges all Americans to foster greater cooperation and partnership among themselves. The President's Enterprise for the Americas Initiative (EAI) embodies that vision as it sets forth to create a new private-public partnership to assure sustained growth and stability throughout the Hemisphere. It ushers in a new era of relations among the New World's people--one based on mutual respect and mutual responsibility.

Results to Date

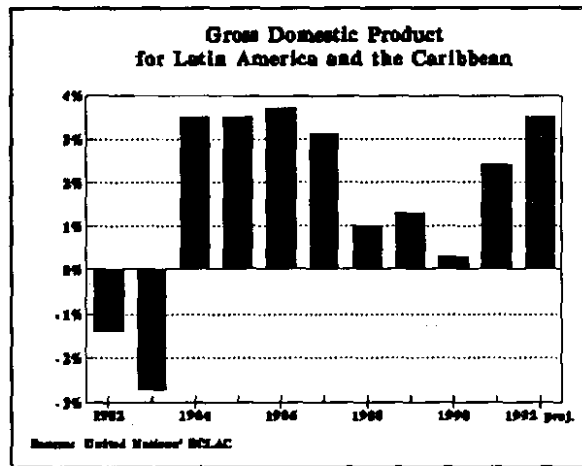
The results of the quiet revolution are impressive. Nation after nation is turning away from state controlled, import substitution-oriented economic models and turning toward market-oriented economic policies. These governments are instituting reforms in all categories, such as correcting overvalued exchange rates, establishing market-determined interest rates, reducing fiscal deficits, controlling inflation, diversifying exports, promoting investment, privatizing government enterprises, and removing price controls as well as tariff and non-tariff barriers to trade.

Almost all Latin American and Caribbean (LAC) countries have replaced authoritarian regimes with elected civilian governments. Armed conflict has diminished. Most citizens now live in peace throughout the Hemisphere. The growing political stability in the region is encouraging investment and sustained economic growth.

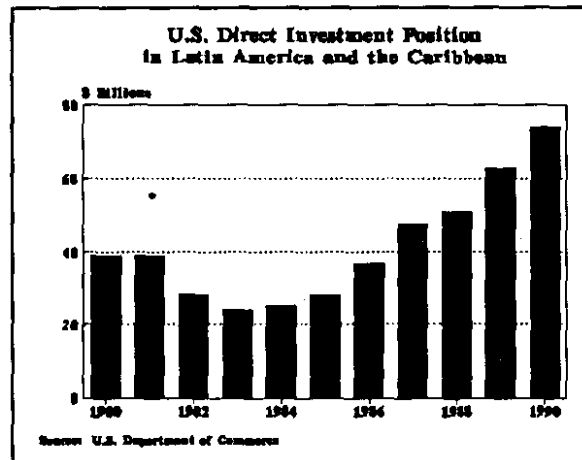
For the most part, hyperinflation has been brought under control. The weighted average annual inflation rate for the region in 1991 is expected to be down over fourfold from the average of 1,200% in 1989 and 1990. Except for Brazil and Peru, where prices are still rising by more than 100% a year, inflation in most other countries is expected to range from 10% to 35%.

Latin American and Caribbean trade with the world has risen dramatically from \$140.5 billion in 1986 to an estimated \$236 billion in 1991. During that same period, merchandise trade with the United States grew from \$72.1 billion to an estimated new record high of more than \$125 billion.

Economic growth is accelerating, with real gross domestic product (GDP) in the region rising an estimated 3.0% in 1991, a significant improvement over the 0.3% figure for 1990 and the average growth rate of 1.3% from 1981 to 1990. Per capita GDP rose an estimated 0.9% in 1991, the first positive change since 1987. For several countries the growth rate in 1991 was much higher: Mexico expects 4%-4.5% growth, Venezuela 6% growth, Chile 5.5% growth, and El Salvador 3.5% growth. In 1992, economic growth for the entire region is projected to accelerate to 3.5%.



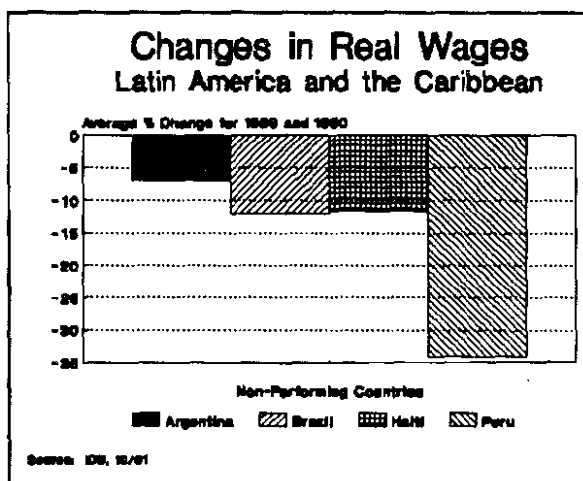
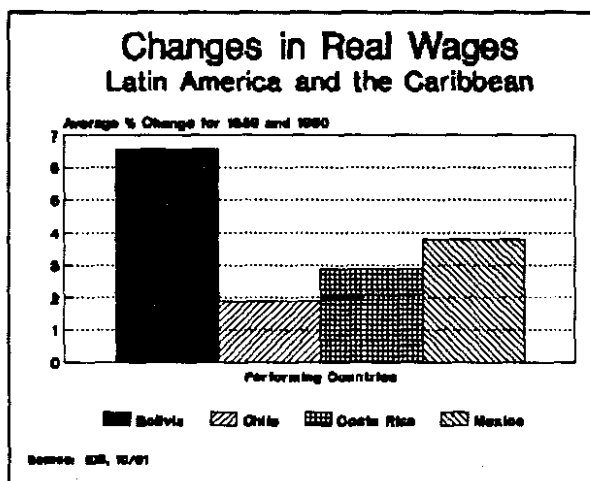
Capital inflows into Latin America and the Caribbean accelerated to \$14 billion in 1990, up from only \$4 billion in 1989. U.S. direct investment in the region has risen substantially over the past five years, from \$36.8 billion in 1986 to \$72.5 billion in 1990.



Impact on the Poor in Latin America and the Caribbean

As a result of widespread economic policy reforms, not only has economic growth returned to the region, but the poor are benefiting from that growth. As prices begin to stabilize, with inflation drastically reduced, consumer goods are becoming more affordable for the poor. For example, during 1991 in the Dominican Republic, the price of milk declined 50%, the price of butter declined 30%, the price of vegetable oil declined 40%, and the price of refrigerators declined 50%. In El Salvador, food prices have stopped rising, after having risen significantly in the mid-to-late 1980s.

Real wages in reforming countries are rising. This is particularly welcome news in light of the widespread concern that economic policy reforms harm the poor. Real wages in Bolivia, Chile, Costa Rica, and Mexico have established clear upward trends. It is precisely in these countries where economic policy reforms have been in place the longest. By comparison, those countries which have not implemented reforms or have done so only very recently have experienced significant declines in real wages.



Much of the increase in real wages is concentrated in the lower-income groups. For example, from 1980 to 1989 in Costa Rica, real income rose an average of 10% for the lowest one-third income bracket, as compared to an increase of less than 3% for the top one-third income bracket.

Jobs are being created, particularly as a result of growth in non-traditional exports. In El Salvador, 130,000 new jobs have been created since 1989. In Costa Rica, unemployment has fallen from highs of 10% in the early 1980s to the 4.5% range. In the Dominican Republic, as a result of the free trade zones, over 90,000 new jobs have been created since 1984. In Jamaica, the employed labor force has grown from 799,000 in 1984 to 875,000, while the total labor force has increased by less than 20,000. Unemployment broadly defined in Jamaica has declined from an average of 25% in the mid-1980s to 15.3% in 1990. The conventional unemployment rate -- or active job seekers -- declined to less than 7% by the end of 1990.

There are some indications that the number of poor is beginning to decline. For example, in Guatemala, the number of families living below the poverty line in the highlands fell by 2% between 1986 and 1989. Over the same period, the depth of poverty (the average income earned by families living below the poverty line) in that area improved by 15%.

There are other signs that the quality of life in the region is improving: infant mortality rates are down; primary school retention rates are up; vaccination coverage is up; and contraceptive prevalence rates are up. In sum, the future for the poor in Latin America and the Caribbean is brighter than it has been in a long time.

The Fragility of the Progress to Date

While much has been accomplished to achieve peace, democracy, and economic recovery in the Hemisphere, much remains to be done. The foundation for progress must be made permanent. Now more than ever, the continued nurturing of the institutions of economic and political freedom is needed in order to deepen their roots and thereby insure continued growth.

Serious challenges remain. Economic and democratic gains are fragile in many countries. Internal strife continues in Colombia, Guatemala, Haiti, Nicaragua, and Peru. With a peace accord signed in El Salvador, reconciliation and reconstruction are now desperately needed. While elections have been held throughout the LAC region, many democratic institutions are weak. In order for these new democratic systems to prosper, they must be able to deliver progress to their people in a politically relevant time frame.

Although most countries are managing their economies better, they still need assistance to sustain their adjustment programs and to be able to support further sector-specific reforms. Moreover, a slowdown in world economic growth, a continued external debt problem, high population growth rates, insufficient health care and education services, and environmental degradation will complicate the economic management problems of the region's leaders. Combatting the persistent problem of illicit drug and narcotics production, trafficking, and consumption must also remain high on the agenda for the region's leaders.

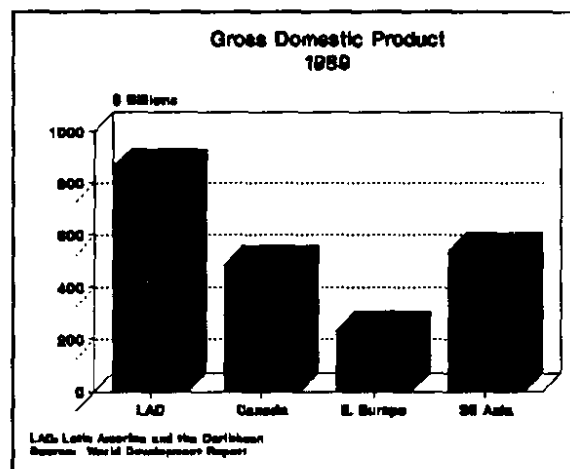
U.S. Interests

It is clearly in the United States' interests to assist its neighbors in proving that democracy and market-oriented economies work. Elected governments and market-based economic policies must work in practice for the benefit of all segments of society, if they are to survive. Today's bright prospects for long-term stability and broadly based growth in the Hemisphere will be in jeopardy if they do not.

The potential benefits of increased economic cooperation among the nations of the Western Hemisphere are tremendous. It is equally true that the consequences of failing to assist Latin American and Caribbean nations further their development could be severe. By the year 2020 the region's population will grow to more than 700 million. The question that should concern Americans is whether those 700 million people will be living in poverty and desperation, disillusioned with the principles of democratic government and market economies, and therefore, vulnerable to the false appeals of extremists. Or will they be informed, productive citizens and consumers with whom the United States shares values grounded in individual liberty and the rule of law and common interests grounded in free trade and free enterprise? A failure of both the U.S. Government and the U.S. private sector to actively engage in the region could result in the former becoming a reality.

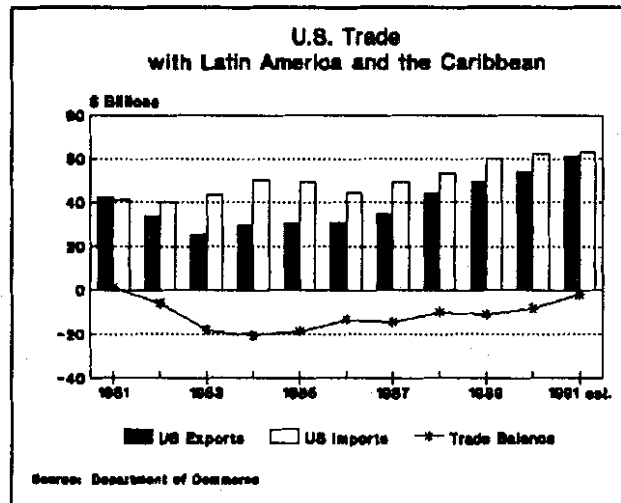
The well-being of Latin America and the Caribbean has a direct impact on the well-being of the United States. It is in the U.S. economic interest to help foster development in the region because it results in larger markets for U.S. goods and services, greater opportunities for U.S. investment, and new jobs for U.S. citizens.

The attraction of the Latin America and Caribbean market is its considerable size, its large resource base, and its proximity to the United States. The total population of the region is estimated to be 451 million in 1991, over 8% of the world total. This population base rivals that of all Europe. The domestic product of Latin America and the Caribbean exceeds \$860 billion. This makes the region's economy nearly 40% larger than that of Canada, the number one export market for the United States. It is over three times larger than that of Eastern Europe and it is larger than the entire Southeast Asia market.



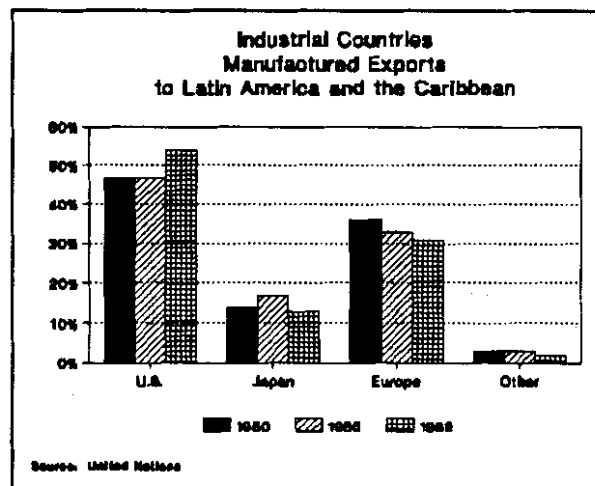
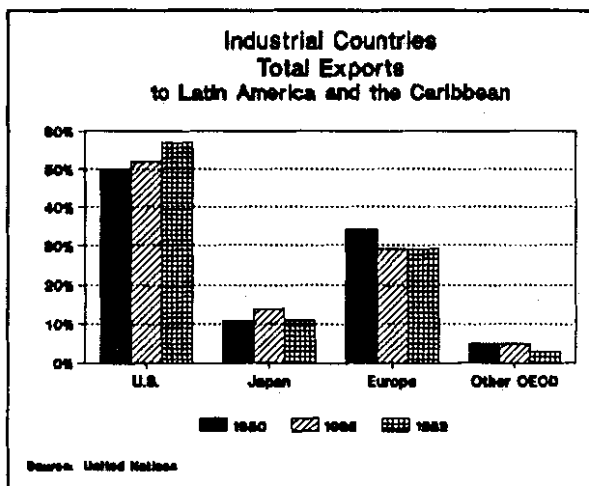
The LAC region is the fastest growing regional market for U.S. exports. U.S. merchandise exports to the region totalled \$54 billion in 1990 and are estimated to have reached \$62 billion in 1991. For the last five years, U.S. exports to the region have averaged 12% annual growth. In 1991, exports are estimated to have grown almost 14%. This rate of increase is well above U.S. export growth to the rest of the world, which is expected to be about 5% in 1991.

U.S. export growth is strong not only in Mexico, where it is averaging 18% annually since 1986, but also in the rest of the region, where U.S. exports have grown by more than 7% over each of the last five years. Because of this strong export growth, the U.S. trade deficit with the region has declined from \$10.8 billion in 1986 to less than \$1 billion in 1991. Excluding petroleum products, the United States has a trade surplus of \$14.5 billion with the region.



Much of the gain in U.S. exports to Latin America is attributed to rapidly growing demand for manufactured goods, which now account for 83% of total U.S. exports to the region. Leading U.S. manufactured exports are motor vehicle parts, aircraft, telecommunications, electrical switching gear, construction and mining equipment, and electrical machinery.

The U.S. market share of industrialized-country exports to Latin America and the Caribbean has gained relative to that of Japan and Europe, rising from 50% in 1980 to 57% in 1989. For manufactured goods the U.S. share rose from 47% to 54%.



U.S. Exports to Latin America and the Caribbean Create U.S. Jobs

It is estimated that every \$1 billion of U.S. exports creates 20,000 U.S. jobs. The \$62 billion in U.S. exports to Latin America and the Caribbean in 1991 thus supported more than 1,000,000 U.S. jobs. More than one-half of those jobs were created since 1986, as a result of U.S. export growth to the region. This steady growth in U.S. job-creating exports to Latin America and the Caribbean since 1986 stands in sharp contrast to the bleak economic times in the region from 1981 to 1983. During that period U.S. exports fell by \$16 billion at a cost of over 300,000 jobs.

The strong and growing U.S. market share in the region indicates an advantage in Latin America and the Caribbean for U.S. goods. The principal constraint on growth in U.S. exports to the region is the limited purchasing power of the Latin American and Caribbean people. Economic growth in Latin America and the Caribbean means increased ability to purchase, which is translated into both U.S. export growth and more jobs in the United States.

A.I.D. Objectives in Latin America and the Caribbean

The over-arching policy which sets the tone for A.I.D.'s programs in Latin America and the Caribbean is the Enterprise for the Americas Initiative. Its vision of promoting economic growth through increased trade and investment is based on an understanding of mutual respect and mutual responsibility.

Within the EAI framework, A.I.D. has identified the following as objectives for programs in the region:

- (1) support the achievement of broadly based, sustainable economic growth;
- (2) support the evolution of stable democratic societies; and
- (3) respond to specific challenges to the attainment of the first two objectives.

Broadly based, Sustainable Economic Growth

It is axiomatic that sustainable economic growth is necessary to reduce poverty and increase opportunities for participation in society. If economic growth does not occur, very little can be done to alleviate poverty. In fact, as evidenced during the economic crisis of the early 1980s, economic decline causes the number of the poor to increase. The poor need economic growth which leads to real and lasting jobs. Only with the creation of such employment will individuals earn enough income to pay for their essential needs of food, shelter, water, health care, and education. Also, without economic growth, public and private sectors cannot make and maintain adequate investments in education, health care, sanitation, and basic infrastructure.

In order to promote the achievement of broadly based, sustainable economic growth in the LAC region, A.I.D. is encouraging: (a) outward-oriented economic policies that promote investment, productive employment, and diversification; (b) a vigorous response by the private sector to a more favorable policy environment; (c) accelerated opportunities for increased participation in the economy by the disadvantaged; and (d) the preservation and sustainable use of the natural resource base.

We have learned over the years that poor economic policies cause enormous harm to the poor and tend to erase the benefits of even the best targeted humanitarian programs. Overvalued exchange rates, for example, limit employment and growth while promoting consumption of imported goods -- goods which are mainly consumed by middle- and upper-income people, not by the poor. Large fiscal deficits lead to high inflation, a condition which almost invariably hurts wage earners the most. Inefficient and money-losing parastatal enterprises soak up scarce government resources -- leaving less for priorities like education and health -- and provide little employment opportunities for all but the politically well-connected.

Enterprise for the Americas Initiative

The Enterprise for the Americas Initiative, announced by President Bush on June 27, 1990, crystallized a vision of promoting economic growth through increased trade and investment and has served as a catalyst for furthering this vision. The program's three pillars -- trade, investment, and debt reduction -- are mutually reinforcing. The goal of the trade pillar is to expand free trade throughout the Hemisphere, creating growth, jobs, productivity, and new private sector initiative. The investment pillar is designed to stimulate economic reform and investment liberalization that will create an attractive environment for new foreign and domestic investment. The debt reduction pillar, by alleviating the region's financial burden, will also strengthen economies, generate demand for traded goods, and stimulate investment. The debt reduction pillar includes a mechanism to support environmental protection and conservation in the region as well.

A.I.D.'s Role in Implementing the EAI

A.I.D. concentrates heavily on promoting market-oriented economies in its aid to Latin American countries. This has included technical assistance for privatization, investment promotion, and deregulation, as well as policy-based aid for improvements in macro-economic and sectoral policy. A.I.D. also is working to improve the legal, regulatory, and judicial environment for businesses, which includes strengthening intellectual property rights, streamlining laws and regulations affecting businesses and making them more transparent, and providing mechanisms for international arbitration and trade remedies. This A.I.D. assistance will help countries qualify for the EAI's trade and debt reduction benefits and also accelerates the implementation of the EAI vision.

A.I.D. also sits on the bilateral Joint Trade and Investments Councils to discuss opening markets and increasing trade and investment. A.I.D. works closely with the Department of Commerce supporting the new Latin America and Caribbean Business Development Center which encourages investment in the region.

In support of the debt pillar, A.I.D. has utilized section 572 authority from the FY 1989 foreign assistance appropriations act to forgive over \$1 billion in A.I.D. debt owed by less developed countries (Bolivia, Guyana, Honduras, and Nicaragua). A.I.D. serves on the Environment for the Americas Board, and is assisting in the negotiation of Environmental Framework Agreements. A.I.D. also represents the U.S. Government on the local environmental boards, in part to ensure that A.I.D.'s extensive environmental portfolio in the region is well coordinated with the EAI program.

Because of the limited amount of investment that A.I.D. can make, it is critical that A.I.D. target its assistance to maximize benefits and reach the largest number of poor and disadvantaged. Supporting policies that create an environment for economic growth that creates jobs and improves incomes is more likely to have a broad and significant impact on the poor than providing only temporary relief through projects that can reach only a few and lasts only while external funding is continued.

Responding to the hemisphere-wide movement toward market-based economies, A.I.D., along with other international donors, is placing an important emphasis on helping governments reform their economies. As many of the countries in the region change their policies, A.I.D.'s programs help ease the difficult adjustment to market-based economies. Policy changes that A.I.D. plans to support with a majority of the requested \$651.4 million in Economic Support Fund (ESF) resources requested include correcting overvalued exchange rates, reducing fiscal deficits, controlling inflation, diversifying exports, promoting trade and investment, and privatizing government enterprises.

As a more favorable policy environment is being generated, A.I.D.'s program also seeks to encourage the private sector to respond to that improved environment with increased investment and expansion, leading to job creation and higher incomes. A.I.D. is working with those in the private sector who are committed to free markets, broad-based development, and a democratic society.

A.I.D.'s program for FY 1993 will provide \$74.1 million in Development Assistance (DA) and ESF to the private sector in a variety of ways. Activities range from business counseling to training and technical assistance to the provision of credit to microenterprises. A.I.D. supports financial market development to mobilize capital for new business starts and expansion of existing businesses. Through the International Executive Service Corps, A.I.D. supports volunteers from the United States who provide management assistance to senior managers in local businesses. A.I.D. is helping local firms obtain timely, relevant information and services through export and investment promotion institutions. A.I.D. programs also help link local and U.S. businesses for joint ventures, promote direct investment, and provide technical assistance in marketing, packaging, shipping, and production.

In addition to supporting policy reforms and private sector activities that result in job creation and rising incomes, substantial amounts of DA will be targeted specifically to accelerate and expand opportunities for the disadvantaged to participate in the benefits of economic growth. A.I.D. will continue to help LAC countries increase access to basic education and primary health care, with an emphasis on improving child survival, family planning, and nutritional services, and improving the efficiency of those delivery systems. For FY 1993, total A.I.D. resources to be allocated to the LAC region include approximately \$89 million for health activities, which includes \$52 million for child survival activities, \$36.9 million for population activities, and \$22.1 million for basic education.

While there have been significant social advances over the past few years in the region (infant mortality rates are down and primary school retention rates are up), much of the progress has been dependent upon the efforts of external donors. Most health and education services are still poorly administered and inefficient, and scarce resources are often misallocated. A.I.D.'s program will focus on assisting LAC countries to develop sustainable, more efficient, decentralized educational and social service delivery systems.

Of particular concern to A.I.D. is the increased vulnerability of children to deprivation and abuse. A.I.D.'s programs to stimulate economic growth, increase job opportunities for low income families, and educate the public on drug use and AIDS take a critical preventive approach to addressing some of the principal causes of harm toward children. Programs to improve access and quality of basic education, primary health care and nutrition services for mothers and children are improving conditions and opportunities for large numbers of low income children. Adolescent sex and drug abuse education programs in many countries are helping teenagers better cope with their changing environments. Judicial reform programs in several countries are strengthening protection of children's rights.

As one of its highest priorities, the Agency is providing leadership in environmental management and the sustainable use of the natural resource base in the LAC region through policy dialogue, institution building, training, and demonstration projects. A.I.D. also is improving and expanding programs in the protection of biodiversity and tropical forest management, global climate change, integrated pest management, coastal zone management, debt-for-nature exchanges, environmental education, environmental business development, and grass-roots support through nongovernmental organizations. For environmental activities in FY 1993, A.I.D. is planning \$63 million in DA, in addition to local currency generated by A.I.D. programs.

Evolution of Stable Democratic Societies

In addition to a variety of initiatives focused on helping them move towards more market-based economic policies, LAC countries need assistance in deepening the roots of democracy. While elections have been held throughout the region, many democratic institutions are still weak.

With its Democracy Initiative, A.I.D. has made strengthening democracy a major goal of its program. Latin America and the Caribbean have been in the forefront of this effort since the transition to democracy began at the end of the 1970s. By helping democratic societies evolve, A.I.D. is helping governments become more responsive to the needs of the people. As citizens' views are better represented in government, the needs of the people will be better identified and addressed.

It is increasingly evident that political liberty and economic freedom are mutually reinforcing. Observation and experience suggest an incompatibility over the long term between the kind of open, market-directed policy environment that is conducive to development and the closed political systems that deny participation and shield public institutions and officials from accountability. Last year's human development report by the United Nations Development Program contains, for the first time, a human liberty index which vividly demonstrates the strong correlation between freedom to exercise political rights and economic well-being. The World Bank has identified "good governance" as an important factor in economic and social development. The characteristics of good governance identified in World Bank studies closely parallel what in the United States would be considered the characteristics of democratic government.

A.I.D.'s program for the 1990s will encourage: (a) strengthening the competent, civilian government institutions that will merit public confidence, diminish the concentration of political power, and foster public participation, and (b) pluralism, tolerance of opposing views, and support for democratic values on the part of non-governmental bodies, including news media, community organizations, labor unions, and business associations. Like other development problems, strengthening democracy will require a long-term effort. For FY 1993, A.I.D. is planning \$101.4 million in DA and ESF resources.

In order to merit the confidence of the people, governments need to be accountable and responsive. The rule of law must be taken seriously, with a strong judicial system in place to enforce the law and protect human rights. In many LAC countries, legislatures need to be strengthened to improve government responsiveness to citizens, to check excessive executive power, and improve legislative efficiency. Honesty and competence in government should be the norm, particularly in the area of financial management. Beyond the decentralization of power at the national level, political power needs to be decentralized geographically and local and municipal governments strengthened. A.I.D. can make a significant contribution in this area through training and technical assistance in such areas as legislative organization and management, administration of justice, financial management and municipal development.

Formal democratic structures do not succeed where citizens do not share a commitment to common democratic values. Political participation, tolerating diverse opinions, abiding by the rules and accepting the results of political competition are all concepts which must gain acceptance. In the LAC region, A.I.D. assistance includes civic education programs, assistance in the development of independent centers of research and policy analysis, and support for organizations protecting human rights. A.I.D. also provides short-term and long-term training for potential leaders, bringing them to the United States to observe and learn from U.S. democratic values and practices.

Just as economic competition is essential to the notion of free markets, so too is intellectual and political competition essential to a truly democratic political system. In addition to ensuring democratic competition, non-governmental organizations contribute to the public awareness and the deliberation of issues of common concern. Political parties across the spectrum, free press and media, "think tanks," labor unions, business organizations, and other grass-roots and civic organizations are all essential to a fully functioning democracy and need to be strengthened. A.I.D.'s program will involve assistance in areas such as training in standards of journalism, the development of indigenous public policy research centers, and seminars for labor leaders and other advocacy groups.

Specific Challenges

Integral to the EAI is an understanding that the Western Hemisphere is interrelated and interdependent more than ever before. A.I.D. recognizes that there are challenges facing the region which can only be addressed through international cooperation. Such challenges include the production, trafficking and consumption of drugs, and the threat of the debilitating epidemics of cholera and AIDS. The region also faces a different type of challenge -- that of working together with neighboring countries to forge multinational solutions to common problems. A.I.D. plans to contribute to the formation and implementation of U.S. Government strategies for dealing with these issues.

Outbreak of Cholera in Latin America

Cholera first appeared in Chimbote, Peru on January 23, 1991. The Centers for Disease Control (CDC) confirmed the disease on February 6. As of January 8, 1992, there have been 360,000 probable cases reported in 14 countries. The total number of reported deaths has been remarkably low (3,894).

Cholera is an infectious and potentially fatal disease. As compared to other diarrheal diseases, cholera is more severe and, in an epidemic situation, it primarily affects adults whereas other diarrheal diseases usually affect children under 5 years of age. Cholera is spread when food and drinking water are contaminated with fecal waste. Therefore, the vulnerability of the community to the spread of cholera is a function of poor sanitary conditions. While it is virtually impossible once an outbreak occurs to prevent cholera from spreading where sanitation is poor and water supplies are unreliable, it is possible to reduce transmission through public education and eliminate deaths by proper management of cases.

U.S. Response to the Outbreak

The U.S. Government has provided assistance in a number of ways, including distributing oral rehydration salts and other medical supplies, conducting education campaigns, and sending assessment teams to suggest emergency measures to be taken to improve water quality in urban areas. As a result of the efforts of A.I.D. and others, oral rehydration salts have been widely available which has kept the number of deaths to a record low of about 1%. Death rates for cholera epidemics in Africa, for example, were 8% during the 1980s.

A.I.D. has initiated a LAC Regional Cholera Program, in addition to its ongoing child survival and other water and sanitation projects. This two-year, \$10 million program, is designed to provide technical and material assistance in the following areas: surveillance, case management, health communications, emergency upgrading of water and sanitation systems, applied research, and commodity assistance.

Long-term Solutions

The outbreak of cholera in Peru and in other areas in the region underscores the critical development problems that still persist in the region. Because of a declining economy throughout the 1980s, resources have not been available for basic services and infrastructure. Significant investments made during the 1960s and 1970s in water and sanitation infrastructure have not been maintained. Sustained, broadly based economic growth and stable democracies are needed throughout Latin America if there are to be significant and sustainable improvements in the basic problem of inadequate resources and infrastructure.

Central America

With all the countries of the Central American isthmus led by democratically elected governments committed to market-based economic policies, there is an unprecedented opportunity for the region over the next decade to achieve political stability, economic prosperity, and social justice. The special challenge facing the Central American countries is how to work together as a region. Many of the problems facing each country are rooted in common regional problems.

The United States has widened the scope for cooperation with Central America through the EAI and has called for broad multilateral support for the region through the Partnership for Democracy and Development (PDD). At the same time, U.S. foreign assistance levels for Central America are returning to a more normal historical level after unusually large amounts were provided during the conflicts and economic crises of the last decade. The challenge for the 1990s is to sustain the positive but still very fragile trends toward political freedom and economic growth, utilizing diminished resources in a manner that will have the maximum impact.

A Closer Look...

El Salvador

Now that peace finally reigns in El Salvador after over a decade of civil war, the prospects for El Salvador's economy are brighter than ever. In 1989, in the midst of the war, the Salvadorean Government implemented dramatic economic reforms with A.I.D.'s support, encouragement and policy dialogue. Those reforms included: adopting a flexible exchange rate; eliminating non-tariff barriers; reducing and compressing import tariff rates; simplifying tax structures; and raising interest rates to positive real levels. These macro-economic and structural changes have been supplemented by sectoral and institutional reforms, e.g., passing three major laws that enable legislation to reform and privatize the banking system, remove price controls from hundreds of products, and open competition for basic grains and coffee marketing.

The results during the last two years, even under the pressure of the war, have been impressive:

- The economy grew 2.5% in 1990 and 3.5% in 1991;
- Inflation is down to 9.8% from a high of 31% in 1989;
- Exports are rising, with non-traditional exports rising an estimated 31.4% in 1991;
- Some 100,000 new urban jobs and 30,000 rural jobs have been created; and
- Farm-gate prices for basic grains have risen dramatically, resulting in more income for poor rural farmers: corn prices rose 43%, beans 58%, and rice 240%.

As a result of A.I.D.'s policy dialogue, the Health Ministry has committed to increase its budget by 15%, or \$10 million, with the majority of those resources directed to improving the primary health care system, thus increasing access by the poor to basic health services. The Education Ministry has agreed to increase its budget by 23%, or \$20 million, the majority of which would go toward improving primary education services, again benefiting the poor.

With the positive impact of those reforms as well as with the prospects of national reconciliation and reconstruction generated with the peace agreement, Salvadoreans are very optimistic about their future.

Last year, A.I.D. developed a new strategy for U.S. economic assistance for Central America in the 1990s which supports the broad objectives identified by the Central American presidents in the Declaration of Antigua adopted in June 1990, as well as the commitments they made in the Declaration of Puntarenas in December 1990. The objectives of the strategy are: (1) the development of stable democratic societies, (2) the achievement of broad-based, sustainable economic growth, and (3) the attainment of effective regional cooperation.

A.I.D. is placing greater emphasis on supporting initiatives identified by the Central Americans within a regional framework. A.I.D. encourages policy, legal, and other reforms to further liberalize trade and investment flows within Central America, to strengthen democracy and protect human rights, and to safeguard the region's natural resource base. A.I.D.'s work is within the framework of the PDD, working with key regional institutions while at the same time helping them to achieve greater self-sufficiency and reduce their dependence on donor resources.

A.I.D. is pursuing its objectives through its bilateral and regional programs, and through heightened collaboration with other U.S. Government agencies, multilateral development institutions, and other bilateral donors. A.I.D.'s implementation strategy emphasizes greater concentration of resources on the solution of specific sectoral problems, now that macroeconomic environments have improved.

South America

A major emphasis of U.S. economic assistance to South America is to help the Andean countries strengthen their legitimate economies to enable them to move away from dependence on a cocaine economy. As part of President Bush's overall Andean Counterdrug Initiative, A.I.D. is providing both macroeconomic and specific alternative development assistance to help offset the loss of foreign exchange inflows resulting from counterdrug activities, while helping stimulate legitimate economic growth which will produce the jobs necessary to replace the drug-related ones. Alternatives must be available in order to persuade individuals to stop growing, producing, and processing illicit drugs.

The overall goal of the Andean Counterdrug Initiative is to disrupt and dismantle the multinational criminal organizations that support the production, processing, transportation, and distribution of cocaine to the United States and to other nations. It is only within this overall context that alternative development and income-substitution programs will have any chance of success. Sustained, vigorous law enforcement can successfully disrupt the coca market and lower the farm-gate price of coca leaf. Alternative economic opportunities then become viable.

While the presidents of Colombia, Bolivia, Peru and the United States agreed to work together to combat illicit narcotics production, trafficking, and consumption at the Cartagena Summit of 1990, they also agreed that another way to help the Andean countries was to open trade. Through liberalized trade and investment relations under the Andean Trade Initiative and the EAI, the U.S. Government can help generate alternative sources of jobs, income, and foreign exchange throughout the economy. A.I.D. assistance is enabling the Andean countries to capitalize on a more open trading system.

In addition to economic assistance and alternative development, A.I.D. provides resources for narcotics education and prevention, administration of justice, and other democratic initiatives. Not only is a greater awareness of the dangers of narcotics needed, but the judicial system must be strengthened to allow the Andean countries to bring narco-traffickers to trial and sentencing in their own courts.

A.I.D. provides limited assistance to a number of other South American countries and Mexico within the EAI framework. Those countries include Argentina, Brazil, Chile, Mexico, Paraguay, and Uruguay. A.I.D. provides this assistance primarily through the LAC Regional program to address region-wide efforts to promote trade and investment, strengthen democratic values and institutions, encourage privatization, promote drug awareness, support environmental and natural resource protection, consolidate population efforts, and strengthen financial management and public administration.

A.I.D.'s overall strategy for South America includes support for regional cooperation among South American countries. Regional cooperation is a means of advancing joint objectives for growth, democratic development and meeting special challenges such as narcotics reduction and epidemic control.

A Closer Look...

Bolivia

During the early 1980s, Bolivia experienced rapidly deteriorating economic conditions, political instability, accumulation of an unsustainable debt burden, and severe macroeconomic mismanagement leading to a hyperinflation crisis in mid-1985. The public sector deficit was nearly 25% of GDP in 1984; inflation reached 28,000% in 1985; real GDP fell over 10% from 1980 to 1985, 24% in per capita terms; private fixed investment averaged only 3% between 1983 and 1985; exports fell from \$942 million in 1980 to \$628 million in 1985; exports of non-traditional products dropped from \$147 million in 1980 to only 430 million in 1984; and total debt stood at \$4.87 billion in 1987 or 113% of GDP, more than double the \$2.18 billion level in 1980.

With A.I.D. support, in August 1985, the Paz Estenssoro Government adopted a radical stabilization program which included massive devaluation of the exchange rate; increases in public sector prices; and reductions in government expenditures. The Government also took measures to liberalize extensively its markets: interest rates were freed; foreign exchange controls were eliminated; restrictions on labor mobility were relaxed; virtually all quantitative restrictions on imports were eliminated; a low and uniform tariff was instituted; all restrictions on capital flows were lifted; and price controls in almost all markets were abolished. The impact of those policies reforms have been impressive:

- A positive real GDP growth rate was established in 1987 at 2.6% and has remained steady at 2.7% through 1990. In 1991, GDP grew at an estimated 4%;
- Inflation has been contained at 16% on average through 1990;
- The fiscal deficit was reduced to 3.3% of GDP in 1990;
- Exports expanded 18% annually between 1987 and 1990. By 1990, total merchandise exports were \$812 million. Non-traditional exports recovered to \$104 million in 1986 and increased to \$294 million in 1990. In 1990, the growth rate was 34%;
- Manufacturing recovered by 16% (in real terms) during 1986-1990; construction recovered by 23%;
- In 1990, for the first time in nearly a decade, private investment increased at a positive rate of 4%; and
- Real wages have risen dramatically, averaging 17.3% over the last four years.

Caribbean

The world's changing political and economic structure poses a unique challenge for the Caribbean. The region's economies are small in comparison to most other countries of the Western Hemisphere. Production is not very diversified, both within individual countries and for the region as a whole. The natural resource base is quite fragile. There is a wide diversity of culture, history, and political traditions. Living standards and short-term growth prospects vary widely. Intra-regional cooperation has been strong among smaller states with a common heritage, but has not yet provided a vehicle for the broader Caribbean community to address issues of common concern. To improve living standards will require that each country make a considerable effort to liberalize its economy and simultaneously support cooperative efforts which further the region's integration into the world economy. Given the magnitude of the task, this poses a considerable challenge for the Caribbean in the 1990s.

Despite considerable progress in reforming economies, fiscal deficits are still too high, protectionism still prevails, trade and investment are still restrained by an unfavorable business climate, and progress in privatization is still too slow. The environment is highly fragile and will need considerable attention to provide sustained economic benefit to the region's peoples. Democratic institutions and practices are not yet well-established in Guyana, Haiti, and Suriname. Even where they are well established, the effectiveness of public service delivery and the administration of justice is threatened by inadequate financial and human resources. Progress in improving living conditions in several countries is still constrained by high population growth rates, and is now threatened by the scourge of AIDS. Narcotics production, trafficking, and transshipment threaten to corrupt the fabric of society and create a permanent underclass of unproductive users. Despite the certainty of regular natural disasters, there is still inadequate response preparation. The majority of the region's population lives in poverty. They do not yet participate in a meaningful way in determining their own and their country's future.

A Closer Look...

Dominican Republic

In the Dominican Republic, a comprehensive stabilization and structural adjustment program was initiated in August 1990, with A.I.D. support. The program includes much needed fiscal and monetary restraint, tax and tariff reform, exchange regime liberalization, and significant decontrol of prices and interest rates. While the economic situation continued to deteriorate in 1990, with GDP falling 5.1%, the economic environment appears to be improving now, with positive impact on the poor:

- GDP is expected to grow 2.5% in 1992;
- Inflation, which was averaging 100% for 1990, is now averaging 4.0%. Interest rates, which were around 80% at the end of 1990, are now around 24%;
- Prices are coming down as a result of the lower inflation and the lower tariffs on imported goods. For example, steel prices have fallen by 30%, resulting in a 4% decline in overall construction costs; and
- Declines in consumer prices are even more marked, which is particularly beneficial to the poor. For example, the price of milk declined 50%, the price of butter declined 30%, the price of vegetable oil declined 40%, and the price of refrigerators declined 50%.

The free trade zones in the Dominican Republic are still having a very positive impact in the country. Exports from the free trade zones have grown from \$215 million in 1985 to \$1,000 million in 1991. In 1984, 120 firms in free trade zones employed 26,000 Dominicans. By 1991, 410 firms employed 117,000 Dominicans. The free trade zones have played a critical role in diversifying the Dominican Republic economy and generating much needed employment.

A.I.D. is finalizing a new strategy for its programs in the Caribbean which will address a number of the problems and challenges mentioned. The strategy will consolidate A.I.D.'s programs in the areas of broadly based, sustained economic growth, participatory democracy, and regional cooperation. To promote economic growth, A.I.D. will assist the Caribbean nations (a) liberalize their economies with a focus on increasing trade and investment and (b) manage their environmental and natural resource base. To promote democracy, A.I.D. will support Caribbean efforts to (a) strengthen the rule of law, (b) strengthen civilian government institutions, and (c) foster democratic values and help create a pluralistic society. To promote regional cooperation, A.I.D. will (a) collaborate with the Caribbean Community (CARICOM) to foster progressive liberalization of trade and investment and (b) promote broader regional cooperation in support of shared development objectives.

FY 1993 Highlights

A.I.D. requests a program level of \$1.236 billion in Economic Support Funds (ESF), Development Assistance (DA), and P.L. 480 resources for FY 1993 to support a strategy for achieving sustainable economic, social, and democratic progress in the Latin America and Caribbean region. Of this total, \$578.8 million is for Central America, \$140.6 million for the Caribbean, \$431 million for South America, including \$250 million for the President's Andean Counterdrug Initiative, and \$85.8 million for the LAC Regional program.

A.I.D. has made considerable progress in streamlining its programs in the LAC region, focusing its new activities on the two principal objectives of stable democracies and sustainable, broadly-based economic growth, and on overcoming the special challenges of narcotics, epidemics and obstacles to regional integration. Twenty-four out of 87 new projects proposed by field missions this past year were either disapproved or deferred in an effort to limit new activities to the principal objectives. This year, field missions are redesigning their programs around fewer strategic objectives to further focus their programs and to allow for more effective accountability and management.

Within this effort to streamline its programs, A.I.D. is requesting \$651.4 million in ESF primarily for policy reform to support the achievement of broadly based, sustainable economic growth, and for the President's Andean Counterdrug Initiative. For most of the past decade, A.I.D. has been using a significant proportion of ESF to reduce balance-of-payments deficits, bring inflation under control, and promote foreign and domestic investment in the LAC region. In most countries, A.I.D. has been able to shift away from a major focus on stabilization to an emphasis on sustained economic growth. For FY 1993, A.I.D. will support measures aimed at reducing price distortions, privatizing the public sector, encouraging export diversification, promoting private investment, and stimulating labor-intensive growth. In the Andean region, ESF will be made available to those countries which demonstrate adequate counterdrug performance and have sound economic policies. The ESF will be used to help offset the economic impact of the actions of Andean governments to curtail narcotics activities. ESF-generated local currency will support productive credit requirements of private enterprises, finance key public services and infrastructure projects, and support efforts of private voluntary organizations (PVOs) and other groups to meet basic needs.

ESF also will finance continuing democratic development initiatives in such areas as election assistance, administration of justice, legislative management, financial management, journalism, and leadership development.

For FY 1993, A.I.D. is requesting \$400 million in DA for the LAC region. Of this amount, \$181.2 million will be allocated for five priority areas: \$36.9 million for population planning, \$52 million for child survival, \$7.2 million for AIDS control, \$22.1 million for basic education, and \$63 million for environment. The remaining DA will support efforts to diversify exports, to further democracy initiatives, to develop policies and adapt technologies for environmentally sustainable agriculture, to continue a major emphasis on the peace scholarship program, and to push for greater microenterprise and small business development in the private sector.

For P.L. 480 food programs, A.I.D. is requesting \$184.9 million for the LAC region, consisting of \$105.8 million in Title II and \$79.1 million in Title III. These programs will be integrated into achieving country development objectives and will especially promote food security. The Title III levels reflect projected shortages in domestic grain production, anticipated increases in the price of wheat, and foreign exchange limitations. Title II resources will be focused on assisting nutritionally vulnerable groups, especially through PVOs.

Belize

BELIZE

Total U.S. Aid \$ 118 Million (1956-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 6.08 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,720
 Average Annual Real Per Capita GNP Growth Rate.(. . .) . %
 Government Budgetary Expenditures as a % of GNP...(. . .) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (. .) (. .) (. .)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (. .) (. .) (. .)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (. .)
 External Public Debt as % of GNP...(1989) 40.3%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 13
 As % of Total Export Earnings..... (1989) 5.8%

POPULATION

Total Population...(Thousands, Mid 1991) 228
 Population Growth Rate..... (1978) 1.7% (1992) 3.6%
 Population (1991) By Age Group:
 (0-14yrs) 44.3% (15-64yrs) 52.2% (65+ yrs) 3.5%
 Married Women Aged 15-44 yrs. Using Contraception...(1985) 42.9%
 Total Fertility Rate...(1970) 6.6 (1991) 4.7

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (. .)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(. .) . %

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1982) -38(83) -29(84) -19
 Total Imports(\$ Millions, US) (. .) (. .) (84) 120
 Of Which % From U.S.(. .) . %
 Major Imports MACHINERY & TRANSPORT EQUIP; FOOD; MANUFACTURES
 Total Exports(\$ Millions, US) (1982) 88(83) 94(84) 102
 Of Which % to U.S.(. .) . %
 Major Exports SUGAR; CLOTHING; SEAFOOD; MOLASSES; CITRUS
 Trading Partners: UNITED STATES; UNITED KINGDOM; MEXICO

AGRICULTURE

Agricultural Production as % of GDP...(1987) 19%
 Disposable Income Spent On Food
 Food: . % (. .)
 Ag. Exports:(1989) Sugar ; Fruit & vegeta; Vegetables, fr
 Ag. Imports:(1989) Dairy products ; Meat products ; Cereals

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2271
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 69.6 Male 66.9 Female 72.4
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 31
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 80% (1990) Measles 81% (1990)
 Diphtheria(DPT3) 84% (1990) Polio(3) 80% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 65%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (. .) Total . Female .
 Secondary (. .) Total . Female .
 Adult Literacy Rate (. .) Male . % (. .) Female . %

BELIZE

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	6,805 ^a	7,500 ^b	6,300
TOTALS	6,805	7,500	6,300

a. Includes \$23,616 of FY 1991 annual DA prior-year reobligation and \$472,154 from Section 517 recoveries reobligated in FY 1991.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	7	6.5	6
FOREIGN NATIONAL	1	1	1
TOTALS	8	8	7

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	47	68	115	48	46	94	56	46	102
REGIONAL^e	106	0	106	30	0	30	25	0	25
THIRD COUNTRY									
BILATERAL^d	0	6	6	0	6	6	0	5	5
REGIONAL^e	0	0	0	0	0	0	0	0	0
TOTALS	153	74	227	78	52	130	81	51	132

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CASS, CLASP, and ATIE
 e. Funded under regional programs.

BELIZE

Introduction

Belize is a small, democratic country in Central America with a small population and blessed with a natural bounty of tropical forests, barrier reefs, and diverse wildlife. Its economy has been performing well, but sustained growth is constrained by a narrow product base, lack of managerial and technical skills, inadequate infrastructure, and a small revenue base for public services. Belize has adopted prudent fiscal policies and an open economy; it is eager to improve its competitive position in international markets in response to the Enterprise for the Americas Initiative. U.S. national interests in Belize include the support of a stable democracy, the further commitment to free markets, an effective protection of natural resources, and continued cooperation in narcotics interdiction.

A.I.D. Development Strategy and Accomplishments to Date

For the 1990s, A.I.D.'s assistance to Belize focuses on the single goal of sustainable economic growth and on the single strategic objective of improved use of natural resources. This assistance will help build the country's capacity to plan and manage the use of its resources, with special attention to sustainable agriculture, forest protection, and tourism.

Since 1983, A.I.D. programs have helped Belize open and diversify its economy, strengthen the private sector, and develop its human resources. The resultant economic growth was truly remarkable: real gross domestic product grew by an average of over 12% per year from 1987 to 1990. Cautious fiscal management has kept the public budget in balance and has maintained a respectable level of social services. A.I.D. also has helped build dynamic local private organizations working effectively to combat drug abuse, train managers, provide credit to small- and microenterprises, and promote exports and investment.

Other Donors

Multilateral and bilateral donors provide important assistance: from 1990 to 1994, expenditures are expected to approach \$90 million, mainly in major infrastructure loans. Other donor activities directly complement A.I.D.'s program in environment and natural resources. Major donors include the European Economic Community, World Bank, Caribbean Development Bank, United Kingdom, Canada, Italy, and Taiwan. Mexico, Venezuela, Costa Rica, and United Nations agencies also provide modest assistance.

FY 1993 Program

A.I.D. is requesting \$6.3 million in Development Assistance for Belize in FY 1993. These funds will be used for ongoing projects initiated in FY 1991 to improve planning and management of natural resources and to complete a program of rural bridge construction.

A.I.D. Representative: Barbara P. Sandoval

BOLIVIA

Total U.S. Aid \$ 1,539 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 22.1% (1986-89)
 Yearly U.S. Aid Per Capita \$ 1.23 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 620
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) -1.0%
 Government Budgetary Expenditures as a % of GNP...(1989) 20.0%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1987) 826 (1988) 918 (1989) 902
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -174 (1988) -223 (1989) -178

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1990) 83.9%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1990) 228
 As % of Total Export Earnings..... (1990) 28.3%

POPULATION

Total Population...(Thousands, Mid 1991) 7,154
 Population Growth Rate..... (1978) 2.4% (1992) 2.3%
 Population (1991) By Age Group:
 (0-14yrs) 40.8% (15-64yrs) 55.3% (65+ yrs) 3.8%
 Married Women Aged 15-44 yrs. Using Contraception...(1989) 30.3%
 Total Fertility Rate...(1970) (1991) 4.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 ()Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...() .%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1983) 650(84) 339(85) -900
 Total Imports(\$ Millions, US) () () (85) 1,089
 Of Which % From U.S.() .%
 Major Imports VEHICLES; MECHANICAL EQUIP; IRON & STEEL
 Total Exports(\$ Millions, US) (1983) 2,150(84) 939(85) 189
 Of Which % to U.S.() .%
 Major Exports NATURAL GAS; ZINC; TIN
 Trading Partners: ARGENTINA; UNITED STATES; BRAZIL

AGRICULTURE

Agricultural Production as % of GDP...(1988) 24%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1990)OIL CROPS ;LIVESTOCK ;TIMBER
 Ag. Imports:(1990)CEREALS ;DAIRY PRODUCTS ;TOBACCO

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2242
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 61.4 Male 58.9 Female 64.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 85
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 48% (1990) Measles 53% (1990)
 Diphtheria(DPT3) 41% (1990) Polio(3) 50% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 53%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 91.0 Female 85.0
 Secondary (1988) Total 37.0 Female 35.0
 Adult Literacy Rate (1985).Male 84% (1985) Female 65%

BOLIVIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	23,782 ^a	22,500 ^b	25,560
ECONOMIC SUPPORT FUND	76,750	25,000	0
PL 480 - TITLE II ^c	14,348	14,317	11,930
PL 480 - TITLE III	22,400	25,100	20,000
TOTALS	137,280	86,917	57,490

a. Includes \$44,804 of annual DA prior-year reobligation funds and \$435,747 of Section 517 recoveries reobligated in FY 1991.

b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the agency requests levels and are subject to change.

c. See Food for Peace section of statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	21.8	22.8	23.0
FOREIGN NATIONAL	28.5	28.5	28.5
TOTALS	50	51	52

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	53	143	196	11	112	123	11	107	118
REGIONAL ^e	5	47	52	0	40	40	0	40	40
THIRD COUNTRY									
BILATERAL ^d	10	51	61	6	75	81	7	83	90
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	68	241	309	17	227	244	18	230	248

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.

b. Academic: degree seeking.

c. Technical: non-degree seeking.

d. Funded under bilateral programs, including CASS, CLASP and ATIE.

e. Funded under regional programs.

BOLIVIA

Introduction

The United States has three primary goals in Bolivia: to assist in continued stabilization and reactivation of the economy; to support Bolivia's nascent, fragile democracy; and to assist the Government of Bolivia (GOB) to win the battle against illicit coca and cocaine production. Bolivia has the lowest per capita income and the worst health indicators in South America. The illicit coca industry continues to threaten U.S. interests as well as Bolivia's own political, economic and social stability. Bolivia is committed to combatting this industry, and to providing economic alternatives to offset the destabilizing effects of reducing illicit coca production and trafficking.

A.I.D. Development Strategy and Accomplishments to Date

As a result of sound policies, and with A.I.D. and other donor assistance, Bolivia's rate of economic growth during 1991 was 4%. This permitted a 1.5% increase in real per capita gross domestic product, the first significant increase since 1978. To increase incomes and improve the investment climate, A.I.D. focuses on developing two-way trade and investment, promoting the export of non-traditional products, and fostering small and micro-enterprises, thereby complementing other U.S. assistance through the Enterprise for the Americas Initiative (EAI) and the Andean Trade Initiative. The Democratic Institutions and Justice Sector projects are improving public sector accountability and strengthening electoral, legislative, and judicial systems. P.L. 480 Title III resources are used to generate short-term employment through food-for-work programs, and Development Assistance (DA) and Economic Support Funds (ESF) funds strengthen and extend health services. This assistance seeks to provide a safety net for the unemployed. A.I.D.'s support for Alternative Development -- the transformation of the Bolivian economy away from dependence on coca production to an economy based on diversified, sustainable and expanding legal enterprises -- represents the Agency's contribution to the U.S. Government's and the Government of Bolivia's counternarcotics programs. During the past year, progress in introducing alternative crops into local and regional markets has been achieved. In addition, significant success has been achieved in the country's High Valleys in deterring migration to the Chapare, the major coca-producing area in Bolivia. This was done by providing infrastructure and strengthening watershed management in the Valleys to make small-scale agriculture sustainable.

Other Donors

Joint efforts with other donors have pressed the GOB to adopt reform packages that are critical for moving the economy toward growth-oriented policies through legitimate alternative sources of foreign exchange, income and jobs. The GOB has promulgated new investment, mining and hydrocarbon laws which offer incentives to encourage domestic and foreign investment. The privatization law, soon to be approved in the Bolivian Congress, also will contribute to the expansion of Bolivia's productive base.

FY 1993 Program

For FY 1993, A.I.D. requests \$25.5 million in DA and \$31.9 million in P.L. 480 food assistance (\$11.9 million in Title II funds and \$20 million in Title III assistance) to support economic growth, stimulate employment and income growth, and ensure adequate social services in health, population, and child survival. As part of the Administration's Andean counterdrug strategy, Bolivia is eligible for substantial additional ESF assistance, if it demonstrates adequate progress in counterdrug activities. This additional ESF, up to \$100 million in FY 1993, would be programmed to help alleviate Bolivia's foreign exchange shortage, provide incentives for pursuing sound economic policies, and expand alternative development activities.

Mission Director: Carl Leonard

COSTA RICA

Total U.S. Aid \$ 1,625 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 70.2% (1986-89)
 Yearly U.S. Aid Per Capita \$ 5.17 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1990) 1,940
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 1.0%
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 1,394
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -132 (1988) 0 (1989) -111

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 3.1 Months of Imports (1990)
 External Public Debt as % of GNP...(1989) 91.2%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 293
 As % of Total Export Earnings..... (1989) 15.5%

POPULATION

Total Population...(Thousands, Mid 1991) 3,109
 Population Growth Rate..... (1978) 3.9% (1992) 2.5%
 Population (1991) By Age Group:
 (0-14yrs) 36.1% (15-64yrs) 59.3% (65+ yrs) 4.6%
 Married Women Aged 15-44 yrs. Using Contraception...(1986) 68.0%
 Total Fertility Rate...(1970) 4.1 (1991) 3.2

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 25%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -164(89) -303(90) -569
 Total Imports(\$ Millions, US) (1988) 1,410(89) 1,717(90) 2,026
 Of Which % From U.S.() . %
 Major Imports INDUSTRIAL INPUTS; NON-DURABLE CONSUMER GOODS
 Total Exports(\$ Millions, US) (1988) 1,246(89) 1,415(90) 1,457
 Of Which % to U.S.() . %
 Major Exports COFFEE; BANANAS; ORNAMENTAL PLANTS; FISH; PINEAPPLE
 Trading Partners: UNITED STATES; GERMANY; GUATEMALA

AGRICULTURE

Agricultural Production as % of GDP...(1989) 17%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Vegetables, fr ; Beverages ; Meat products
 Ag. Imports:(1989) Cereals ; Oil crops & fe; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2782
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 76.9 Male 74.9 Female 79.0
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 13
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 92% (1990) Measles 90% (1990)
 Diphtheria(DPT3) 95% (1990) Polio(3) 95% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1988) 93%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 98.0 Female 97.0
 Secondary (1987) Total 41.0 Female 43.0
 Adult Literacy Rate (1985) Male 94% (1985) Female 93%

COSTA RICA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	11,046 ^a	8,000 ^b	8,000
ECONOMIC SUPPORT FUND	25,000	20,000	10,000
PL 480 TITLE I^c	15,000	0	0
TOTALS	51,046	28,000	18,000

a. Includes \$167,893 of DA prior-year deobligated funds.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the agency request levels and are subject to change.
 c. Title I Administered by USDA as of January 1, 1991. See Food for Peace section of statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	18.8	14	10
FOREIGN NATIONAL	18	18	18
TOTALS	37	32	28

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	234	513	747	270	245	515	231	275	506
REGIONAL^e	57	0	57	59	0	59	56	0	56
THIRD COUNTRY									
BILATERAL^d	0	0	0	0	0	0	0	0	0
REGIONAL^e	0	3	3	0	3	3	0	2	2
TOTALS	291	516	807	329	248	577	287	277	564

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS and ATIE
 e. Funded under regional programs.

COSTA RICA

Introduction

With its tradition of democracy and social justice, Costa Rica shares and supports the Central American presidents' goal of promoting democracy, development and demilitarization in Central America. Since taking office in May 1990, the current Administration has embarked on a course of fiscal and public sector reform measures aimed at positioning Costa Rica to take advantage of the U.S. Enterprise for the Americas Initiative (EAI). Continued U.S. assistance and access to the EAI opportunities over the 1990s will further bolster U.S.-Costa Rican ties, accelerate the transition to self-sustaining growth independent of external aid flows, and strengthen Costa Rica's ability to play a positive regional role.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s program strategy focuses on three objectives: private sector-led trade and investment expansion; streamlined, more efficient and responsive government operations; and, preservation and sustainable economic uses of natural resources. The pace of Costa Rica's progress has been slowed in the last year by external factors and natural disasters. The strong economic growth of the mid-to late eighties has slowed, from 5.7% in 1989 to about 1% for 1991 due in large measure to the recession in the developed world and worsening terms of trade for Costa Rican traditional exports, especially coffee. A major earthquake in April 1991, impacted severely in both human and economic terms. In this environment, the political costs of the economic reform program, particularly driving fiscal deficits down from 7.1% of gross domestic product in 1990 to about 2% for 1991 have been high.

Despite the slower pace, the Government of Costa Rica is, in the main, staying the economic reform course. Along with deficit reductions, there was a permanent downsizing in 1991 of some 4% of total public sector employment (about 7,000 positions), and tariff ceilings are set to go down from 40% at present to 20% by mid-1993.

Other Donors

A.I.D., the World Bank, the International Monetary Fund and the Inter-American Development Bank continue to be the principal international donors in Costa Rica. Total 1991 other donor assistance flows are estimated at some \$137 million, down by more than 50% from 1989. The Consultative Group (CG) has endorsed the Costa Rican Government's development strategy; and most donor assistance, while greatly reduced, is channeled in one form or another to CG-endorsed activities.

FY 1993 Program

A.I.D. is requesting \$10 million of Economic Support Fund (ESF) and \$8.0 million of Development Assistance (DA). ESF balance-of-payments allocations will continue to support policy dialogue and initiatives in three key strategic areas: trade and investment climate, public sector restructuring, and a more efficient financial sector. The DA funds also will support these efforts, particularly public sector responsiveness initiatives, natural resources management activities, deepening of capital formation and prudential supervision of the country's financial system.

Mission Director: Ronald F. Venezia

PROJECT TITLE Trade and Investment III		PROJECT NUMBER 515-0268 [X] GRANT [] LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 10,000 ESF	LIFE OF PROJECT FUNDING 10,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1993

Purpose: The purpose of this Economic Support Fund (ESF) grant is to continue to provide balance of payments assistance in support of three key strategic objectives: a liberalized trade and investment climate, further public sector restructuring and a more efficient financial sector.

Project Description: World recession, declining coffee prices and a major earthquake and subsequent flooding all contributed in 1991 to a meager 1% Costa Rican gross domestic product growth rate. Looking to the longer term, the 1993 ESF program will continue to emphasize major changes needed to foster a more market-oriented, open and efficient economy and to position Costa Rica to take advantage of the Enterprise for the Americas Initiatives. Under negotiation are a Bilateral Investment Treaty, an Environmental Framework Agreement and terms for a Free Trade Agreement. These and the ongoing dialogue are critical to achieving meaningful policy reforms. Disbursement of the dollars will be conditioned to implementation of specific policy reforms to be developed together with the Government of Costa Rica and the international financial institutions.

Sustainability: Shifting the policy and activities focus to the objectives listed above goes to the heart of the effort to achieve longer-term sustainability. A liberalized trade and investment climate, a public sector which is reduced in size and streamlined administratively, and a more efficient financial sector go hand in hand toward maximizing prospects for sustainable, longer-term economic growth rates.

Relationship to A.I.D. Strategy: This ESF program is the key policy piece in support of two of the three strategic objectives of the A.I.D. program for the 1990s, which are (1) to assist Costa Rica to achieve self-sustaining developed country status through trade and investment liberalization, and (2) a more cost-efficient and responsive public sector.

Host Country and Other Donors: Principal donors aiding Costa Rica are include the International Monetary Fund; the World Bank; the InterAmerican Development Bank; and the Government of Taiwan. A World Bank \$200 million structural adjustment loan (SAL III) is in place and a \$200-300 million SAL III is under design, focused on trade and investment and public sector restructuring improvements. A \$150 million investment sector loan is under design, sponsored by the IDB. There is a high degree of compatibility and mutual reinforcement among these programs, the U.S. program and those of other bilateral donors.

Beneficiaries: The most immediate and direct beneficiaries of the balance-of-payments assistance dollars are private producers who gain access to the foreign exchange for U.S. imports. Improved trade, investment and financial sector policies will foster greater employment opportunities and overall increases in income. Income gains over recent years have been widespread, but highest percentage-wise in the lower two deciles of Costa Rican households.

Major Outputs:	<u>All Years</u>
Improved trade and investment conditions	X
More cost-efficient and responsive government	X
A series of legal, regulatory and institutional, initiatives in the financial sector	X

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Balance-of-payments support	<u>10,000</u>
Total	10,000

DOMINICAN REPUBLIC
 Total U.S. Aid \$ 1,435 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 58.0% (1986-89)
 Yearly U.S. Aid Per Capita \$ 1.01 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP	(1989)	790
Average Annual Real Per Capita GNP Growth Rate..	(1965-89)	2.5%
Government Budgetary Expenditures as a % of GNP...	(1989)	20.4%
Total Expenditures and Net Lending (\$ Millions, US):		
(. .) (. .) (1988)		880
Budgetary Deficit or Surplus (\$ Millions, US):		
(1981) -181 (1982) -247 (1983)		-216

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to	Months of Imports (. .)
External Public Debt as % of GNP...	(1989) 51.1%
Service Payments on External Public Debt,	
(\$ Millions, US).....	(1989) 178
As % of Total Export Earnings.....	(1989) 8.3%

POPULATION

Total Population... (Thousands, Mid 1991)	7,375
Population Growth Rate..... (1978)	2.6% (1992) 1.9%
Population (1991) By Age Group:	
(0-14yrs) 36.1% (15-64yrs) 59.9% (65+ yrs) 4.0%	
Married Women Aged 15-44 yrs. Using Contraception...	(1986) 50.5%
Total Fertility Rate...(1970) 6.7 (1991) 3.1	

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level	
(. .) Total . % Urban . % Rural . %	
Percentage of Total Adult Population Employed Full Time	
Proportion of Labor Force in Agriculture...(1988)	38%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988)	-277(89)	-349(90)	-287
Total Imports(\$ Millions, US) (. .) (. .) (90)	2,319		
Of Which % From U.S. (. .) .%			
Major Imports	FOODS; PETROLEUM; COTTON & FABRICS; CHEMICALS		
Total Exports(\$ Millions, US) (1988)	1,647(89)	2,064(90)	2,032
Of Which % to U.S. (. .) .%			
Major Exports	SUGAR; COFFEE; COCOA; GOLD; FERRONICKEL		
Trading Partners:	UNITED STATES; VENEZUELA; JAPAN		

AGRICULTURE

Agricultural Production as % of GDP...(1988)	23%
Disposable Income Spent On Food	
Food: . % (. .)	
Ag. Exports:(1989) Sugar ; Beverages ; Meat products	
Ag. Imports:(1989) Cereals ; Vegetable oils; Oil crops & fe	

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988)	2326
Life Expectancy at Birth, in Years (Bureau of the Census)	
(1991) Total 67.3 Male 65.2 Female 69.4	
(1970) Total 53.8 Male 52.1 Female 55.6	
Infant Deaths in First Yr of Life per 1000 Live Births (1991)	58
Percent Of Children 12-23 Months Old Fully Immunized Against	
Tuberculosis(BCG) 68% (1990) Measles 96% (1990)	
Diphtheria(DPT3) 69% (1990) Polio(3) 90% (1990)	
Population with Reasonable Access to Safe Water Supply	
(1985) 50%	

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:	
Primary (1986) Total 133.0 Female 135.0	
Secondary (1986) Total 47.0 Female .	
Adult Literacy Rate (1985) Male 78% (1985) Female 77%	

DOMINICAN REPUBLIC

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE ECONOMIC SUPPORT FUND	13,902 ^a 0	13,000 ^b 5,000	17,220 5,000
PL 480 - TITLE IIc	5,007	4,219	4,858
TOTALS	18,909	22,219	27,078

a. Includes \$3,038,731 of DA prior-year deobligation funds and \$288,898 of Section 517 reobligated in FY 1991.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency requests levels and are subject to change.
 c. See Food for Peace section of statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	15.4	15.8	16.8
FOREIGN NATIONAL	22.5	22.5	22.5
TOTALS	38	38	39

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	143	159	302	129	116	245	84	85	149
REGIONAL^e	127	0	127	150	0	150	115	0	115
THIRD COUNTRY									
BILATERAL^d	8	34	42	1	3	4	0	0	0
REGIONAL^e	3	0	3	6	0	6	9	0	9
TOTALS	281	193	474	286	119	405	188	85	273

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS and ATIE.
 e. Funded under regional programs.

DOMINICAN REPUBLIC

Introduction

With a per capita income of about \$800, the Dominican Republic remains one of the poorest countries in the Western Hemisphere. Economic growth has stagnated in the past few years. Government services, financial markets, and physical infrastructure are extremely weak and deteriorating due to a lack of investment. The country's relative poverty belies a highly diverse and dynamic economy. Its central geographic location, extensive natural resource base, record of political stability, and a highly skilled labor force make the Dominican Republic an important trading partner in the region. The country also enjoys longstanding political, economic, and cultural ties with the United States.

In 1990, the Dominican Republic introduced a major economic restructuring and reform effort to stabilize the economy, restore relations with international financial institutions, broaden trade ties, and aggressively promote private investment. The successful implementation of this program has already led to an International Monetary Fund agreement and Paris Club rescheduling agreement.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s strategy is to encourage the country's adherence to its vigorous structural reform program. A.I.D. actively works to encourage market-oriented deregulation policy and private initiatives aimed at promoting increased investment and trade. A.I.D. programs are aimed at increasing employment and income generation. The Agency encourages the development of a private sector capacity to develop sector-wide solutions to basic problems in health, education, and natural resource management. Through the Democratic Initiatives project, A.I.D. is working with local organizations to strengthen and consolidate key elements in the democratization process. A major primary education reform program was the direct result of A.I.D.'s work with a local, action-oriented non-governmental organization. The country's profound macroeconomic reforms and renewed support from international financial institutions were consequences of A.I.D.'s proactive policy dialogue. Policy reform and renewed donor support will result in increased levels of economic growth in the future.

Other Donors

The International Monetary Fund, World Bank, and Inter-American Development Bank all have active, mutually reinforcing programs in the Dominican Republic. Total disbursements of \$157 million in 1990 were provided primarily by these multilateral institutions Japan, Germany, and Italy.

FY 1993 Program

For FY 1993, A.I.D. is requesting \$17.2 million in Development Assistance to support ongoing programs in such areas as economic policy and practice, democratic initiatives, family health, and environmental protection. A.I.D. also is requesting \$4.8 million in P.L. 480 Title II food assistant. A new five-year, \$7 million program will begin in FY 1993 to address environmental degradation and natural resources management. In addition, the United States will contribute \$5 million in Economic Support Funds to the Dominican economic reform program.

Mission Director: Raymond F. Rifenburg

DOMINICAN REPUBLIC

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Sustaining Natural Resource Management		PROJECT NUMBER 517-0266 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (in thousands of dollars)			
FY 1993 1,500 DA		LIFE OF PROJECT FUNDING 7,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998	

Purpose: To assist the Dominican Republic undertake large-scale efforts to reverse the trends of environmental degradation of watersheds and coastal zones and to promote sustained growth through improved management of the country's natural resources.

Project Description: The project will assist Dominican initiatives to solve environmental problems surrounding watersheds and coastal zones, thereby providing pilot settings demonstrating institutional and policy improvement. Public and private institutions will improve their performance in at least three areas: problem identification and policy analysis, natural resource management, and long-term planning. The project will have four components: a) educational activities to assist Dominicans to understand and take advantage of environmental provisions of the Enterprise for the Americas Initiative (EAI); b) data gathering; c) building public awareness; and d) using selected rural and urban watersheds and coastal zones as models for environmental management. Under EAI, the Government of the Dominican Republic (GODR) and participating non-governmental organizations (NGOs) will be able to make policy changes required to meet eligibility criteria; they will begin implementation of market-oriented reforms, investment reforms, and environmental protection activities (financed through debt-for-nature swaps).

Sustainability: Dominicans will establish environmental protection policies that are appropriate to the ecological, economic, and social conditions of the country. The project also will seek to establish financing mechanisms to provide long-term support under provisions of the EAI. This will ensure the long-run sustainability of the pilot activities carried out under the project.

Relationship to A.I.D. Strategy: The project directly addresses one of the objectives of the A.I.D. country strategy: to reduce legislative, regulatory, and institutional impediments to the rational management of natural resources by public and private sectors to assure long-term sustainability.

Host Country and Other Donors: NGOs and the GODR will commit \$1,750,000 towards this project. In addition, the project will utilize funds from other donors' programs and, if available, funds generated by the EAI Environmental Framework Agreement.

Beneficiaries: Improved watershed and coastal zone management will benefit all Dominicans and will contribute to an improved global environment.

Major Outputs:

	<u>All Years</u>
Watershed pilots	2
Coastal zone pilots	2
Debt-for-nature-swaps	2
Major policy reforms	2
Endowment fund for environment	1
Education campaign	1

A.I.D.-Financed Inputs:

	<u>Life of Project (In thousands of dollars)</u>
Long-term Environmental Advisor	400
Technical Assistance	1,600
Commodities	2,000
Matching Grants	<u>3,000</u>
Total	7,000

ECUADOR

Total U.S. Aid \$ 686 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 25.8% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.42 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,020
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP...(1988) 16.0%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1988) 1,386 (1989) 1,217 (1990) 1,052
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1986) -209 (1987) -590 (1988) -164

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1990) 94.9%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1990) 895
 As % of Total Export Earnings..... (1990) 27.6%

POPULATION

Total Population...(Thousands, Mid 1991) 10,696
 Population Growth Rate..... (1978) 2.9% (1992) 2.2%
 Population (1990) By Age Group:
 (0-14yrs) 38.8% (15-64yrs) 56.9% (65+ yrs) 4.3%
 Married Women Aged 15-44 yrs. Using Contraception...(1989) 52.9%
 Total Fertility Rate...(1970) (1991) 3.5

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1980)Total . % Urban 40.0% Rural 65.0%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1990) 31%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -658(88) -184(89) -209
 Total Imports(\$ Millions, US) () () (89) 3,026
 Of Which % From U.S.() %
 Major Imports INTERMEDIATE GOODS; MACHINERY; TRANSPORT EQUIP
 Total Exports(\$ Millions, US) (1987) 2,531(88) 2,869(89) 2,817
 Of Which % to U.S.() %
 Major Exports PETROLEUM; BANANA; SHRIMP
 Trading Partners: UNITED STATES; JAPAN; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1990) 17%
 Disposable Income Spent On Food
 Food: 26% (1990)
 Ag. Exports:(1987)BANANA; SHRIMP; ;FISH & ;FISH PRODUCTS
 Ag. Imports:(1989) Cereals ; Vegetable oils; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1990) 2100
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 68.9 Male 66.4 Female 71.5
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 44
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 88% (1990) Measles 61% (1990)
 Diphtheria(DPT3) 68% (1990) Polio(3) 67% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1990) 55%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1988) Total 118.0 Female 116.0
 Secondary (1988) Total 56.0 Female 57.0
 Adult Literacy Rate (1990) Male 90% (1985) Female 80%

ECUADOR

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	15,594 ^a	15,000 ^b	14,280
PL 480 - TITLE II^c	592	882	0
TOTALS	16,186	15,882	14,280

a. Includes \$1,112,812 of DA prior-year deobligation funds and \$493,082 of Section 512 recoveries reobligated in FY 1991.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.
 c. See Food for Peace section of statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	16.8	15	15
FOREIGN NATIONAL	15.4	15.4	15.4
TOTALS	32	30	30

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	22	160	182	20	115	135	25	100	125
REGIONAL^e	20	61	81	18	44	62	5	26	31
THIRD COUNTRY									
BILATERAL^d	78	45	123	167	89	256	134	77	211
REGIONAL^e	18	2	20	18	0	18	9	0	9
TOTALS	138	268	406	223	248	471	173	203	376

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS and ATIE.
 e. Funded under regional programs.

ECUADOR

Introduction

Economic stagnation in the 1980s has made Ecuador vulnerable to the scourge of international narcotics trafficking and money laundering and has threatened the vitality of its democratic institutions. The United States thus has a strong interest in helping Ecuador to regain strong, broad based, sustainable economic growth through two-way trade expansion and an opening to the Andean Pact regional and world market. Critical Presidential elections will be held in May 1992, and the new government will be faced with major challenges to carry out an economic program to respond to the new realities of the world economy.

The outgoing Government of Ecuador (GOE) in its four years has gradually implemented important stabilization measures. However, inflation, running at 50% annually, has not been brought under control, and additional long-term reform to free up competitive market structures are still needed to support accelerated economic growth. Increased two-way trade through Ecuador's participation in the Andean Trade Preference Act and the Enterprise for the Americas Initiative will be essential elements in Ecuador's economic recovery.

The economic crisis of the 1980s has gutted the GOE's public investment programs. Much-needed investment in transportation and telecommunications infrastructure, education and health has been cut back sharply. Large segments of the population do not have access to potable water, electricity or primary health care. Infant mortality remains high, and more than two-thirds of rural children leave school by the fifth grade. Only renewed economic growth will provide adequate revenues to address social investment needs.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D. is committed to the goal of "managing for results." Since early 1991, A.I.D. has carried out a process of strategic planning to better focus overall program objectives and the portfolio of projects on the accomplishment of these objectives.

The five strategic objectives during the next 4-5 years are as follows: (1) increased trade and employment from non-traditional exports; (2) increased farm income on small and medium farms; (3) increased use, effectiveness and sustainability of family planning and maternal and child health services; (4) strengthened democratic institutions; and (5) sustainable uses for biological resources.

Other Donors

The World Bank and the Inter-American Development Bank are Ecuador's principal donors with a total program portfolio of over \$750 million. A.I.D. coordinates activities closely with the donor community to ensure consistent positions on economic stabilization and structural reform measures and complementary support for trade and investment, municipal development and small and microenterprise activities.

FY 1993 Program

For FY 1993, A.I.D. is requesting \$14.2 million in Development Assistance (DA). DA funding will be used principally for trade and investment activities in support of the President's Enterprise for the Americas Initiative. These funds also will be used to initiate a small enterprise export linkages project and to provide support for ongoing programs in the environment and the social sectors.

Mission Director: Charles E. Costello

PROJECT TITLE Small Enterprise Export Linkages		PROJECT NUM 518-0106
		<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 1,528 DA	LIFE OF PROJECT FUNDING 4,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1995	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To strengthen the capability of public and private sector institutions to provide efficient services to the small entrepreneur in order to generate permanent productive employment.

Project Description: The project will address institutional problems which hamper the growth of the small enterprise subsector and the provision of credit to small enterprises. Recent studies show that small enterprise growth has occurred in spite of Ecuador's recession, and that most employment within industry is generated by the small enterprise subsector. The project will generate employment and promote sustained economic growth by strengthening the linkages between small enterprises and the export sector. The project will include activities to strengthen management and analytical capabilities of those institutions or associations which support small enterprises that produce directly or provide inputs for the export market. The project also will provide direct assistance to selected small enterprises to expand their participation in the export market.

Sustainability: This project addresses weaknesses in institutions which have hampered investment and growth in the small enterprise sector of the Ecuadorian economy. Sustainability of these activities will be realized when these institutions have been strengthened enough to carry on the support of small enterprise. A fee-for-services mechanism for technical assistance provided to small enterprises will be considered during the design of the project.

Relationship to A.I.D. Strategy: This project supports the achievement of broadly based, sustainable economic growth. The project also will be a key contributor to achieving increased trade and investment through non-traditional exports.

Host Country and Other Donors: The Government of Ecuador works with many non-governmental organizations focused on small and micro-enterprises. The Inter-American Development Bank is preparing a \$15 million project in the sector. Other donors include the World Bank, the Inter American Foundation, the German government, and the Konrad Adenauer Foundation.

Beneficiaries: Ultimate beneficiaries would be those small enterprises which demonstrate high potential for growth in exports and employment. The people of Ecuador would benefit from new employment opportunities in the export-led, non-traditional areas of production. The standard of living for many Ecuadorians would be enhanced by growth in the small enterprise subsector.

Major Outputs: Major outputs will include (a) training and technical assistance to institutions and associations supporting small enterprises, (b) job creation in the small enterprise subsector, and (c) direct training of 4,000 to 5,000 entrepreneurs and workers in small enterprises.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Training	1,000
Technical Assistance	1,500
Equipment Materials	500
Administrative Costs	<u>1,000</u>
Total	4,000

El Salvador

EL SALVADOR

Total U.S. Aid \$ 3,102 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 86.1% (1986-89)
 Yearly U.S. Aid Per Capita \$ 6.96 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1.070
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 0.0%
 Government Budgetary Expenditures as a % of GNP...(1990) 9.6%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 28.8%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 140
 As % of Total Export Earnings..... (1989) 17.4%

POPULATION

Total Population...(Thousands, Mid 1991) 5,452
 Population Growth Rate..... (1978) 2.8% (1992) 2.2%
 Population (1991) By Age Group:
 (0-14yrs) 42.9% (15-64yrs) 53.5% (65+ yrs) 3.6%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 47.1%
 Total Fertility Rate...(1970) (1991) 4.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban 29.6% Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 36%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -354(89) -675(90) -670
 Total Imports(\$ Millions, US) (.) (.) (90) 1,623
 Of Which % From U.S.(.) .%
 Major Imports FOODSTUFFS; DURABLES; RAW MATERIALS
 Total Exports(\$ Millions, US) (1988) 865(89) 852(90) 953
 Of Which % to U.S.(.) .%
 Major Exports COFFEE; SUGAR; SHRIMP; LIGHT MANUFACTURING
 Trading Partners: UNITED STATES; GUATEMALA; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 14%
 Disposable Income Spent On Food
 Food: 38% (1991)
 Ag. Exports:(1989) Beverages ; Sugar ; Oil crops & fe
 Ag. Imports:(1989) Cereals ; Vegetable oils; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2381
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 71.0 Male 67.9 Female 74.3
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 27
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 60% (1990) Measles 75% (1990)
 Diphtheria(DPT3) 76% (1990) Polio(3) 76% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 54%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 79.0 Female 81.0
 Secondary (1987) Total 29.0 Female 30.0
 Adult Literacy Rate (1985) Male 75% (1985) Female 69%

EL SALVADOR

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	55,903 ^a	55,000 ^b	55,000
ECONOMIC SUPPORT FUND	126,275 ^c	120,000	160,000
PL 480 - TITLE I^d	35,000	0	0
PL 480 - TITLE II	5,193	4,560	0
TOTALS	222,371	179,560	215,000

a. Includes \$1,049,395 of DA and \$545,000 of ESF prior-year deobligated funds.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.
 c. FY 1991 ESF level does not include an additional \$1.2 million obligated by the Department of State for the special investigative unit in EL Salvador.
 d. See Food for Peace section of the statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	35.5	36	33
FOREIGN NATIONAL	39.5	41	41
TOTALS	75	77	74

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	5	482	487	3	890	893	7	517	524
REGIONAL^e	81	4	85	46	20	66	50	6	56
THIRD COUNTRY									
BILATERAL^d	10	66	76	11	268	279	9	224	233
REGIONAL^e	0	5	5	0	5	5	0	2	2
TOTALS	96	557	653	60	1,183	1,243	66	749	815

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS and ATIE.
 e. Funded under regional programs.

EL SALVADOR

Introduction

Agreement between the Government of El Salvador and the Farabundo Marti National Liberation Front (FMLN) to finally bring to an end a painful and costly 12-year civil war, presents an important challenge to A.I.D. and others to help El Salvador build a lasting peace. A.I.D. will continue to support Salvadoran efforts to remove some of the underlying longer-term inequities which gave rise to the conflict through the backing of a national reconstruction and reconciliation program. Work will continue on economic growth, strengthening democracy and social justice, and a more rational approach to preserving natural resources.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s strategy promotes peace, democratic values and market principles, and works to meet humanitarian needs and to protect against transnational threats. A.I.D. programs will support: a post-war national reconstruction effort; strengthening the judicial and legislative systems, protecting individual rights and empowering local governments; increasing participation of the private sector as a catalyst for economic growth; modernizing agriculture with emphasis on diversification and exports; improving efficiency and accountability in public administration and community participation in public service delivery; and expanded efforts to counter environmental degradation and to combat drug abuse.

A.I.D. assistance to El Salvador is showing impressive results. In the two years since the Government began its economic reform program: economic growth averaged 3% a year versus the stagnant or negative growth of the 1980s; inflation dropped to around 12% from the high inflation rates of the 1980s (31% in 1989); some 100,000 new urban jobs and 30,000 rural jobs were created; food prices stopped rising; small and microenterprises showed noticeable gains in production and sales; exports, excluding coffee, rose 13% in the first six months of 1991; and basic grains production rose (corn 7.1%, rice 23.9%, beans 1.9%). A.I.D. assistance has proven key to reducing malaria incidence from 96,000 cases in 1980 to 9,300 in 1990, decreasing infant mortality from 75 per 1000 in 1980 to 48 per 1000 in 1990, and lowering the population growth rate from 3% in 1980 to 2.5% in 1990.

Other Donors

Due to the government of El Salvador's strong adherence to its economic reform plan, the International Monetary Fund has agreed to a second stand-by agreement of \$40 million; and the World Bank (IBRD) has initiated a structural adjustment loan of \$65 million. The IBRD will also implement about \$100 million in social, energy sector, agriculture, and housing loans in 1991-1992. The InterAmerican Development Bank signed or approved \$264 million in new projects in 1991 and plans another \$250-\$350 million in social investment, energy and investment sector loans in 1992. All donors, as part of the Consultative Group process, are expected to provide substantial support to the Salvadoran National Reconstruction Plan which in total will require well over \$1 billion over five years.

FY 1993 Program

A.I.D. requests \$160 million in Economic Support Funds (ESF) and \$55 million in Development Assistance (DA). The ESF cash transfer will support expanding vital democratic, macroeconomic and fiscal policy reforms. ESF assistance will fund national reconstruction, strengthening democratic institutions, training, and encouraging U.S. private sector investment in El Salvador. DA will support expansion of small and microenterprise activities, environmental actions, rural health care and child survival programs, efficiency and quality in basic education, traditional and nontraditional exports, and strengthening local governments.

Mission Director: John A. Sanbrailo

PROJECT TITLE Small Enterprise Support		PROJECT NUMBER 519-0387 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 3,500 DA	LIFE OF PROJECT FUNDING 5,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1995	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To expand access to a responsive source of medium-term credit to small business entrepreneurs who have little or no experience with the formal financial system.

Project Description: This proposed follow-on project will provide fresh resources to enable the Program for Small and Microenterprises (PROPEMI) to expand credit delivery and some technical assistance to small businesses while maintaining its microenterprise portfolio. Although the Salvadoran financial sector is in the process of privatization, small and microentrepreneurs continue to experience difficulty in obtaining credit except from specialized credit institutions. Small loans are not considered profitable by commercial banks, and the banks are often intimidating to small and microentrepreneurs. The creation of the A.I.D.-supported PROPEMI in 1985, and the Microenterprise Service Center in 1990, provided a viable means of delivering credit to these two groups. PROPEMI has a six-year record of expanding its services and loan portfolio to serve both small and microenterprises. Although the primary focus of PROPEMI's services continues to be small businesses, it has expanded its provision of loan and technical assistance to microenterprises (especially women-owned operations) to 15%-20% of its portfolio.

Small enterprises comprise the largest employer and largest class of businesses in El Salvador and experience virtually the same exclusion from the formal credit delivery system as do microenterprises. A recent evaluation indicated that PROPEMI is uniquely positioned to increase its support for this important group. However, the evaluation showed that for the program to have even more success, PROPEMI should de-emphasize training. When current funding for credit programs expires in June 1992, PROPEMI will have a small credit program which can be sustained by interest income and reflows.

Sustainability: PROPEMI will be sustainable at a modest level in 1992. The additional resources will allow PROPEMI to serve a larger portion of small enterprises while remaining financially viable.

Relationship to A.I.D. Strategy: Through its support of viable small and microenterprises, this project is fully consistent with a strategy designed to facilitate equitable economic growth led by the private sector. Lack of access to credit by small entrepreneurs is a nationwide problem. This project's efforts in employment generation and economic reactivation in targeted areas will complement efforts of national reconstruction.

Host Country and Other Donors: Assistance to small and microentrepreneurs continues as a priority policy of El Salvador. In addition, employment generated by small and microenterprises will be crucial following peace in El Salvador. Other donors have yet to become involved significantly in this subsector but will be encouraged to focus on this area.

Beneficiaries: This project will directly benefit 2,750 small businesses, as well as an estimated 22,000 employees and their families. The Salvadoran financial system will be strengthened by the additional resources and facilities made available to the small enterprise sector through this project.

Major Outputs:	<u>All Years</u>
Small businesses strengthened	2,750
Employment generated	6,875

A.I.D.-Financed Inputs:	<u>Life of Project (In thousands of dollars)</u>
Credit Delivery	4,500
Administrative Support	500
Total	5,000

PROJECT TITLE Municipal Level Democratic Development		PROJECT NUMBER 519-0388 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 3,500 DA: 2,000 ESF: 1,500	LIFE OF PROJECT FUNDING 15,000 DA: 5,000 ESF: 10,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1995	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To enhance democratic processes and systems for effective citizen participation at the municipal level.

Project Description: This project will provide technical assistance and operational support: (1) to effect further changes in the policy framework governing municipal operations, particularly related to revenue enhancement of basic services such as water, and increased popular participation; (2) for the training of municipal officials in planning and administration of basic services and the formation of community support institutions; and (3) to educate citizens as to the role and responsibilities of their locally elected officials and themselves. For the past several years, A.I.D. has supported efforts to strengthen democracy in El Salvador on both the national and local levels. The latter focused primarily on improving the skills of elected municipal officials and on supporting locally identified and implemented community infrastructure projects. U.S. assistance also has been used to strengthen the policy framework for local decision making and increased citizen participation. Technical assistance, training and operational support for the National Mayors Association and the Salvadoran Municipal Development Institute (ISDEM) have helped these two institutions move aggressively on the policy front to reform municipal code, laws and government policies in order to increase municipal independence and autonomy and to expand widespread citizen participation in local level decisions. Disenfranchised Salvadorans have been given the opportunity to participate directly in decisions which affect their lives. This was accomplished through the use of open town meetings to identify projects for funding under the host country-owned, and local currency supported, Municipalities in Action program.

Sustainability: The legal and policy reforms to be supported through this project and the policy dialogue surrounding the project will increase local governments' abilities to provide essential public services on a sustainable basis. By the end of the project, local governments will be responsible for a wider range of services, more self-sufficient (both programmatically and financially), and more responsive to citizen interests.

Relationship to A.I.D. Strategy: The strengthening of grass-roots democratic institutions, such as municipal government, is supportive of A.I.D.'s objective of enhancing democracy in El Salvador.

Host Country and Other Donors: The post-war National Reconstruction Plan assigns a significant role to local participation and decentralization of decision making. This project's support for municipal governments will advance that policy and contribute to national reconciliation. The German Technical Assistance Agency is providing technical assistance to ISDEM to improve the loan program operated through central government transfers. This A.I.D.-supported project will complement the ongoing German-supported activity.

Beneficiaries: The project will benefit directly municipal officials through their participation in training programs and receipt of technical assistance. Indirectly, the entire Salvadoran population will benefit through a more responsive, efficient local government system.

Major Outputs: (1) Improve municipality ability to collect revenues for development purposes; (2) 1,250 municipal officials trained; (3) strengthened mayors' associations; and (4) revisions to municipal code.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance	7,500
Training	2,500
Administrative/Operational Support	3,000
Commodities and Educational Materials	<u>2,000</u>
Total	15,000

PROJECT TITLE Training for Productivity and Competitiveness II		PROJECT NUMBER 519-0390	
		[X] GRANT [] LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 2,650 DA		LIFE OF PROJECT FUNDING 7,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1995	ESTIMATED PROJECT COMPLETION FY 1997	

Purpose: To strengthen the human resources needed to increase private sector productivity and competitiveness.

Project Description: This project will provide four additional years of support to the Foundation of Entrepreneurs for Development (FEPADE) to: 1) expand vocational and technical training opportunities through the establishment of new programs in existing training institutes, including FEPADE; 2) improve the quality of existing training programs through teaching fellowships and grants to purchase equipment or to expand facilities; and 3) expand the geographic coverage of FEPADE's training activities in rural areas and target training growth areas which arise during the post-war national reconstruction period. A workforce assessment will be conducted annually to identify emerging training needs, especially for the export sector. FEPADE is a Salvadoran private voluntary organization (PVO) which promotes the educational, professional, and technical development of Salvadoran labor by assisting existing providers of training to furnish high quality courses. FEPADE furnishes training directly through its management and automotive mechanics programs. Skilled labor is in short supply and constrains not only economic development as a whole, but also limits the fraction of the population which can take advantage of the rising wages commanded by an increasing number of skilled positions. Continuing economic stability and peace will increase the demand for managers, building trades craftsmen, and service industry workers. FEPADE will undertake an aggressive program to include women in training for management and highly skilled trades. In addition, this organization will have a key role in facilitating training during the post-war reconstruction period. Much of the new training will occur outside metropolitan San Salvador.

Sustainability: FEPADE is an independent PVO, which in 1993 will be able to carry on programs of the type the proposed project supports. At the end of the project, FEPADE will generate sufficient income from its training programs to maintain itself and its core program.

Relationship to A.I.D. Strategy: This project contributes to broad-based economic growth in a market-led economy. Vocational and management training will be essential to meet the human resource requirements of an expanding post-war economy. This project will continue to strengthen institutional capacity to allow for FEPADE's participation as both a trainer and a broker of training under the national reconstruction program, while continuing to serve a longer-term developmental purpose by continuing its training in other rural areas where vocational and technical training historically have been inadequate.

Host Country and Other Donors: FEPADE's vocational and technical training support is a key element of El Salvador's national reconciliation plan. The InterAmerican Development Bank (IDB) funds training programs through FEPADE. The IDB also contracts the management of the national technological institute.

Beneficiaries: This project will benefit directly 24,000 persons who graduate from project-funded training. Indirectly, the project will assist manufacturing and service industries which hire the trained personnel.

Major Outputs:	<u>All Years</u>
Persons trained in vocational skills:	18,000
Persons trained in management skills	6,000
Manpower surveys	4

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	900
Training	<u>6,100</u>
Total	7,000

Guatemala

GUATEMALA

Total U.S. Aid \$ 1,328 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 67.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 1.72 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 910
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 1.0%
 Government Budgetary Expenditures as a % of GNP...() %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 1,007
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -53 (1988) -83 (1989) -145

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 26.2%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 247
 As % of Total Export Earnings..... (1989) 16.2%

POPULATION

Total Population...(Thousands, Mid 1991) 9,266
 Population Growth Rate..... (1978) 2.7% (1992) 2.4%
 Population (1991) By Age Group:
 (0-14yrs) 44.1% (15-64yrs) 52.5% (65+ yrs) 3.4%
 Married Women Aged 15-44 yrs. Using Contraception...(1987) 23.2%
 Total Fertility Rate...(1970) (1991) 4.8

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 52%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -457(89) -440(90) -424
 Total Imports(\$ Millions, US) () () (90) 1,973
 Of Which % From U.S.() %
 Major Imports FUEL & PETROLEUM PRODUCTS; MACHINERY; GRAIN
 Total Exports(\$ Millions, US) (1988) 1,263(89) 1,465(90) 1,550
 Of Which % to U.S.() %
 Major Exports COFFEE; SUGAR; BANANAS; BEEF
 Trading Partners: UNITED STATES; EL SALVADOR; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...() %
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Beverages ; Vegetables, fr; Sugar
 Ag. Imports:(1989) Cereals ; Dairy products; Vegetable oils

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2229
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 63.2 Male 60.7 Female 65.8
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 58
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 62% (1990) Measles 68% (1990)
 Diphtheria(DPT3) 67% (1990) Polio(3) 74% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 58%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 77.0 Female .
 Secondary (1987) Total 21.0 Female .
 Adult Literacy Rate (1985) Male 63% (1985) Female 47%

GUATEMALA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	29,371 ^a	28,225 ^b	21,000
ECONOMIC SUPPORT FUND	30,524	30,000	10,000
PL 480 - TITLE II^c	9,968	10,211	9,839
TOTALS	69,863	68,436	40,839

a. Includes \$785,840 of DA and \$523,746 of ESF prior-year deobligation funds.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.
 c. See Food for Peace section of the statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	27	24	23
FOREIGN NATIONAL	43	43	43
TOTALS	70	67	66

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	94	159	253	99	733	832	150	318	468
REGIONAL^e	85	17	102	115	25	140	91	20	111
THIRD COUNTRY									
BILATERAL^d	28	53	81	4	64	68	10	26	36
REGIONAL^e	0	18	18	0	30	30	0	25	25
TOTALS	207	247	454	218	852	1,070	251	389	640

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS and ATIE.
 e. Funded under regional programs.

GUATEMALA

Introduction

Guatemala is unique in Central America by virtue of its ethnic composition (half the population is indigenous), its rugged topography, and its fertile soils. The country's size, large population, proximity to the United States, and regionally important economy make its stability and development important to the United States. However, this stability is threatened by Guatemala's poverty, fragility of its democracy, and high population growth rate.

A.I.D. Strategy and Accomplishments to Date

Building on past successes and responding to new priorities, A.I.D. is narrowing the focus of its strategy and consolidating its program for Guatemala around objectives for strengthening democratic processes, basic education, reproductive and family health, natural resource management, and trade and investment. A.I.D. assistance has had strong positive impact: a 9% improvement in primary school promotion rates for Mayan children; saving of many lives threatened by cholera (less than 1% mortality rate of reported cases); management and protection of over one million hectares of tropical forests; a 14% increase in the number of couples using modern family planning methods over the past year; the greatly strengthened capability of the human rights ombudsman to investigate and report on human rights violations; and improved legislative capacity and strengthened management information system of the Guatemalan Congress. With A.I.D. support, the democratically elected government in Guatemala has implemented a series of reforms including tightening of macroeconomic policies, a simplification of the exchange rate system, and a series of major tariff reforms. As a result real positive growth returned, averaging 3.7% per year from 1987-1990, inflation has fallen significantly, and exchange rates have stabilized. Private sector investment rose from 8.4% of gross domestic product in 1986 to 12.5% of gross domestic product in 1990. Non-traditional exports to the United States have grown at an annual rate of over 40% during the last four years (1986-1990). Many small scale farmers have benefitted directly from the improved export climate as they shifted from the production of traditional crops to high-value non-traditional crops.

Other Donors

The implementation by the government of Guatemala of fiscal and tax reform will result not only in greater domestic resource flows for development but also in new, significant other donor assistance. A.I.D. is collaborating closely with the International Monetary Fund, the InterAmerican Development Bank and the World Bank in planning for the use of those resources and in ensuring complementarity of our programs.

FY 1993 Program

A.I.D. requests \$10 million in Economic Support Funds for major democracy strengthening (including a historic reform of Guatemala's judicial system), and trade and investment programs, \$21 million in Development Assistance for agricultural export, reproductive and family health, basic education (with emphasis on young females), and natural resource management programs, and \$9.8 million in P.L.480 Title II food assistance.

Mission Director: Terrence J. Brown

GUYANA

Total U.S. Aid \$ 169 Million (1952-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.79 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 340
 Average Annual Real Per Capita GNP Growth Rate.(. - .) . %
 Government Budgetary Expenditures as a % of GNP...(1990) 191%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (1981) 398
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (1981) -161

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 429%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 24
 As % of Total Export Earnings..... (1989) 9.7%

POPULATION

Total Population...(Thousands, Mid 1991) 744
 Population Growth Rate..... (1978) -0.3% (1992) -0.6%
 Population (1991) By Age Group:
 (0-14yrs) 35.9% (15-64yrs) 59.8% (65+ yrs) 4.2%
 Married Women Aged 15-44 yrs. Using Contraception...(1975) 32.1%
 Total Fertility Rate...(1970) (1991) 2.5

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 23%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (90) -201
 Total Imports(\$ Millions, US) (.) (.) (90) 511
 Of Which % From U.S.(.) .%
 Major Imports MANUFACTURES; MACHINERY; FOOD; PETROLEUM
 Total Exports(\$ Millions, US) (.) (.) (90) 310
 Of Which % to U.S.(.) .%
 Major Exports BAUXITE; SUGAR; RICE; SHRIMP; GOLD
 Trading Partners: UNITED STATES; UNITED KINGDOM; TRINIDAD AND T

AGRICULTURE

Agricultural Production as % of GDP...(1988) 21%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Sugar ; Cereals ; Beverages
 Ag. Imports:(1989) Sugar ; Cereals ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3119
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 64.3 Male 61.1 Female 67.7
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 51
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 85% (1989) Measles 73% (1989)
 Diphtheria(DPT3) 83% (1989) Polio(3) 79% (1989)
 Population with Reasonable Access to Safe Water Supply
 (1985) 82%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1983) Total 90.0 Female .
 Secondary (1983) Total 55.0 Female .
 Adult Literacy Rate (1985) Male 97% (1985) Female 95%

GUYANA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE ECONOMIC SUPPORT FUND	0 750	0 2,000 ^a	1,680 0
PL 480 - TITLE I ^{b,c}	6,910	0	0
TOTALS	7,660	2,000	1,680

a. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency requests levels and are subject to change.
 b. Title I administered by USDA as of January 1, 1991.
 c. See Food for Peace section of the statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	0	.3	2
FOREIGN NATIONAL	2	2	2
TOTALS	2	2	4

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS, and ATIE.
 e. Funded under regional programs.

GUYANA

Introduction

With a per-capita income of approximately \$400, Guyana is one of the poorest countries in the Western Hemisphere. Since 1985, it has been following a policy of nonalignment and friendly relations with the United States and other Western countries. It is transforming its economy from its statist moorings of the past to a more open, market-orientation. The initiation of economic reforms in 1988 and the commitment of the Government to democratic elections in 1992 are actions that warrant U.S. support.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s strategy concentrates on stimulating economic reform and growth through a revitalized private sector and on strengthening democratic processes and institutions.

In April 1989, Guyana launched a comprehensive International Monetary Fund and World Bank-sponsored economic recovery program to reorient economic policy and to shift toward a market economy. Within a two-year period, Guyana had undertaken a full range of macroeconomic reforms needed to restructure its economy: the exchange rate, product prices, and interest rates are now largely determined by the market and the private sector is functioning better than at any time in the past 20 years. As part of an international donor effort, the United States has provided Economic Support Fund (ESF) balance of payments and P.L. 480 Title I resources. (Local currency, generated from Title I sales, have augmented Guyana's development program, financing sea defenses, irrigation and drainage systems, and small and microenterprise credit.) The reform program is yielding dividends in increased agricultural output, exports, and privatization. For progress to continue, additional measures are needed to reduce the size and the role of the government in the economy, to improve Guyana's long-neglected infrastructure, and to stimulate the private sector.

Since 1990, A.I.D. has provided \$1,493,000 in election reform assistance through the Carter Center of Emory University, the International Foundation for Election Systems, and the National Democratic Institute. In part through their good offices, assistance, and collaboration with the United Nations Development Program (UNDP), the Government of Guyana has agreed to accept international election observers and has approved reforms which enhance the prospects of free, fair, and transparent elections. These delayed elections, now expected in mid-1992, will enhance prospects for economic reform and growth. Currently, the balance of payments and food aid programs are being monitored by the Regional Development Office for the Caribbean (in Barbados). Once free and fair elections are held and the resulting government continues Guyana's commitment to economic reforms, A.I.D. will establish an office in Georgetown.

Other Donors

Multilateral donors include the International Monetary Fund, European Economic Community, Inter-American Development Bank, Caribbean Development Bank, World Bank, and the UNDP. Canada and the United Kingdom are major donors.

FY 1993 Program

For FY 1993, A.I.D. requests \$1.6 million in Development Assistance, to assist Guyana's economic reform program and its efforts to revitalize the private sector.

Mission Director, Regional Development Office for the Caribbean: Mosina Jordan

HAITI

Total U.S. Aid \$ 852 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 38.2% (1986-89)
 Yearly U.S. Aid Per Capita \$ 1.21 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 360
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 0.0%
 Government Budgetary Expenditures as a % of GNP...(1989) 17.6%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1981) 292 () (1982) 270
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () (1982) -47

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 29.2%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 24
 As % of Total Export Earnings..... (1989) 8.7%

POPULATION

Total Population...(Thousands, Mid 1991) 6.287
 Population Growth Rate..... (1978) 1.7% (1992) 2.3%
 Population (1991) By Age Group:
 (0-14yrs) 44.9% (15-64yrs) 50.8% (65+ yrs) 4.3%
 Married Women Aged 15-44 yrs. Using Contraception...(1989) 10.2%
 Total Fertility Rate...(1970) 6.0 (1991) 6.3

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 ()Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 65%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) () () (90) -180
 Total Imports(\$ Millions, US) (1988) 635(89) 568(90) 520
 Of Which % From U.S.() .%
 Major Imports MACHINES; MANUFACTURES; FOOD & BEV.; PETROLEUM PRODU
 Total Exports(\$ Millions, US) () () (90) 340
 Of Which % to U.S.() .%
 Major Exports LIGHT MANUFACTURES; COFFEE; OTHER AG. PRODUCTS
 Trading Partners: UNITED STATES; FRANCE; JAPAN

AGRICULTURE

Agricultural Production as % of GDP...(1988) 31%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Beverages ; Sugar ; Fibers
 Ag. Imports:(1989) Cereals ; Vegetable oils; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2039
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 53.6 Male 52.3 Female 55.0
 (1970) Total 48.0 Male 47.6 Female 48.3
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 106
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 72% (1990) Measles 31% (1990)
 Diphtheria(DPT3) 41% (1990) Polio(3) 40% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 38%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1985) Total 95.0 Female 89.0
 Secondary (1985) Total 17.0 Female 16.0
 Adult Literacy Rate (1985) Male 40% (1985) Female 35%

HAITI

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	38,558 ^a	38,750 ^b	22,000
ECONOMIC SUPPORT FUND	12,500	24,000	15,000
PL 480 - TITLE II ^c	8,499	637	12,600
PL 480 - TITLE III	20,600	20,000	0
TOTALS	80,157	83,387	49,600

a. Includes \$40,189 of DA prior-year deobligation funds and \$459,426 of Section 517 reobligation in FY 1991.
 b. At the time of printing no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.
 c. See Food for Peace section of statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	20.6	19.5	20.0
FOREIGN NATIONAL	27.2	27.2	27.2
TOTALS	48	47	47

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	57	103	160	11	123	134	15	125	140
REGIONAL ^e	101	0	101	8	30	38	8	80	88
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	158	103	261	19	153	172	23	205	228

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS and ATIE.
 e. Funded under regional programs.

HAITI

Introduction

On September 30, 1991, Haiti's constitutional government was overthrown by a military coup d'etat. In response, the United States halted economic assistance, pursuant to Section 513 of the Annual Foreign Assistance Appropriations Act. Shortly thereafter, limited humanitarian activities in health services and feeding were resumed for Haitians most at risk to mitigate the human suffering resulting from politico-military insecurity. A.I.D. also has transferred funds to the Department of State to support an Organization of American States civilian mission, OAS-DEMOC to reestablish and strengthen constitutional democracy in Haiti. In compliance with an OAS resolution, the United States froze Haitian Government assets, prohibited payments to the de facto regime, and imposed an embargo, restricting commerce, except for humanitarian assistance, publications, and certain food staples. Under the leadership of the OAS, the contending parties have been seeking a settlement which would restore constitutional, democratic government. At this time, some progress has been made, and hopes have been rekindled that Haiti may soon return to democratic rule. Substantial donor assistance will be needed to help heal the wounds, strengthen democratic institutions, and restart economic growth after democracy is restored. Haiti is still the least development country in the Western Hemisphere, with a per capita gross domestic product of less than \$300. Its proximity to the United States, trade and business ties, and mutual interest in controlling narcotics trafficking are also important to U.S. policy interests.

A.I.D. Strategy and Accomplishments to Date

Upon the restoration of democratic rule to Haiti, A.I.D. will reactivate and expand its program to help establish the necessary conditions for the majority of Haitian people to improve the quality of their lives. This goal has three elements: 1) strengthened democratic institutions that reinforce the rule of law, foster respect for human rights, and respond to the needs of the people; 2) sustainable, private-sector-led, equitable growth and development; and 3) as a special concern, protection and development of human resources to lay a sound basis for enduring democracy and economic growth, with particular emphasis on improving family planning services, child survival, and basic education. Prior to the coup, A.I.D. was making significant progress in achieving its objectives in Haiti. New programs were developed to strengthen democratic institutions, promote human rights, and assist with administrative reforms in the government. In other sectors, child survival services were extended to almost two million people; contraceptive prevalence doubled; elementary schooling benefitted from an innovative A.I.D. program. These activities could restart quickly after the restoration of democratic government.

Other Donors

A.I.D. will continue to work closely with the OAS, other donors (such as France, Canada, the European Economic Community, and the United Nations), and multilateral banks to assure coordination of all aid efforts. Substantial assistance will be needed from other donors to help Haiti recover, once democratic rule is restored.

FY 1993 Program

In FY 1993, A.I.D. is requesting \$22 million in Development Assistance, \$15 million in Economic Support Funds, and \$12.6 million in P.L. 480 Title II assistance, to support Haiti's return to democracy and its efforts to renew economic growth. A.I.D.'s Haiti program will focus on informal sector development, agricultural market linkages, administration of justice, and sustainable health care systems.

Mission Director: David A. Cohen

HONDURAS

Total U.S. Aid \$ 1,659 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 51.8% (1986-89)
 Yearly U.S. Aid Per Capita \$ 3.25 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1990) 483
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 1.0%
 Government Budgetary Expenditures as a % of GNP...(1988) 19.5%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1988) 1,377 (1989) 832 (1990) 783
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1988) 333 (1989) 237 (1990) 196

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 61.1%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 110
 As % of Total Export Earnings..... (1989) 10.0%

POPULATION

Total Population...(Thousands, Mid 1991) 4,949
 Population Growth Rate..... (1978) 2.9% (1992) 2.9%
 Population (1991) By Age Group:
 (0-14yrs) 45.2% (15-64yrs) 51.4% (65+ yrs) 3.4%
 Married Women Aged 15-44 yrs. Using Contraception...(1984) 34.9%
 Total Fertility Rate...(1970) (1991) 5.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1988) Total 61.0% Urban 45.9% Rural 72.4%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1990) 47%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -155(89) -162(90) -410
 Total Imports(\$ Millions, US) (1988) 1,011(89) 1,100(90) 1,109
 Of Which % From U.S.() .%
 Major Imports MACHINERY; OIL; FUEL
 Total Exports(\$ Millions, US) (1988) 893(89) 967(09) 966
 Of Which % to U.S.() .%

Major Exports BANANAS; COFFEE; SHRIMP; LOBSTER
 Trading Partners: UNITED STATES; JAPAN; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1990) 19%
 Disposable Income Spent On Food
 Food: 41% (1985)
 Ag. Exports:(1989) Vegetables, fr ; Beverages ; Meat products
 Ag. Imports:(1989) Cereals ; Dairy products; Oil crops & fe

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2112
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 66.0 Male 64.2 Female 67.8
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 56
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 71% (1990) Measles 90% (1990)
 Diphtheria(DPT3) 84% (1990) Polio(3) 87% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1987) 64%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 106.0 Female 108.0
 Secondary (1986) Total 32.0 Female .
 Adult Literacy Rate (1985).Male 60% (1985) Female 58%

HONDURAS

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	38,305 ^a	41,000 ^b	31,600
ECONOMIC SUPPORT FUND	60,900	50,000	30,000
PL 480 - TITLE II ^c	6,264	6,273	6,051
PL 480 - TITLE III	14,000	14,000	14,000
TOTALS	119,469	111,273	81,651

a. Includes \$2,715,634 of DA and \$10,900,000 of ESF Pakistan deobligated funds and Section 517 recoveries reobligated in FY 1991.
b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.
c. See Food for Peace section of statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	36 5	32	28
FOREIGN NATIONAL	28 0	28	28
TOTALS	65	60	56

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	184	134	318	169	99	268	177	127	304
REGIONAL ^e	61	16	77	68	20	88	65	15	80
THIRD COUNTRY									
BILATERAL ^d	13	62	75	18	49	67	12	32	44
REGIONAL ^e	7	12	19	0	10	10	39	10	49
TOTALS	265	224	489	255	178	433	293	184	477

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs, including CLASP, CASS and ATIE.
e. Funded under regional programs.

HONDURAS

Introduction

Despite its position as the fourth poorest country in the Western Hemisphere, Honduras has completed a decade of free elections and continued social improvement. The economy, however, continues to stagnate despite two years of sweeping economic reforms. The United States remains strongly committed to this close neighbor in its efforts to achieve broad-based, sustainable economic growth, and to evolve into a stable democracy.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s strategy focuses on: economic reforms that foster free markets; a vigorous private sector response to the improved policy environment; prudent natural resource management; the improvement of the quality of life of Hondurans; and the strengthening of democratic institutions.

Significant progress is being made in these areas. Improved exchange rate and pricing policies have resulted in dramatically higher farm-gate prices for commodities produced largely by small and medium farmers. Micro and small enterprises, privatization, and trade and investment promotion programs have helped generate over 33,000 new jobs and \$195 million in nontraditional exports. Environmental activities have improved management of 40,000 acres of hillside farms and 120,000 acres of pine forest. The social well-being of Honduran families continues to improve: infant mortality dropped to 58 per 1,000, down from 90 per 1,000 in 1979; nationwide measles vaccination coverage for children has increased to 90% in 1990; and primary school enrollment increased 37% over the period 1982 to 1991. In 1991, the Judicial Career Law was put into effect, eliminating a judicial selection process dominated by political considerations.

Other Donors

Honduras continues a stand-by arrangement with the International Monetary Fund. In 1991, the World Bank and the Inter-American Development Bank (IDB) approved a \$110 million energy sector loan. Under the \$170 million structural adjustment loan II, the World Bank disbursed \$20 million in 1991, and with the IDB has scheduled another \$30 million in disbursements in 1992. A.I.D. coordinates closely and frequently with these donors.

FY 1993 Program

A.I.D. requests \$31.6 million in Development Assistance, \$30 million in Economic Support Funds, and \$20 million in P.L. 480, of which \$6 million are requested in Title II assistance and \$14 million for a multiyear Title III food for development program. The core of the program is the continued support for structural adjustment in agriculture, trade and investment, and financial sectors. Support will continue for trade and investment promotion, micro and small enterprises, and environmental protection and management. Programs in preventive health care, primary education, and family planning, as well as democracy strengthening also will continue. Utilizing evaluation recommendations from prior projects, A.I.D. will undertake new follow-on projects supporting privatization and public accountability.

Mission Director: Marshall D. Brown.

HONDURAS

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Privatization of State-Owned Enterprises II		PROJECT NUMBER 522-0367 [X] GRANT [] LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 1,500 DA	LIFE OF PROJECT FUNDING 5,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 1996

Purpose: To increase private investment through continued support of Government of Honduras programs for privatization of state-owned enterprises and entities.

Project Description: This project will build upon the lessons learned and successes of the Privatization of State-owned Enterprises project. It will continue this process and streamline procedures for privatization and debt swaps that were established under that pilot project. The project will provide technical assistance to Honduras to privatize selected companies and other parastatal organizations or state-controlled monopolies. Political and other factors surrounding each enterprise will dictate the most realistic privatization strategy to be followed. Some companies will be divested and management of others shifted to management contracts, leasing or private contracts. By shifting activities that can be performed more efficiently by the private sector away from the public sector, and discouraging the growth of the state-owned enterprise sector, the project will encourage economic growth and employment generation and help decrease the drain of these enterprises on the public sector budget.

Sustainability: The project will support an activity that is finite i.e., the privatization of companies or services. While there is no need to have an institution in place at the end of the project, it will help the government rationalize its public sector budget.

Relationship to A.I.D. Strategy: This project supports the A.I.D. goal of broad-based, sustainable economic growth. It assists government efforts to privatize industries and services, thereby advancing economic reforms that foster free markets. It also provides a vehicle for decreasing the budget deficit and increasing employment.

Host Country and Other Donors: This project is consistent with the Honduran government's priorities and development plans. It is expected that the Honduran Government will provide \$15 million in local currency equivalent to finance locally available technical assistance, legal services and a fund established to make severance payments to workers whose companies have been privatized. To date, no other major donors are involved in privatization efforts.

Beneficiaries: Immediate project beneficiaries will be those workers who obtain jobs due to increased production from companies that have been turned over to the private sector. The economy in general also will benefit from a substantial reduction in the foreign debt with commercial banks and from having companies that are better managed and have sustained growth.

Major Outputs:

All Years

Net reduction foreign debt (\$millions)	80
Overall investment increase (\$millions)	45
Number of companies privatized	25-30
Number of government entities privatized	10-15
Direct employment generation	2,000

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

Technical Assistance	4,700
Commodities	100
Training	200
Total	5,000

PROJECT TITLE Strengthening Accountability Systems		PROJECT NUMBER 522-0381	
		[X] GRANT [] LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 1,000 DA		LIFE OF PROJECT FUNDING 5,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1995	ESTIMATED PROJECT COMPLETION FY 1996	

Purpose: To improve public sector financial management and accountability.

Project Description: The project will continue the process of institutional strengthening of the Government of Honduras' Controller General initiated under the Assistance to the Controller General project. The project will improve and expand audit coverage, the Ministry of Finance and other government organizations. The project will strengthen their accounting, budgeting and auditing capabilities and hence accountability to the Honduran people for the use of public resources. The project will draw on lessons learned under the previous activity, which showed that very modest amounts of training and technical assistance in this area can bring about significant improvements in the management and control of government funds. It also will be based on financial management recommendations from a diagnostic study of public administration in Honduras. The project will contribute to the economic growth of Honduras by complementing A.I.D.'s support to the Honduran government's economic stabilization and structural reform program and help ensure the sustainability of economic reforms.

Sustainability: Emphasis will be placed on development of accounting and auditing standards and procedures that are manageable and sustainable from both a financial and institutional viewpoint.

Relationship to A.I.D. Strategy: The project will contribute to A.I.D.'s goal of developing a stable, participatory democracy by strengthening the government's accountability for its programs and making government decision-making more transparent.

Host Country and Other Donors: The Honduran government is supportive of this initiative and contributed the equivalent of \$500,000 to the Assistance to the Controller General project. It is anticipated that the government will contribute substantially to this new project. No other donors are supporting activities in this area.

Beneficiaries: The Honduran population will benefit from better service delivery systems resulting from a more efficient and rational use of the government's resources.

Major Outputs:	<u>All Years</u>
Revised legal framework	X
Agencies using modern integrated financial systems	X
Audits acceptable to A.I.D.	100
Employees trained in new procedures	300

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	3,600
Training	500
Commodities	700
Evaluation	<u>200</u>
Total	5,000

JAMAICA

Total U.S. Aid \$ 1,269 Million (1956-90)
 Ratio of U.S. Aid To Total ODA 51.8% (1986-89)
 Yearly U.S. Aid Per Capita \$ 4.26 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1990) 1,351
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) -1.0%
 Government Budgetary Expenditures as a % of GNP...(1990) 29.0%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1983) 1,672 (1984) 876 (1986) 888
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1983) -719 (1984) -45 (1990) 273

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 1.3 Months of Imports (1990)
 External Public Debt as % of GNP...(1990) 127%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 370
 As % of Total Export Earnings..... (1989) 16.6%

POPULATION

Total Population...(Thousands, Mid 1991) 2,489
 Population Growth Rate..... (1978) 1.0% (1992) 0.9%
 Population (1991) By Age Group:
 (0-14yrs) 34.3% (15-64yrs) 59.0% (65+ yrs) 6.6%
 Married Women Aged 15-44 yrs. Using Contraception...(1989) 54.6%
 Total Fertility Rate...(1970) 5.3 (1991) 2.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1989) Total 133.0% Urban 30.0% Rural 70.0%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1990) 23%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -2,004(89) -148(90) -665
 Total Imports(\$ Millions, US) (1988) 3,616(89) 1,992(90) 1,795
 Of Which % From U.S.() %
 Major Imports FUELS; GRAINS; OTHER FOOD; VEHICLES
 Total Exports(\$ Millions, US) (1988) 1,612(89) 1,843(90) 1,130
 Of Which % to U.S.(1990) 50%
 Major Exports ALUMINA; BAUXITE; BANANAS; SUGAR

Trading Partners: UNITED STATES; UNITED KINGDOM; CANADA

AGRICULTURE

Agricultural Production as % of GDP...(1990) 8%
 Disposable Income Spent On Food
 Food: 41% (1986)
 Ag. Exports:(1990)SUGAR; CITRUS; ;BANANA; COCOA; ;PIMENTO; YAMS
 Ag. Imports:(1990)CEREALS; ;FISH; ;DAIRY PRODUCTS

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2597
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 73.6 Male 71.6 Female 75.8
 (1970) Total 66.5 Male 64.8 Female 68.3
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 18
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 98% (1990) Measles 74% (1990)
 Diphtheria(DPT3) 86% (1990) Polio(3) 87% (1990)

Population with Reasonable Access to Safe Water Supply
 (1991) 75%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 105.0 Female 106.0
 Secondary (1986) Total 65.0 Female 67.0
 Adult Literacy Rate () Male .% () Female .%

636

JAMAICA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	17,209 ^a	16,500 ^b	16,500
ECONOMIC SUPPORT FUND	10,000	15,000	15,000
PL 480 - TITLE I ^c	40,000	0	0
PL 480 - TITLE II	3,169	1,760	0
TOTALS	70,378	33,260	31,500

a. Includes \$1,636,359 of DA prior-year deobligated funds and \$871,936 of Section 517 recoveries reobligated in FY 1991.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.
 c. See Food for Peace section of statistical annex for program detail.
 d. Title I administered by USDA as of January 1, 1991.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	19.5	17.6	15
FOREIGN NATIONAL	14.0	14.0	14
TOTALS	34	32	29

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	67	131	198	53	144	197	65	158	223
REGIONAL ^e	28	0	28	45	0	45	60	0	60
THIRD COUNTRY									
BILATERAL ^d	0	1	1	0	2	2	0	2	2
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	95	132	227	98	146	244	125	160	285

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS, ATIE.
 e. Funded under regional programs.

JAMAICA

Introduction

The United States has a strong interest in the economic health and political well being of Jamaica based on geographic proximity, significant trade and investment relations, shared regional security concerns, and a common commitment to democracy. The Government of Jamaica has implemented policy reforms in recent years that have provided the basis for a market-oriented economy with emphasis on exports and investment. Tariff rates have been reduced, quantity restrictions eliminated, price controls and food subsidies have been abandoned. These changes, together with the liberalization of the foreign exchange regime (in September 1991) and improved monetary and fiscal policies, promise to lead Jamaica toward becoming a fully open, market-driven economy.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s major program thrust in Jamaica fosters sustainable economic development through the promotion of private sector-led growth within a market economy. A.I.D.'s strategy focuses on four key areas: (1) increasing exports in priority areas, (2) increasing diversified private sector investments, (3) improving environmental and natural resource management, and (4) enhancing the efficiency of delivery of selected public services. A.I.D. has successfully supported government efforts in liberalizing the foreign exchange market, improving in-plant productivity and quality of export commodities, privatizing government-owned entities, and strengthening small-scale enterprises involved in manufacturing and distribution. Non-traditional exports have risen significantly, with exports to the United States rising an annual average of over 30% during the last five years. Most of the exports increases were in the manufacturing sector, resulting in the creation of some 34,000 manufacturing jobs from 1985 to 1988. Unemployment has declined from an average of 25% in the mid-1980s to 15% in 1990. A.I.D. has worked closely with the Jamaican government to promote cooperation under the Enterprise for the Americas Initiative (EAI); Jamaica was the second country in the Hemisphere to sign an environmental framework agreement. A.I.D. is presently undertaking a new environmental project for FY 1992. In health and population, A.I.D. supports Jamaican efforts to improve the management and efficiency of health care delivery services, to prevent and control the spread of Acquired Immunodeficiency Syndrome and other sexually transmitted diseases, to increase access to voluntary family planning services, and to reduce illicit drug demand. To alleviate the impact of structural reform on the poor, A.I.D. is providing monetized food aid resources in support of the government's food stamp program.

Other Donors

The United States remains the largest bilateral donor in Jamaica. The InterAmerican Development Bank, International Monetary Fund, the World Bank, the United Nations, and the European Economic Community are the largest multilateral donors providing balance-of-payments, investment and private sector strengthening, infrastructure improvements, and social sector assistance. Other bilateral donors include Japan, Canada, the United Kingdom, Germany, the Netherlands, Italy, and Sweden.

FY 1993 Program

A.I.D. is requesting \$16.5 million in Development Assistance and \$15 million in Economic Support Funds in FY 1993. While no new project starts are scheduled for FY 1993, two project amendments are planned to focus and concentrate activities around strategic objectives: the Export Development and Investment Promotion project has been redesigned to increase exports and investments in priority areas; the second revision attenuates the Drug Abuse Prevention project to create broad political support for the maintenance of effective drug abuse control efforts.

Mission Director: Robert S. Queener

NICARAGUA

Total U.S. Aid \$ 642 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 0.6% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.03 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1987) 800
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...() . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1986) 2,339
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1984) -722 (1985) -651 (1986) -658

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 511%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 27
 As % of Total Export Earnings..... (1989) 9.1%

POPULATION

Total Population...(Thousands, Mid 1991) 3,770
 Population Growth Rate..... (1978) 2.0% (1992) 2.8%
 Population (1991) By Age Group:
 (0-14yrs) 45.9% (15-64yrs) 51.6% (65+ yrs) 2.5%
 Married Women Aged 15-44 yrs. Using Contraception...(1981) 27.0%
 Total Fertility Rate...(1970) (1991) 4.8

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 40%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1985) -210(86) -360(87) -523
 Total Imports(\$ Millions, US) () () (87) 3,616
 Of Which % From U.S.() .%
 Major Imports PETROLEUM; FOOD; CHEMICALS; MACHINERY; CLOTHING
 Total Exports(\$ Millions, US) (1985) 438(86) 571(87) 3,093
 Of Which % to U.S.() .%
 Major Exports COFFEE; COTTON; SUGAR; BANANAS; SEAFOOD; MEAT
 Trading Partners: UNITED STATES; MEXICO; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1986) 21%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Beverages ; Meat products ; Fibers
 Ag. Imports:(1989) Cereals ; Dairy products; Vegetable oils

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2420
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 62.5 Male 59.8 Female 65.3
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 59
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 81% (1990) Measles 82% (1990)
 Diphtheria(DPT3) 65% (1990) Polio(3) 86% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 48%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 99.0 Female 104.0
 Secondary (1987) Total 43.0 Female 58.0
 Adult Literacy Rate () Male .% () Female .%

NICARAGUA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	11,000	22,000 ^a	42,000
ECONOMIC SUPPORT FUND	226,842	150,000	125,000
PL 480 - TITLE II ^b	1,906	3,857	5,808
PL 480 - TITLE III	0	0	17,000
TOTALS	268,548	175,857	189,808

a. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.
 b. See Food for Peace section of statistics annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	9.4	22	24
FOREIGN NATIONAL	2.0	2	2
TOTALS	21	24	26

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	0	75	75	40	150	190
REGIONAL ^e	0	90	90	30	120	150	60	60	120
THIRD COUNTRY									
BILATERAL ^d	0	0	0	12	0	12	25	150	175
REGIONAL ^e	0	0	0	6	0	6	6	0	6
TOTALS	0	90	90	48	195	243	131	360	491

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS and ATIE.
 e. Funded under regional programs.

NICARAGUA

Introduction

Now one of the poorest countries in the hemisphere after ten years of civil war socialist economic policy and suffering from years of hyperinflation, Nicaragua entered the 1990s with a new government dedicated to consolidating a democratic system of government and a free market economy.

A.I.D. Development Strategy and Accomplishments to Date

The U.S. development strategy for Nicaragua focuses on broad-based, sustainable economic growth, strengthening a functioning, stable democracy, and creating a healthy, literate population. A.I.D. programs help to stimulate private sector-led growth and job creation through improved economic policies, increased availability of credit, strengthened private sector associations, and appropriate training and technical assistance. Nicaragua's democratic transition is supported through assistance to key institutions and civic education efforts. Major A.I.D. projects, including P.L. 480 Title III resources, are being initiated to address needs in basic education, maternal and child health, family planning, sustainable natural resource use, and the protection of biodiversity in three critical ecological zones.

In its first year of implementation, U.S. assistance to Nicaragua has helped to stop hyperinflation, stabilize the economy while avoiding severe economic contraction, and lay the groundwork for economic growth. Trade has been re-established with the United States and a favorable environment for increased private sector investment has been created. State trading monopolies have been eliminated, a private sector is emerging, and the Government has significantly reduced the size of its civilian labor force. Resettlement assistance to more than 95,000 ex-members of the resistance and refugees has contributed to peace and a strong democracy. U.S.-financed rice seed has revitalized the economy on the Atlantic Coast. Employment generation efforts have created more than 14,500 jobs and rehabilitated critical urban infrastructure. More than 7 million textbooks have been provided nation-wide to primary and secondary students, medical supplies have alleviated critical shortages, immunization programs have increased coverage rates to 60%-90%, and child survival programs instituted by private and voluntary organizations (PVOs) are helping to prevent the most serious causes of death and disease.

Other Donors

With the completion of a multi-donor supported operation to clear arrears to the Inter-American Development Bank and World Bank, these institutions are expected to initiate major infrastructure projects and to provide sector assistance which will complement A.I.D. policy dialogue and project activities. Major bilateral programs include the Nordic countries, Japan, Germany, and Spain.

FY 1993 Program

For FY 1993, A.I.D. requests \$125 million in Economic Support Funds, for balance-of-payments support designed to support continued economic stabilization and liberalization and to fund ongoing projects designed to stimulate the private sector and strengthen democratic values and institutions. Development Assistance of \$42 million is requested to fund basic education, training, and health programs. P.L.480 food assistance worth \$22.8 million (\$5.8 million of Title II and \$17 million of Title III) is requested to provide stable supplies of basic commodities, to meet nutritional needs, and to support PVO child survival activities.

Mission Director: Janet Ballantyne

PROJECT TITLE Economic Recovery and Development		PROJECT NUMBER 524-0333	
		[X] GRANT [] LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 105,000 ESF		LIFE OF PROJECT FUNDING 105,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1994	

Purpose: To create favorable conditions for increased investment and diversified exports in support of sustainable, broad-based growth.

Project Description: The cash transfer program for FY93 will provide balance of payments assistance to assure Nicaragua the foreign exchange necessary to obtain imports critical to economic recovery. Disbursements will be conditioned on continued meeting of demand management targets and policy actions designed to improve conditions for both foreign and domestic private sector investment. Areas of focus for the policy dialogue will include exchange market management, financial market broadening and deepening, elimination of remaining trade barriers, labor market regulation, tax policy, and other policy areas developed through the Environmental Protection Agency project, as well as agricultural sector policies identified under agricultural sector studies, A.I.D.'s own economic analysis, special studies, and discussion with Nicaraguan Government policy makers and private sector representatives. The disbursement schedule will be determined with the government based on foreign exchange requirements over the course of the year.

Sustainability: These funds support economic measures designed to stimulate growth and private sector activity necessary for reduced dependency on external resources from the donor community.

Relationship to A.I.D. Strategy: The project supports the fundamental objective of supporting Nicaraguan economic recovery and growth through policy reforms designed to stimulate private investment and greater competitiveness and diversification in the economy.

Host Country and Other Donors: The program supports the Government of Nicaragua's economic reform plan. Policy dialogue is carried out in coordination with other major donors addressing a policy agenda - primarily the International Monetary Fund, World Bank, and the Inter-American Development Bank.

Beneficiaries: The program is designed to benefit the entire population through its contribution to real economic growth. The structural changes and use of local currency generations should benefit particularly industrial and agricultural workers as a result of the increased employment generated through increased investment and the higher wages which will result from improved productivity throughout the economy.

Major Outputs:

Increased private investment
Higher labor productivity

All Years

X
X

A.I.D.-Financed Inputs:

Cash Assistance
Total

Life of Project (In thousands of dollars)

105,000
105,000

PROJECT TITLE Natural Resource Sustainability (Non-Project Assistance)		PROJECT NUM 524-0336
		<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 10,000 DA	LIFE OF PROJECT FUNDING 10,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1993

Purpose: To encourage enactment and implementation of policies which provide incentives for sustainable management and conservation of natural resources.

Project Description: In a country that is seeking rapid economic growth, exploitation of the natural resource base is a potential means of obtaining access to foreign exchange and investment capital. The program provides cash resources to the government for investment or current budget expenses related to natural resources management and protection. Disbursement will be based on the Nicaraguan Government's (GON) performance to reduce resource depletion and to take into account the sustainability of resource use in economic terms. Such policies might include: (1) forestry legislation to redefine the roles of the government and the private sector on forest ownership and management and establish user fees or economic incentives for private forest management and reforestation; (2) land taxation to establish a rational and effective tax policy reflecting land use capability and actual land use; (3) land tenure and property rights to revise and implement of a rational policy of land titling and land registry of rural properties; (4) watershed management to encourage soil and water conservation to promote reforestation and appropriate management of forest resources; and (5) land use to establish a national system to determine land use in accordance with the ecological characteristics of the land.

Sustainability: The project directly addresses natural resource sustainability issues. Reforms in pricing policy likely to be introduced under this program will be revenue generating. Thus, an enhanced level of services in the affected areas will be feasible after the termination of the program.

Relationship to AID Strategy: The program supports AID efforts to achieve sustainable economic growth through increased use of environmentally sound production and extraction practices. The program will contribute to the conservation and wise use of tropical forests and protection of bio-diversity.

Host Country and Other Donors: A number of bilateral donors, including Norway, Sweden, Finland, Germany and A.I.D., are assisting the GON in the area of resource management, especially in the area of forests and fisheries and the establishment of natural parks or protected areas. This program complements this effort by providing additional incentives for enacting and implementing policies which promote sustainable management of resources.

Beneficiaries: The Nicaraguan population will benefit from rational use of natural resources to promote sustainable growth over the longterm and through protection of the natural resource base and environment.

Major Outputs:

Enactment of policies to protect the national resource base

All Years

X

AID-Financed Inputs:

Cash Transfer

Life of Project (In thousands of dollars)

10,000

PROJECT TITLE Economic Policy Analysis		PROJECT NUMBER 524-0339	
		[X] GRANT [] LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 2,000 ESF		LIFE OF PROJECT FUNDING 8,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1995	ESTIMATED PROJECT COMPLETION FY 1998	

Purpose: To improve the capability of the Government of Nicaragua (GON) to develop and implement policies which will promote outward-looking, broad-based, and sustainable economic growth.

Project Description: This five-year project will be a follow-on to the current Technical Assistance and Training project. As the GON moves from stabilization and basic economic liberalization to more complex structural and sectoral issues, there is an increasing need for world-class economic talent with expertise in specific problem areas faced by the government. The project will provide primarily short-term, continuing assistance in such areas as exchange market policy, interest rate and credit policy, agricultural marketing policy, and the complex of policies related to the development and expansion of enclave manufacturing. A small core of long term advisors who will provide day-to-day advice and will coordinate the activities of short-term advisors.

Sustainability: Since this project will be implemented through existing institutions to enhance their policy analysis activities, there will be no requirement for additional funding beyond the life-of-project funding. Capacity will be developed in these institutions and can be used in the future by A.I.D. or other donors to support additional policy-making initiatives.

Relationship to A.I.D. Strategy: This project will contribute to A.I.D.'s overall goal of broad-based, sustainable economic growth, and is specifically aimed at the strategic objectives of increased competitiveness in the economy and increased foreign and domestic investment.

Host Country and Other Donors: The Inter-American Development Bank, International Monetary Fund and the World Bank also are concerned with the GON needs for high-level technical assistance and training in policy formulation, decision-making, and implementation of new reforms. A.I.D.-provided assistance will be coordinated carefully with expertise provided by these international financial institutions.

Beneficiaries: Beneficiaries of the project will include those receiving employment as a result of the increased and more efficient investment expected to be generated as a result of the project, as well as those smallholders who will have broadened production and export opportunities.

Major Outputs:**All Years**

Improved foreign exchange system	X
Streamlined tax system	X
A financial system providing a full range of financial services	X
An agricultural production and marketing system providing the full range of opportunities available in the world market.	X

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance	5,700
Training and Education	500
Equipment and Supplies	700
Project Management	1,000
Audit and Evaluation	100
Total	8,000

PROJECT TITLE Legal and Regulatory Judicial Reform		PROJECT NUMBER 524-0340 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 2,000 ESF	LIFE OF PROJECT FUNDING 3,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1994	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To strengthen the legal and regulatory system related to business, commerce and property rights.

Project Description: The project assists in a legal and regulatory reform which establishes property rights, protects industry and trade, and fosters new regulations which encourage and protect private sector investment. The project will promote the successful implementation of a new regulatory atmosphere and address the constraints and underlying systemic problems under which the Nicaraguan judicial system has traditionally operated. Specifically, it will assist the Government of Nicaragua in establishing systems for legal regulatory and judicial systems that promote an improved environment for commerce, trade and property rights in Nicaragua. Activities supported will include: modernization and professionalization of the court system to include introduction of new court administrative procedures; improved management procedures; merit selection of judges; and in-service training. It will strengthen parliamentary committees dealing with commerce, trade and property rights to address the legal framework for economic growth and development and to establish an effective arbitration system to handle disputes which normally do not require full-fledged judicial procedures. The program also will provide assistance with disseminating community information, and a means for providing education and training for rights and responsibilities in property, labor, trade and commerce.

Sustainability: The project will be designed to improve efficiency of civil law procedures to minimize the need for additional budget resources.

Relationship to A.I.D. Strategy: Strengthened legal and regulatory systems will help inspire greater confidence in the institutions of democratic government and promote consolidation of democracy in Nicaragua as well as stimulate greater private sector investment and economic growth.

Host Country and Other Donors: The Government of Nicaragua has recognized that improvement in the legal and regulatory framework is an important element in creating a favorable investment climate in Nicaragua. The project will build on government initiatives in this area and will be coordinated with appropriate other donor activities.

Beneficiaries: All Nicaraguans will benefit from improved administration of civil law and the stimulus to economic activity provided by increased investment.

Major Outputs:

	<u>All Years</u>
New court administrative procedures	X
Merit selection of judges	X
Parliamentary committees trained to address commerce, trade and property rights	X
An effective arbitration system	X
Community information available in property, labor, trade and commerce	X

A.I.D.-Financed Inputs:

	<u>Life of Project (In thousands of dollars)</u>
Technical Assistance	1,000
Training	500
Commodities and Educational Materials	1,200
Evaluations and audits	<u>300</u>
Total	3,000

PROJECT TITLE Strengthening Municipal Institutions		PROJECT NUMBER 524-0341	
		[X] GRANT [] LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 2,000 ESF		LIFE OF PROJECT FUNDING 4,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1995	ESTIMATED PROJECT COMPLETION FY 1997	

Purpose: To promote decentralization of government financing, planning, and service provision; strengthen strategic planning and management capability of local municipalities; and foster greater citizen involvement in local decision-making and planning.

Project Description: The project will assist Nicaraguan municipalities in the process of decentralizing finance and planning functions. The proposed project will complement changes in the policy framework governing the decentralization of Government budgeting through the creation of a municipal allotment system being addressed in policy dialogue with the Government. Changes will be initiated in municipal operations, especially those related to revenue enhancement, provision of basic services such as water, and increased citizen participation. This will be accomplished through technical assistance and through block grants to be provided by the central government. Priority will be given to projects which generate income and promote local control of social services (schools, water supply and sanitation). The project will provide training to municipal officials in the planning and administration of basic services and the formation of community support organizations. The concept of town meetings will be introduced and established as a means of communication and operation vehicle between the citizenry and the local government officials. The project also will focus on educating citizens on the role and responsibilities of their locally elected officials and themselves, especially regarding open town meetings and the application of resources in promotion of democratic decision-making.

Sustainability: By the end of the project, it is expected that the capability of local governments will be sufficiently enhanced so they will be able to provide a wider range of services on a self-sustaining basis. Citizens will be active participants in the decision process leading to such services.

Relationship to A.I.D. Strategy: The project supports Mission objectives to improve the responsiveness of government institutions and to promote greater citizen participation in democratic government.

Host Country and Other Donors: The Government of A.I.D. has demonstrated a willingness to decentralize government functions related to water and other basic services. The project will assist municipalities in identifying and using potential revenue sources available to them under Nicaraguan law. Activities will be coordinated with other donor groups working at the municipal level.

Beneficiaries: The primary beneficiaries will be residents of municipalities who are able to exercise greater involvement in local decision-making and receive more efficient and improved services.

Major Outputs:

	<u>All Years</u>
Municipal allotment system	X
Increased municipal control over revenue collection	X
Increased municipal provision of basic services	X
Municipal officers trained in planning	X
Open town meetings established	X
Citizens educated in democratic decision-making	X

A.I.D.-Financed Inputs:

	<u>Life of Project (In thousands of dollars)</u>
Technical Assistance	2,000
Training	1,000
Commodities and Educational Materials	1,000
Total	4,000

Panama

PANAMA

Total U.S. Aid \$ 1,003 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 36.4% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.52 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,760
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 2.0%
 Government Budgetary Expenditures as a % of GNP...(1988) 28.3%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1988) 1,384
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1986) -221 (1987) -228 (1988) -238

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 86.5%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 2
 As % of Total Export Earnings..... (1989) 0.0%

POPULATION

Total Population...(Thousands, Mid 1991) 2,478
 Population Growth Rate..... (1978) 1.8% (1992) 2.1%
 Population (1991) By Age Group:
 (0-14yrs) 34.9% (15-64yrs) 60.0% (65+ yrs) 5.1%
 Married Women Aged 15-44 yrs. Using Contraception...(1984) 58.2%
 Total Fertility Rate...(1970) (1991) 3.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 26%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) 100(88) 543(89) 395
 Total Imports(\$ Millions, US) () () (89) 1,159
 Of Which % From U.S.() .%
 Major Imports FOODS; CAPITAL GOODS; CRUDE OIL; CONSUMER GOODS
 Total Exports(\$ Millions, US) (1987) 1,736(88) 1,625(89) 1,555
 Of Which % to U.S.() .%
 Major Exports BANANAS; SHRIMP; CLOTHING; COFFEE; SUGAR
 Trading Partners: UNITED STATES; SPECIAL CATEGO; MEXICO

AGRICULTURE

Agricultural Production as % of GDP...(1986) 9%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Vegetables, fr ; Beverages ; Sugar
 Ag. Imports:(1989) Cereals ; Dairy products; Vegetables, fr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2463
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 74.3 Male 72.4 Female 76.4
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 17
 Percent Df Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 97% (1990) Measles 99% (1990)
 Diphtheria(DPT3) 86% (1990) Polio(3) 86% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 82%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1986) Total 106.0 Female 104.0
 Secondary (1986) Total 59.0 Female 63.0
 Adult Literacy Rate (1985) Male 89% (1985) Female 88%

PANAMA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	0	17,000 ^a	8,400
ECONOMIC SUPPORT FUND	44,368	10,000	10,000
PL 480 - TITLE II ^b	41	29	0
TOTALS	44,409	27,029	18,400

a. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.
 b. See Food for Peace section of statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	13	13	10
FOREIGN NATIONAL	8	8	8
TOTALS	21	21	18

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	201	40	241	154	23	177	153	55	208
REGIONAL ^e	13	39	52	42	12	54	42	12	54
THIRD COUNTRY									
BILATERAL ^d	4	3	7	4	10	14	1	10	11
REGIONAL ^e	0	13	13	0	13	13	0	13	13
TOTALS	218	95	313	200	58	258	196	90	286

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic; degree seeking.
 c. Technical; non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS and ATIE.
 e. Funded under regional programs.

PANAMA

Introduction

The close relationship between the United States and Panama dates to Panamanian independence and construction of the Canal. Panama has emerged from 21 years of military dictatorship to face the challenges of reactivating the economy and re-establishing an effective, democratic government. With ownership and operation of the Canal to be turned over to Panamanian control at the end of the decade, the United States has a strong interest in supporting economic stability and effective democracy in this country.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D. is a key contributor to the overall U.S. Government strategy of helping the Government of Panama (GOP) promote economic recovery and growth, functioning democratic institutions, and adequate public services. A.I.D. support concentrates on programs addressing critical macro-economic problems and longer-term institutional development efforts focusing on the justice system, public finance, and the environment. A.I.D. provides critical support for the GOP's economic program which emphasizes roles for the private sector and promotes trade and investment.

Much has been accomplished in the two years since democratic government was re-established. The economy is recovering, with gross domestic product rising 4.6% in 1990 and another 6.1% in 1991. Inflation is less than 2% annually. Unemployment, more than 35% right after Operation Just Cause, had dropped to less than 16% by late 1991. This strong economic recovery is the result of an improved political situation and the U.S. assisted "jump start."

A.I.D. successfully resettled in rehabilitated or new housing 2,724 families displaced by Operation Just Cause. The backlog of legal cases awaiting trial is being substantially reduced, and the court system is disposing of cases at a rate four times the 1990 rate. Private enterprise also is prospering as a result of a successful program to stimulate medium-term financing for the private sector.

Other Donors

About \$200 million in World Bank and Inter-American Development Bank assistance will resume in 1992 once existing arrears are cleared. Donors also are planning substantial new assistance to the GOP for major infrastructure projects, while A.I.D. concentrates on public and private sector institution building.

FY 1993 Program

For FY 1993, A.I.D. requests \$8.4 million in Development Assistance and \$10 million in Economic Support Funds to help protect Panama's fragile natural resource base, including the Canal watershed area; to continue scholarships in the United States; to improve public administration and the judicial system; to support development of a civilian-controlled police force; to strengthen democratic government; to and diversify the economy. No new project starts are planned for FY 1993.

Mission Director: Thomas W. Stukel

PERU

Total U.S. Aid \$ 1,524 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 22.6% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.31 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,010
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 0.0%
 Government Budgetary Expenditures as a % of GNP...() %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () ()
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () ()

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 45.1%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 198
 As % of Total Export Earnings..... (1989) 4.3%

POPULATION

Total Population...(Thousands, Mid 1991) 22,323
 Population Growth Rate..... (1978) 2.6% (1992) 2.0%
 Population (1991) By Age Group:
 (0-14yrs) 37.5% (15-64yrs) 58.7% (65+ yrs) 3.8%
 Married Women Aged 15-44 yrs. Using Contraception...(1986) 48.4%
 Total Fertility Rate...(1970) (1991) 3.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 36%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -735(88) -905(89) 1,293
 Total Imports(\$ Millions, US) () () (89) 4,556
 Of Which % From U.S.() %
 Major Imports FOODS; MACHINERY & TRANSPORT EQUIP; IRON & STEEL SEM
 Total Exports(\$ Millions, US) (1987) 4,629(88) 4,518(89) 5,849
 Of Which % to U.S.() %
 Major Exports FISHMEAL; COTTON; SUGAR; COFFEE; COPPER; IRON ORE
 Trading Partners: UNITED STATES; JAPAN; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1986) 12%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Beverages ; Fibers ; Sugar
 Ag. Imports:(1989) Cereals ; Dairy products; Meat products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2295
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 64.3 Male 62.2 Female 66.5
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 61
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 83% (1990) Measles 64% (1990)
 Diphtheria(DPT3) 72% (1990) Polio(3) 73% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 53%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1985) Total 122.0 Female 120.0
 Secondary (1985) Total 65.0 Female 61.0
 Adult Literacy Rate (1985) Male 91% (1985) Female 78%

PERU

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	9,710 ^a	15,700 ^b	26,500
ECONOMIC SUPPORT FUND	59,117	0	0
PL 480 - TITLE II ^c	40,864	49,822	54,677
PL 480 - TITLE III	30,000	30,000	28,100
TOTALS	139,691	95,522	109,277

a. Includes \$101,002 of DA and \$14,050 of ESF prior-year deobligated funds and \$333,446 of Section 517 recoveries reobligated in FY 1991.

b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

c. See Food for Peace section of statistical annex for program detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	14.8	15.5	18.0
FOREIGN NATIONAL	41.1	41.1	41.1
TOTALS	56	57	59

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	60	194	254	30	85	115	37	136	173
REGIONAL ^e	8	4	12	4	5	9	14	10	24
THIRD COUNTRY									
BILATERAL ^d	4	10	14	4	22	26	4	30	34
REGIONAL ^e	14	20	34	16	15	31	15	32	47
TOTALS	86	228	314	54	127	181	70	208	278

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.

b. Academic: degree seeking.

c. Technical: non-degree seeking.

d. Funded under bilateral programs including CLASP, CASS and ATIE.

e. Funded under regional programs.

PERU

Introduction

Peru is in the midst of an unprecedented economic and political transformation, intended to revitalize the economy and restore Peru's place in the world financial community, while enhancing social equity. The program is establishing the foundation for balanced growth in the future. Its successful implementation will depend on international cooperation and the government's ability to withstand political and economic threats from terrorism and the frequently allied illicit narcotics industry, as well as powerful opposing interest groups, and to surmount disasters such as cholera and earthquakes. U.S. objectives in Peru include strengthening democratic institutions, reducing Peru's role as the largest source of coca products for the U.S. market, fostering increased respect for human rights, and promoting broad-based economic growth.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D. strategy for Peru is to support the development of an overall policy framework and structural reform program that promotes economic stability and growth. The A.I.D. program assists in reactivating the private productive sector to generate employment, foreign exchange, and increased productivity. The program aims to replace coca-based employment and foreign exchange earnings with legal alternatives, and to support the development of democratic institutions that reinforce economic freedom. A.I.D. focuses on developing trade and investment, complementing other U.S. assistance through the Enterprise for the Americas Initiative and the Andean Trade Initiative. A.I.D. is helping to improve the health status of Peruvians through increasing access to quality primary health care.

A.I.D. is playing a lead role in establishing a new development and democracy agenda in Peru. Balance-of-payments support, linked to performance in economic reform and counternarcotics, is being provided through Economic Support Funds (ESF) and P.L. 480 Title III programs. During this difficult transition period, which has been aggravated by natural disasters, emergency relief is reaching some 15% of Peru's population. A.I.D.-supported health programs responded quickly to last year's major cholera epidemic, contributing to a low mortality rate (less than 1%) among those who contracted the illness.

Other Donors

The International Monetary Fund (IMF), World Bank, Paris Club and Inter-American Development Bank (IDB) have reached significant agreements with Peru in the last months. The IDB and other bilateral donors are beginning to disburse much-needed assistance. U.S. assistance, both bilaterally and as part of a co-chaired (with Japan) Support Group, continues to play a preeminent role in relief and economic revitalization efforts.

FY 1993 Program

For FY 1993, A.I.D. proposes \$26.5 million of development assistance, and \$82.7 million of P.L. 480 resources (\$54.6 million of Title II and \$28.1 million of Title III). Economic diversification and agricultural investment will be fostered through the building of private sector institutional capacity. Continued support to the development of democratic institutions will focus on securing wider public participation in selected political institutions to ensure their openness, public accountability and responsiveness. Policy reform in the health sector will focus on increasing host government support for preventive services and rural health care, while improving management and financial sustainability of services. Balance-of-payment support will continue based on sustained economic reform and counternarcotic performance.

Mission Director: Craig G. Buck

PROJECT TITLE Agricultural Technology Dissemination		PROJECT NUMBER 527-0358 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 1,457 DA	LIFE OF PROJECT FUNDING 20,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To strengthen the capacity of local farmer groups, cooperatives and growers associations to gain access to production technology and to make it available to their members.

Project Description: This five-year project will help build private sector capacity to extend appropriate agricultural technology to farmers. The project will provide training to extensionists to bridge the gap between the research functions of the National Research Institute and members of the farming community. The extensionists would be responsive to producer needs by supplying information on agricultural technology and input suppliers. Project activities will complement other A.I.D. projects by building vitally needed research-extension linkages. This extension service also will work with farm groups and cooperatives to ensure the availability of resources for members of their organizations. The use of improved, environmentally sound technologies will have the effect of increasing production in a sustainable manner. Project activities aim to create a demand-driven technology transfer capability within the country, with the long-term objective of building the agricultural and natural resource sector capacity to stabilize Peru's fragile economy.

Sustainability: The private sector role of developing an extension system through such organizations as farmer groups, cooperatives, and seed growers' associations, will create demand for the extensionists' input. The extension linkages with technologies and suppliers will provide a needed dialogue between researchers and producers. The project will create an association which will perpetuate itself.

Relationship to A.I.D. Strategy: A.I.D.'s strategy is to support rapid and sustainable private sector-led growth which generates foreign exchange and employment and boosts productivity, including commercial agriculture. This project will provide an effective and proven means of educating producers on how to increase production yields. The networking between extensionists and producers will foster a demand-driven agricultural technology generation system in which the private sector plays a key role.

Host Country and Other Donors: The Government of Peru (GOP) has identified the need for extension activities in order to promote and support increased production in the agricultural sector. Activities under the A.I.D. Agricultural Technology Transformation project now focus more on transfer of technology and less on research. The GOP thrust to privatize the National Agricultural Research Institute has a goal to establish a demand-driven research capability, based on the interactions between producers and extensionists. The International Fund for Agricultural Development is now proposing a highlands extension activity which will address the farmers' needs for extension. This work will complement A.I.D.'s technology dissemination activity, since A.I.D. will primarily target the coastal and selva areas.

Beneficiaries: Higher farm production yields, utilizing fewer or less costly inputs, will ultimately increase the incomes of the country's farmers. Beneficiaries will include approximately 3,000,000 farmers.

Major Outputs: Major outputs include private sector support for development of extension capabilities, on-going jobs created, increased incomes 600,000 families benefiting from increased incomes, and increased exports.

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

Technical Assistance and Training	9,000
Conferences, workshops and publications	2,500
Equipment and Materials	3,500
Administrative Costs	5,000
Total	20,000

PROJECT TITLE Agricultural Credit and Rural Savings Mobilization		PROJECT NUMBER 527-0359 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 1,365 DA	LIFE OF PROJECT FUNDING 10,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To develop a reliable rural banking system which will address the producers' borrowing needs in a timely fashion, will provide a sound investment for community savings, and will foster accelerated growth and development of farming areas.

Project Description: The government of Peru is directing changes in its institutional credit support to the agricultural and natural resource sector. Steps have been taken to establish a rural credit system. The first operating system has been inaugurated. A.I.D. is proceeding with an initial credit needs analysis, whose results will determine the design of this activity. Activities focus on important producing areas, such as principal valleys, which have identified a need for a reliable savings and credit institution. The project will support cooperatives, farmer organizations, or private and voluntary agency (PVO)- organized savings and credit institutions which will mobilize savings of their members and will channel credit under commercial banking practices to producers. Creation of the initial banking entities under this project will involve using seed money to provide technical, financial, and banking training and expertise which will be responsive to small farmers.

Sustainability: The rural banking system will become self-sustaining when credibility in the institution is developed. The savings and loan aspect of the effort will develop a sense of ownership by the populations the banks are serving. The system will grow at a pace set by the community by meeting credit needs in a system administered by known and respected individuals. As individuals grow confident in the system, the credit system will allow for earning through savings and will serve as a reusable capital pool for use in the growing season.

Relationship to A.I.D. Strategy: A.I.D.'s country strategy is to support rapid and sustainable private sector-led growth which generates foreign exchange and employment and boosts productivity including commercial agriculture. The project fosters the development of an agricultural credit system based on rural savings which will mobilize resources for local investment.

Host Country and Other Donors: A.I.D. and the Peruvian Government have established a base which will serve to increase and strengthen agriculture technology and encourage change in government policies; and along with a general improvement in economic conditions will create favorable conditions which encourage the producer to invest more borrowed capital in order to produce more marketable crops. PVOs are now preparing proposals for presentation to international donors such as the World Bank and InterAmerican Development Bank, which have both expressed interest in improving credit conditions for producers.

Beneficiaries: Small and medium producers in major agricultural valleys in Peru.

Major Outputs:	<u>All Years</u>
Loan and credit to small farmers (# of loans)	600,000
Rural Credit System to be established	30
Non-governmental organizations as credit and loan agents	20
Establishment of credit and loan cooperatives	60

A.I.D.-Financed Inputs:	<u>Life of Project (In thousands of dollars)</u>
Technical Assistance and Training	3,500
Workshops and Conferences	3,000
Equipment and Materials	1,000
Administrative Costs	<u>2,500</u>
Total	10,000

CARIBBEAN REGIONAL

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	19,302 ^a	20,800 ^b	20,000
ECONOMIC SUPPORT FUND	2,104	3,000	4,400
TOTALS	21,406	23,800	24,400

a. Includes \$318,611 of DA and \$759,643 of ESF prior-year deobligated funds and \$635,265 Section 517 recoveries reobligated in FY 1991.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	22.3	19.5	17.4
FOREIGN NATIONAL	31.0	31.0	31.0
TOTALS	53	51	48

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	0	35	35	4	110	114	6	60	66
REGIONAL^e	87	0	87	59	0	59	54	0	54
THIRD COUNTRY									
BILATERAL^d	0	498	498	0	550	550	80	525	605
REGIONAL^e	0	864	864	0	550	550	0	550	550
TOTALS	87	1,397	1,484	63	1,210	1,273	140	1,135	1,275

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS and ATIE.
 e. Funded under regional programs.

CARIBBEAN REGIONAL

Introduction

The six English-speaking countries of the Organization of Eastern Caribbean States (OECS) receiving the majority of Caribbean regional funds (Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines) are functioning multiparty democracies. However, their weak institutions, inadequate policies, narrow revenue base, reliance on single sectors or exports for public capital and foreign exchange, and the regular occurrence of natural disasters render these small economies highly vulnerable. The region has become a transshipment point for cocaine with an increased U.S. interest in narcotics interdiction efforts. Annual trade between the United States and the Eastern Caribbean totals some \$1 billion. Consequently, regional stability, unimpeded access to shipping lanes which serve the Panama Canal, and narcotics transshipment interdiction are of major interest to the United States.

A.I.D. Development Strategy and Accomplishments to Date

The A.I.D. strategy concentrates on (a) strengthening democratic institutions to make them more efficient and responsive, (b) developing private sector and market mechanisms to promote trade and investment, (c) generating self-sustaining employment through environmentally sound economic diversification efforts, and (d) improving the quality and productivity of the human resource base.

The A.I.D. program has substantially advanced the economic and social interests of the Eastern Caribbean. In strengthening democratic institutions, A.I.D. assistance has improved the justice system through structural renovations, training of 840 participants, streamlining of support systems, and revising legal codes to make them more accessible and responsive to current needs. In private sector, market, and trade development, A.I.D. investments leveraged over \$9 million in equity financing for 20 small- and medium-sized agriculture-based enterprises; assisted 2,450 micro-enterprises (40% owned by women) with credit, technical assistance, and training; and collectively, produced over \$32 million in foreign exchange and approximately 6,800 jobs. On the human resource front, A.I.D. investments constructed or renovated 243 schools; refurbished and equipped 50 health clinics; trained more than 1,000 health workers; provided jobs to over 8,000 teenagers, strengthened family planning programs, supplied Acquired Immune Deficiency Syndrome (AIDS) training to more than 600 persons, and provided academic and professional training to 516 participants who are now putting their new skills to work in the region.

Other Donors

The European Economic Commission provides funds for trade and tourism development, agricultural diversification, and infrastructure. The British provide grants primarily for agriculture, while the Canadians emphasize training, sewage, water, and forestry development. The Caribbean Development Bank has been involved with vocational training and infrastructure projects.

FY 1993 Program

For FY 1993, A.I.D. requests \$20 million in Development Assistance and \$4.4 million in Economic Support Funds for the Eastern Caribbean.

Mission Director: Mosina Jordan

Regional Office
of Central America
Programs (ROCAP)

ECONOMIC AND SOCIAL DATA

INDICATOR DEFINITIONS

TOTAL U.S. AID is provided by A.I.D. and is equivalent to gross U.S. economic assistance obligations (total new obligations entered into during a given year) for the period 1946 through 1990. It is the sum of Development Assistance, Economic Support Fund, Peace Corps, Narcotics, PL480, and Other Economic Assistance.

RATIO OF U.S. AID TO TOTAL ODA represents U.S. economic assistance obligated as a percentage of net disbursements of official development assistance (ODA) from members of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD), multinational organizations, members of the Organization of Petroleum Exporting Countries (OPEC), and members of the Council for Mutual Economic Assistance (CMEA). The ODA data are published in OECD, Geographical Distribution of Financial Flows to Developing Countries. The U.S. economic assistance data are provided by A.I.D.

YEARLY U.S. AID PER CAPITA is computed by dividing the sum of total U.S. economic assistance obligations for 1984-1989 provided by A.I.D. by the sum of total population figures provided by the U.S. Bureau of the Census for the same period. Total U.S. economic assistance is the sum of Development Assistance, Economic Support Fund, Peace Corps, Narcotics, PL480, and Other Economic Assistance.

NATIONAL INCOME AND EXPENDITURES

PER CAPITA GNP figures are estimates reported in the IBRD, WORLD TABLES database. Current GNP is a measure of the total domestic and foreign output claimed by the residents of a country at current purchaser values (calculations are completed without making deductions for depreciation). GNP data have been converted from current values of national currencies to U.S. dollars in order to facilitate international comparisons.* The conversion process utilizes a three year weighted average of exchange rates and makes adjustments for variations in the rates of inflation between the U.S. and the relevant country (see the World Bank Atlas for a complete technical description). Per capita GNP is calculated by the World Bank by dividing GNP, at constant market prices in U.S. dollars, by estimates of total mid-year population based on data from the U.N. Population Division or World Bank Sources.

* There is a wide range in the reliability of data collection methods used to obtain information for international databases. It is important to recognize this caveat when engaged in analysis of such data, particularly when involved in cross-country analysis.

AVERAGE ANNUAL REAL PER CAPITA GNP GROWTH RATE is the annual growth rate in real terms that has been computed by fitting trend lines to the logarithmic values of GNP per capita at constant market prices for each year of the time period. With this method, all available observations within the relevant time period are considered, and the growth rates obtained reflect general trends rather than cyclical factors or irregular variations in any particular year. The source data is the IBRD, World Development Report.

GOVERNMENT BUDGETARY EXPENDITURES AT A % OF GNP is taken from the IMF'S INTERNATIONAL FINANCIAL STATISTICS database. It is calculated by dividing total government expenditures by GNP. Total expenditures include all nonrepayable payments by the government, whether required or unrequired, for current or capital purposes. GNP is calculated as gross national expenditures by the IMF (for a complete technical description see IMF, International Statistics, Introduction Section, National Accounts and Population).

TOTAL EXPENDITURES AND NET LENDING in millions of U.S. dollars are calculated using the IMF's GOVERNMENT FINANCIAL STATISTICS database. Data in local currency are converted into U.S. dollars using the average annual exchange rate (period average, par rate) for each year found in IMF, INTERNATIONAL FINANCIAL STATISTICS database. Expenditures include all nonrepayable payments by the government, whether required or unrequired, for current capital purposes. Lending minus repayment includes both loans and equities.

BUDGETARY DEFICIT OR SURPLUS in millions of U.S. dollars is derived from the IMF'S GOVERNMENT FINANCE STATISTICS database and is calculated by subtracting the total of expenditures and lending minus repayments from total revenue and grants. The data in local currency are then converted into U.S. dollars for each year by using the average annual exchange rate (period average, par rate) from the IMF'S INTERNATIONAL FINANCIAL STATISTICS. The data refer to consolidated central government finances only.

INTERNATIONAL RESERVES AND EXTERNAL DEBT

OFFICIAL INTERNATIONAL RESERVES, gross holdings at end of period in millions of U.S. dollars are taken from the IMF'S INTERNATIONAL FINANCIAL STATISTICS database. Official reserves represent the sum of total reserves, inclusive of SDRs, foreign exchange and reserve position with the IMF, and monetary gold holdings at national valuation. The variable "EQUIVALENT TO ___ MONTHS OF IMPORTS" is calculated by dividing one year of imports F.O.B., converted from SDRs to U.S. dollars (from the IMF'S BALANCE OF PAYMENTS STATISTICS database), by 12 and then dividing total reserves by the result.

EXTERNAL PUBLIC DEBT AS A % OF GNP is drawn from the IBRD, WORLD DEBT TABLES database. External public debt, including debt disbursed and outstanding is defined as the debt owed to non-residents and repayable in foreign currency, goods, or services that have an original or extended maturity of over one year. External public debt includes public debt which is an external obligation of a public debtor, and publicly guaranteed debt, which is an external obligation of a private debtor that is guaranteed for repayment by a public entity. These figures do not include data for: transactions with the IMF except for trust fund loans, debt repayable in local currency, direct investment, and short-term debt (debt with original maturity of a year or less). GNP figures from the WORLD DEBT TABLES are converted from local currency into U.S. dollars.

SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT as a percent of export earnings (debt service ratio) is calculated from the IBRD, WORLD DEBT TABLES database. This ratio represents total debt service payments as a percentage of total exports of goods and non-factor services, converted into U.S. dollars; from local currency.

POPULATION

TOTAL POPULATION data are from the U.S. Bureau of the Census mid-year projections based on the most recent census and subsequent fertility and mortality trends prepared by agreement with the A.I.D., Research & Development, Office of Population (R&D/POP). The total population figure sometimes differs from population estimates used by other sources in some of the data elements shown (eg. by the IBRD in computing per capita GNP).

POPULATION GROWTH RATE is the average annual growth rate from mid-year of the previous year, including net migration. The summary measures are computed using the exponential formula. These data are provided by the Bureau of the Census prepared by agreement with R&D/POP.

POPULATION IN A GIVEN AGE GROUP is taken from the Bureau of the Census and prepared by agreement with R&D/POP. These data indicate the proportion of the population in a given age group and are helpful in analyzing the age structure of a population and calculating dependency ratios.

MARRIED WOMEN AGED 15-44 YEARS USING CONTRACEPTION is the percent of married woman of reproductive age who are currently using contraception. These data are from a variety of A.I.D.-funded projects and are compiled by the Bureau of the Census.

TOTAL FERTILITY RATE is from the Bureau of the Census. It is defined as the number of children born per woman, if she were to live to the end of her childbearing years and bear children at each age in accordance with prevailing age specific fertility rates. Most of the data come from surveys, civil registers and census data.

HOUSEHOLD INCOME AND EMPLOYMENT

PERCENTAGE OF POPULATION LIVING BELOW ABSOLUTE POVERTY LEVEL is taken from the IBRD, SOCIAL INDICATORS database. It is the percentage of total, urban, and rural populations who live in "absolute poverty". Absolute poverty income level is defined as that level below which a minimal nutritionally adequate diet plus essential non-food requirements are not affordable.

PERCENTAGE OF TOTAL ADULT POPULATION EMPLOYED FULL TIME is drawn from the USDA's World Agricultural Trends and Indicators, 1970-88.

PROPORTION OF LABOR FORCE IN AGRICULTURE is the percentage of the total population that are economically active and engaged principally in agriculture, forestry, hunting or fishing. Economically active persons are those persons engaged or seeking employment in an economic activity, whether as employers, own-account workers, salaried employees, or unpaid workers assisting in the operation of a family farm or business. The source to the data is the USDA's World Agricultural Trends and Indicators, 1970-88.

EXTERNAL TRADE

TRADE BALANCE is drawn from IMF, INTERNATIONAL FINANCIAL STATISTICS database. Trade balance represents the difference of total exports and imports (described below) converted from local currency into U.S. dollars using the average annual exchange rate (period average, par rate).

TOTAL IMPORTS are taken from the IMF, INTERNATIONAL FINANCIAL STATISTICS database and comprise the current U.S. dollar value of imports of goods and non-factor services purchased from the rest of the world. Import data are those of the United Nations System of National Accounts and are, in general, as given in U.N. sources. In many cases current annual data are derived from national sources. Total imports are converted into U.S. dollars using the average annual exchange rate (period average, par rate).

TOTAL EXPORTS are taken from the IMF, INTERNATIONAL FINANCIAL STATISTICS database and comprise the value of exports of goods and non-factor services sold to the rest of the world. Export data are those of the United Nations System of National Accounts and are, in general, as given in U.N. sources. In many cases current annual data are derived from national sources. Total exports are converted into U.S. dollars using the average annual exchange rate (period average, par rate).

MAJOR EXPORTS AND IMPORTS are taken from the C.I.A., WORLD FACTBOOK. A brief list of major exports and major imports -- determined by value -- are included.

MAJOR TRADING PARTNERS are taken from the IMF, DIRECTION OF TRADE STATISTICS database and are based on the value of imports plus exports (goods only) between the country in question and all of its trading partners. The three partners with the highest total for the latest ten years are reported.

AGRICULTURE

AGRICULTURAL PRODUCTION AS A % OF GDP is taken from the IBRD, WORLD TABLES database. The agricultural sector is broadly defined as agriculture and livestock, hunting, fishing, logging, and forestry. GDP is defined as the total final output of goods and services produced by an economy, inclusive of net indirect taxes (i.e. market price valuation), regardless of the allocation to domestic and foreign claims.

DISPOSABLE INCOME SPENT ON FOOD is the ratio of aggregate food expenditures as a portion of aggregate disposable income, including savings. The source of the data is the USDA's World Agricultural Trends and Indicators, 1970-1988.

AGRICULTURAL IMPORTS AND EXPORTS are calculated using data from the USDA's World Agricultural Trends and Indicators, 1970-1988. Up to three major imports and three major exports are included.

NUTRITION AND HEALTH

CALORIE INTAKE PER PERSON PER DAY is taken from the FAO Food Balance Sheets.

LIFE EXPECTANCY AT BIRTH is from the Bureau of the Census. It represents the estimated average number of years a newborn infant would be expected to live if prevailing patterns of mortality at the time of birth were to remain the same throughout its life.

INFANT DEATHS PER 1000 LIVE BIRTHS (Infant Mortality Rate) figures are provided by the Bureau of the Census. The rate refers to the number of infants who die in their first year of life per thousand live births in that same year.

CHILDREN 12-23 MOS. IMMUNIZED AGAINST MAJOR CHILDHOOD DISEASES is taken from data provided by the International Science and Technology Institute (ISTI), and derived from the World Health Organization's report, Expanded Program on Immunization, January 1990, and earlier versions. These data are based on the reported coverage rates applied to the estimated number of infants surviving the first year of life. Often, reported coverage rates are based on children who have health cards, resulting in higher levels of coverage than actually occur among the general child population. Estimates do not include the effects of child mortality. DPT3, Polio3, Measles and BCG immunization coverage rates refer to the proportion of children 12-23 months who are immunized, using infants surviving the first year of life as the denominator.

POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY is taken from the IBRD, SOCIAL INDICATORS database. It is the percentage of population with reasonable access to safe water supply. While the definition of safe water supply has changed over time, it generally includes treated surface waters or untreated but uncontaminated water such as that from springs, sanitary wells, and protected boreholes. In urban areas, reasonable access may be a public fountain or standpost located no more than 200 meters from a given house. In rural area, reasonable access implies that members of the household do not have to spend a disproportionate share of the day fetching the family's water.

EDUCATION AND LITERACY

TOTAL SCHOOL ENROLLMENT AS A % OF POPULATION IN AGE GROUP is taken from the IBRD, SOCIAL INDICATORS database. These figures represent gross enrollment at a given education level as a percentage of school-aged children, as defined by each country. Although countries may differ in their designation of official school-aged populations, many countries consider children aged 6-11 as primary, 12-17 as secondary, and 18-23 as post secondary. For countries with universal education, enrollment may exceed 100 percent since some pupils are below or above the official school age. The data are compiled by the U.N. Educational, Scientific, and Cultural Organization (UNESCO).

ADULT LITERACY RATES are taken from the Institute for Resources Development/Westinghouse, Child Survival Report. The data represents the percent of persons age 15 and older who can read and write. The original source of the data is the UNESCO Statistical Yearbook. Definitions of ability can differ greatly from country to country.

LAC REGIONAL

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	75,548 ^a	66,825 ^b	68,810
ECONOMIC SUPPORT FUND	9,836	9,900	17,000
TOTALS	85,384	76,725	85,810

Footnotes:

a. Includes \$719,194 of DA and \$265,734 of ESF prior-year funds and \$1,120,139 of Section 517 recoveries reobligated in FY 1991.

b. At the time of printing no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

LAC REGIONAL

Introduction

The Latin America and Caribbean (LAC) Regional program differs from A.I.D. bilateral programs in that management and funding are based in Washington. The focus is on the entire region. Projects are implemented in more than one country and often work through regional institutions. The LAC Regional program plays an important role in furthering the vision of the Enterprise for the Americas Initiative, particularly through projects which support regional integration and trade and investment reforms. In addition to activities in countries where A.I.D. has full bilateral missions, the LAC Regional program also provides assistance in other LAC countries, including: Argentina, Brazil, Chile, Colombia, Mexico, Paraguay, and Uruguay.

A.I.D. Development Strategy and Accomplishments to Date

All of the projects implemented under the LAC Regional program support A.I.D.'s objectives for the region: (1) the achievement of broadly based, sustainable economic growth, (2) the evolution of stable democratic societies. Activities in trade and investment assist countries to lower trade barriers, create competitive investment climates, increase two-way trade, and attract foreign direct investment. Education and training programs and health and child survival activities help accelerate and expand opportunities for the disadvantaged to participate in the benefits of economic growth. Programs in environmental management and the sustainable use of the natural resource base are helping to insure that economic progress is sustainable. Activities to strengthen democratic societies are helping governments become more responsive to the needs of the people and are ensuring that citizens' views are better represented in government.

Under the Caribbean and Latin America Scholarship Program, over 15,657 potential leaders have been trained in the United States in employment-related skills, with a particular emphasis on democratic values and institutions; 43% have been women and 87% disadvantaged. Through the Regional Technical Assistance Center in Central America, over 1.2 million U.S. textbooks in Spanish have been sold on Central American campuses. The program is being expanded to the Caribbean and South America. The Regional Immunization project with the Pan American Health Organization has made significant progress in increasing polio vaccine coverage. By the end of 1991, vaccine coverage had increased to 76% (from 50% in 1987) with polio almost eliminated from the region. Six countries are being assisted with analysis of recurrent costs of primary health care as a step toward developing health systems that countries can support themselves. The Regional Trade and Investment project provides assistance to the LAC countries for the development of open market policies and positive investment climates. It is designed to help field missions by providing technical support in program design, technical assistance to educate and develop support for open trade policies, and to implement regulatory reforms. The regional environment programs provide assistance in protection of biodiversity, forestry, pest and pesticide management, global climate change, and natural resource management. The Parks-in-Peril project addresses the management and protection needs of 20 threatened parks in the region. The Agricultural and Rural Development Technical Services project provides support for policy environments more favorable to increased agriculture productivity, increased trade, enhanced food security, and improved management of natural resources. Caribbean Basin non-traditional agricultural exports continue to increase substantially, averaging 15% annual growth from 1983-1991.

FY 1993 Program

The FY 1993 request under the LAC Regional program is \$68.8 million in Development Assistance funds and \$17 million in Economic Support Funds. Three new projects are proposed for FY 1993, to strengthen democratic labor organizations, and to improve the capacity of local and municipal governments in LAC countries.

PROJECT TITLE Municipal Development		PROJECT NUMBER 598-0799 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 500 DA	LIFE OF PROJECT FUNDING 2,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To improve service delivery and increase citizen participation through local and municipal governments throughout Latin America and the Caribbean (LAC).

Project Description: Leaders in the Americas now realize that centralized national bureaucracies inhibit the efficiency of service delivery and limit citizens' participation in the development process. A wave of reform is sweeping Latin America with the popular election of national and local leaders. Decentralized local government provides greater responsiveness to popular demands for urban land, infrastructure, and health services, and promotes increased citizen participation in the democratic process.

This regional initiative will improve service delivery through local and municipal governments in the following areas: water, sewerage, and solid waste disposal; financial management; land use planning, development and titling; appropriate building and infrastructure standards; promotion of citizen participation through town meetings, referendums, advisory committees; and national-level policy dialogue on decentralization. The regional project will provide assistance to A.I.D. field Missions to strengthen these local government functions, and will support the transfer of information and technology through networking, training and research, and information dissemination including publications and conferences. The project will be implemented through A.I.D.'s Regional Housing and Urban Development Offices in Ecuador and Jamaica.

Sustainability: Municipal governments will acquire the capacity to provide sustainable services through efficiency, community participation, and municipal revenue and user-fee systems.

Relationship to A.I.D. Strategy: Municipal development and decentralization is one aspect of A.I.D.'s strategy to strengthen the competence and responsiveness of key democratic institutions.

Host Country and Other Donors: In developing these programs, A.I.D. will foster complementary or parallel financing proposals with the Inter-American Development Bank and the World Bank. Host countries will contribute to local costs of regional conferences and training events.

Beneficiaries: At the present time, urban populations compose approximately 76% of the population in South America, 47% in the Caribbean, and 50% in Central America. The low-income segments of this urban population will be the primary beneficiaries of this program, with a strong impact on infants who are vulnerable to deficits in the provision of basic water and sanitation services.

Major Outputs: This project will complement A.I.D. bilateral programs that strengthen municipal service delivery and increase citizen participation, and will promote the transfer of experiences across the LAC region. This project will support the following types of reforms:

- National level: central government agencies implementing policy measures to encourage fiscal responsibility; increased revenue generation at the local level; revenue sharing programs; and local autonomy in planning and budgeting of local resources.
- Local level: improved service delivery, at lower costs; increased locally generated revenue; increased participation in investment planning and budgeting; strategies to improve public service delivery; and technically based urban land use planning and development policies and procedures.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical Assistance	1,400
Training-Research	500
Publication-Promotion	100
Total	2,000

PROJECT TITLE Union-to-Union II		PROJECT NUMBER 598-0805 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 950 DA	LIFE OF PROJECT FUNDING 4,300 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To strengthen free and independent democratic labor organizations in Latin America and the Caribbean.

Project Description: Previous support for the Union-to-Union Program was provided under project 598-0789. With the recent flowering of democracy in Latin America and the Caribbean, new opportunities and challenges lie ahead for democratic labor in the region. This five-year project will support selected U.S. union programs that strengthen counterpart labor organizations. Activities include outreach programs through trade union education projects and exchange visits. Assistance will support drives to recruit new union members and affiliate new unions to national federations, along with other traditional union activities such as collective bargaining, labor-management relations, and safety and health issues. These activities will be carried out through the following eight U.S. unions: Amalgamated Clothing and Textile Workers; American Federation of State, County, and Municipal Employees; American Federation of Teachers; Communication Workers of America; Department of Professional Employees; Glass, Molders, Pottery, Plastics, and Allied Workers; Transportation/ Communications Union; and the United Food and Commercial Workers. The program is implemented through a grant to the American Institute for Free Labor Development (AIFLD).

Sustainability: A plan will be developed to progressively reduce unions' dependence on A.I.D. support during the life of this project.

Relationship to A.I.D. Strategy: This project helps strengthen the vigor, autonomy, and pluralism of civil society, and democratic values, knowledge, and practices among union leadership and membership. These are important elements of A.I.D.'s strategy for supporting the evolution of stable democratic societies.

Host Country and Other Donors: Unions in host countries contribute portions of the instructors' salaries, travel, and related costs, as well as the facilities necessary to conduct seminars and training programs.

Beneficiaries: In addition to approximately 3,500 union members annually who will receive training or assistance through this project, individual societies will benefit from the strengthening of democratic labor organizations.

Major Outputs:	All Years
Union members participating in seminars	17,500
Technical support visits by U.S. unions	75
Seminars and Conferences conducted	250

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Seminars	1,490
Conferences	800
Technical support visits	350
Exchange visits	350
Education programs	975
Union services	<u>335</u>
Total	4,300

PROJECT TITLE Democratic Trade Union Development		PROJECT NUMBER 598-0806 [X] GRANT () LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 7,000 DA	LIFE OF PROJECT FUNDING 31,700 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To strengthen free and independent democratic labor organizations in Latin America and the Caribbean.

Project Description: Previous support for the American Institute of Free Labor Development (AIFLD) was provided under project 598-0790. With the recent flowering of democracy in Latin America and the Caribbean (LAC), new opportunities and challenges lie ahead for democratic labor in the region. This five-year project will seek to strengthen the capacities of union leadership and rank-and-file union members through training and trade union development activities. Most training is done in-country; more advanced training of union leaders and members is done at the George Meany Center in Silver Spring, Maryland. Training will include courses on labor-management relations, organizing, collective bargaining, worker and union rights, safety and health issues, and financial management. It also will address the new economic realities associated with the structural adjustment programs that many Latin American countries are undertaking, and with the Enterprise for the Americas Initiative. A new emphasis is being placed on improving communication among labor, management, and government to deal with common economic problems.

Sustainability: A plan will be developed to progressively reduce AIFLD's dependence on A.I.D. support during the life of this project.

Relationship to A.I.D. Strategy: This project helps strengthen the vigor, autonomy, and pluralism of civil society, and democratic values, knowledge, and practices among union leadership and membership. These are important elements of A.I.D.'s strategy for supporting the evolution of stable democratic societies.

Host Country and Other Donors: The American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) contributes some \$200,000 annually to the program. Unions in host countries contribute portions of the instructors' salaries, travel, and related costs.

Beneficiaries: In addition to approximately 24,000 union members annually who will receive training or assistance through this project, individual societies will benefit from the strengthening of democratic labor organizations.

Major Outputs:	All Years
Union members trained in local courses	120,000
Members receiving training in the United States	600
LAC labor unions strengthened	50

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Overseas country programs	16,500
U.S. training	4,500
Agrarian union development	3,700
U.S. personnel and administrative costs	<u>7,000</u>
Total	31,700

Andean
Counterdrug
Initiative

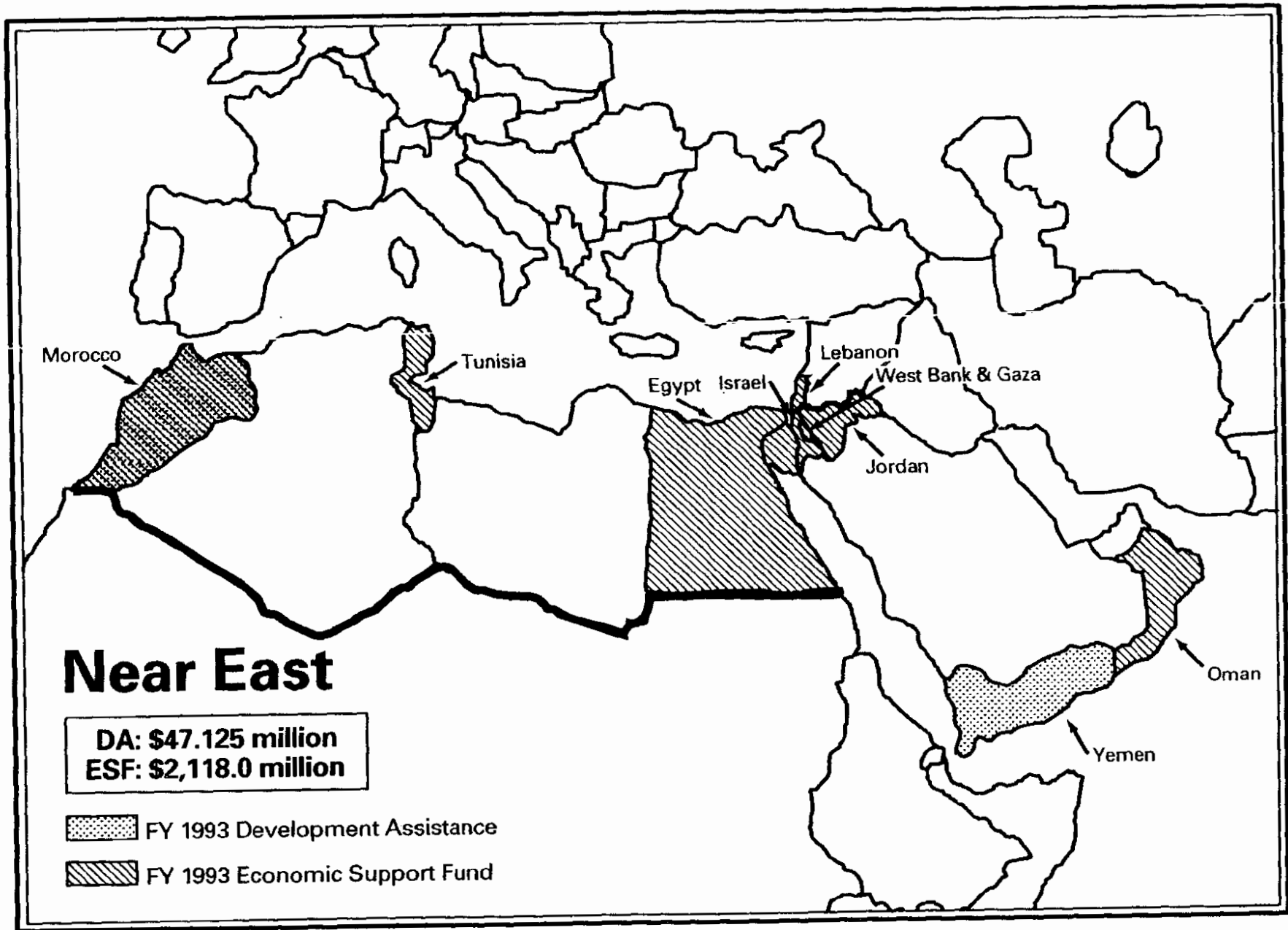
ANDEAN COUNTERDRUG INITIATIVE

The President's Andean Counterdrug Initiative is a comprehensive effort to reduce the production and export of coca leaf and coca products in Bolivia, Colombia and Peru. The overall initiative combines military assistance to strengthen host-country law enforcement and interdiction capacity, with substantial economic assistance. Sustained law enforcement and interdiction programs (not administered by A.I.D.) are key to driving down the farm-gate price received by farmers for coca-leaf, and making alternative income opportunities more attractive than coca production and marketing.

The purpose of the economic assistance administered by A.I.D. is to help Andean countries overcome the destabilizing effects of eliminating earnings from cocaine, and strengthen their legitimate economies to enable them to move away from a coca-based economy. This year (FY 1992), A.I.D. is planning \$250 million in Economic Support Funds (ESF) for narcotics-related assistance. For FY 1993, the Administration is requesting another \$250 million, as part of the \$950 million, five year effort. The ESF for both FY 1992 and FY 1993 will be used to support both macroeconomic policy reforms and specific alternative development activities. This assistance will help offset the loss of foreign exchange inflows resulting from counterdrug activities, while helping stimulate legitimate economic growth which will produce the jobs necessary to replace those presently dependent on the drug industry. Alternatives must be available to help individuals move out of growing, producing, and processing illicit drugs.

Under the Initiative, Bolivia, Colombia, and Peru are eligible to receive economic support assistance only if they have demonstrated adequate counterdrug performance and have sound economic policies for the use of the assistance. Human rights performance also is taken into consideration.

A.I.D.'s anti-narcotics financing also will include support for drug awareness and prevention programs. Narcotics addiction is increasingly a domestic problem in Bolivia, Colombia and Peru. Working with private and public agencies, A.I.D. is helping to create a greater public awareness of the domestic problem and the harmful effects of drug production, trafficking, and addiction on these countries' own societies, and is helping generate public support for counter-narcotics efforts. In addition, A.I.D. is supporting national programs to strengthen the administration of justice. For example, in Colombia, assistance will include court administration, judicial training, improving investigative and prosecutorial capabilities, and judicial protection. This directly contributes to the capacity of the judicial system to process narcotics cases more rapidly and efficiently, and creates stable democratic institutions needed to sustain free market economies.



REGION: NEAR EAST
PRESENTATION COUNTRIES

SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

	POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY-- (PERSONS PER SQUARE KM)	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
EGYPT	54,452 (91)	2.3% (92)	61 (91)	767 (86)	.	82 (91)	30% (85)	28% (89)	1,912 (87)	49 (87)	
	42,896 (81)	2.9% (81)	56 (81)	732 (81)	.	117 (81)	.	.	1,696 (81)	42 (81)	
ISRAEL	4,558 (91)	2.4% (92)	77 (91)	345 (83)	.	9 (91)	93% (85)	39% (89)	348 (87)	211 (87)	
	3,801 (81)	1.7% (81)	.	401 (81)	.	.	.	.	320 (81)	190 (81)
JORDAN	3,413 (91)	4.2% (92)	71 (91)	1,143 (84)	.	38 (91)	63% (85)	23% (89)	313 (87)	42 (87)	
	2,262 (81)	4.2% (81)	68 (81)	1,198 (81)	.	55 (81)	.	.	252 (81)	34 (81)	
LEBANON	3,385 (91)	1.5% (92)	68 (91)	670 (83)	.	48 (91)	69% (85)	30% (89)	863 (87)	258 (87)	
	3,144 (81)	0.2% (81)	66 (81)	509 (81)	.	55 (81)	.	.	862 (81)	255 (81)	
MOROCCO	26,158 (91)	2.1% (92)	65 (91)	4,763 (87)	58% (85)	59 (91)	22% (85)	32% (89)	80 (87)	52 (87)	
	21,049 (81)	2.4% (81)	.	18,600 (81)	.	.	.	.	68 (81)	44 (81)
OMAN	1,534 (91)	3.5% (92)	66 (91)	1,096 (87)	58% (85)	40 (91)	.	28% (89)	130 (87)	6 (87)	
	1,036 (81)	5.2% (81)	57 (81)	.	.	84 (81)	.	.	99 (81)	5 (81)	
TUNISIA	8,276 (91)	2.0% (92)	72 (91)	2,155 (86)	68% (85)	38 (91)	41% (85)	33% (89)	99 (87)	47 (87)	
	6,617 (81)	2.5% (81)	65 (81)	3,642 (81)	.	71 (81)	.	.	86 (81)	40 (81)	
YEMEN	.	.	.	6,715 (81)	.	.	3% (85)	.	60 (87)	20 (87)	
	.	.	.	6,715 (81)	.	.	.	.	49 (81)	16 (81)
SUMMARY	(MRY)										
	(81)	101,775 *	2.3% #	64 #	1,903 #	60% #	66 #	34% #	30% #	475 @	86 @
		80,806 *	2.7% #	58 #	5,677 #	#	105 #	#	#	429 @	78 @

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SELECTED SOCIAL INDICATORS
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: NEAR EAST
SELECTED OTHER COUNTRIES

	POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY--	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECTANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICIPATION	POP/AGRICULTURAL LAND	POP/TOTAL LAND	
ALGERIA	26,018 (91)	2.5% (92)	67 (91)	2,330 (88)	75% (85)	58 (91)	37% (85)	23% (89)	60 (87)		
BAHRAIN	19,484 (81)	3.2% (81)	61 (81)	820 (85)	100% (85)	91 (81)		42% (89)	49 (81)		
IRAN	537 (91)	3.1% (92)	73 (91)	2,780 (87)	71% (85)	17 (91)	39% (85)	30% (89)	7,633 (87)	674 (87)	
IRAQ	363 (81)	4.5% (81)	68 (81)	2,874 (81)		36 (81)			5,883 (81)	519 (81)	
KUWAIT	59,051 (91)	3.5% (92)	64 (91)	1,805 (87)	84% (85)	66 (91)	87% (85)	27% (89)	80 (87)	20 (87)	
LIBYA	40,302 (81)	3.8% (81)	56 (81)	1,806 (81)		103 (81)			68 (81)	24 (81)	
QATAR	13,703 (81)	3.5% (81)	59 (81)	639 (86)		81 (81)			146 (81)	31 (81)	
SAUDI ARABIA	2,204 (91)	3.6% (92)	74 (91)	708 (81)		15 (91)	63% (85)	37% (89)	1,357 (87)	105 (87)	
SYRIA	1,432 (81)	4.5% (81)		693 (83)		24 (81)	50% (85)	25% (89)	1,067 (81)	81 (81)	
	4,353 (91)	3.0% (92)		612 (81)					27 (87)	2 (87)	
	3,186 (81)	4.9% (81)		1,571 (81)					21 (81)	2 (81)	
	518 (91)	5.1% (92)	71 (91)	687 (86)	93% (85)	24 (91)		45% (89)	724 (87)	36 (87)	
	242 (81)	5.0% (81)	66 (91)	1,801 (81)					545 (81)	26 (81)	
	17,870 (91)	4.2% (92)	57 (81)	1,307 (87)		69 (91)		29% (89)	16 (87)	6 (87)	
	10,793 (81)	6.1% (81)	69 (91)	2,186 (81)		102 (81)			11 (81)	5 (81)	
	12,966 (91)	3.8% (92)				37 (91)	43% (85)	25% (89)	81 (87)	61 (87)	
	8,980 (81)	3.3% (81)							64 (81)	49 (81)	
SUMMARY	(MRY)										
	(81)	143,042 *	3.5% #	66 #	2,058 #	77% #	61 #	47% #	28% #	1,129 @	119 @
		98,486 *	3.9% #	58 #	2,327 #	#	95 #	#	#	873 @	92 @
REGION SUMMARY	(MRY)	244,816 *	3.0% #	65 #	1,994 #	73% #	63 #	41% #	29% #	821 @	102 @
	(81)	179,292 *	3.3% #	58 #	4,014 #	#	99 #	#	#	664 @	85 @

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SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: NEAR EAST
PRESENTATION COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP ALL SOURCES	
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP		
EGYPT	640 (89) 550 (81)	.	.	22.7% (89) 23.2% (81)	2389.3 (90) 2.4 (81)	7.58% (90)	4.7% (89)	
ISRAEL	9,750 (89) 6,250 (81)	177.5% (87) 289.1% (81)	708.6% (87) 1146.6% (81)	.	2987.1 (90) 3.0 (81)	.	2.6% (89)	
JORDAN	1,640 (89)	.	.	19.6% (89) 12.6% (81)	114.8 (90) 0.1 (81)	3.38% (90)	6.3% (89)	
LEBANON	.	.	.	.	19.4 (90) 0.0 (81)	.	.
MOROCCO	880 (89) 870 (81)	82.1% (87) 52.6% (81)	584.4% (87) 341.5% (81)	33.3% (89) 41.0% (81)	126.3 (90) 0.1 (81)	0.52% (90)	2.0% (89)	
OMAN	5,220 (89) 5,830 (81)	.	.	13.7% (89) 2.4% (81)	12.6 (90) 0.0 (81)	.	.	
TUNISIA	1,260 (89) 1,380 (81)	53.1% (89) 34.8% (81)	184.2% (89) 118.5% (81)	22.9% (89) 14.4% (81)	75.3 (90) 0.1 (81)	0.62% (90)	2.5% (89)	
YEMEN	.	.	.	9.8% (89) 9.8% (81)	45.2 (90) 0.0 (81)	.	.	
SUMMARY	(MRY) (81)	1,284 # 1,072 #	157.3% & 223.6% &	643.8% & 897.3% &	18.3% & 9.5% &	5770.0 * 5.8 *	2.63% & % &	3.1% & % &

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SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: NEAR EAST
SELECTED OTHER COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE		
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP ALL SOURCES
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP	
ALGERIA	2,220 (89) 2,240 (81)	.	.	69.9% (89) 26.0% (81)	0.1 (90)	0.00% (90)	0.3% (89)
BAHRAIN	6,360 (88)	23.2% (88) 7.9% (81)	25.7% (89) 6.2% (81)	.	.	.	.
IRAN	3,190 (89) 2,600 (81)	.	.	.	.	.	0.1% (89)
IRAQ	.	.	.	.	.	.	.
KUWAIT	16,380 (89) 20,150 (81)	.	.	.	.	.	0.0% (89)
LIBYA	5,410 (88) 9,280 (81)	.	.	.	.	.	0.1% (89)
QATAR	.	.	.	.	.	.	.
SAUDI ARABIA	6,020 (89) 13,010 (81)	.	.	.	.	.	0.0% (89)
SYRIA	1,100 (88) 1,660 (81)	.	.	17.3% (89) 11.0% (81)	1.9 (81) 0.0 (81)	.	1.2% (89)
SUMMARY	(MRY) 3,504 # (81) 4,303 #	23.2% & % &	25.7% & % &	52.5% & 19.6% &	2.0 * 0.0 *	0.00% & % &	0.1% & % &
REGION SUMMARY	(MRY) 2,518 # (81) 2,776 #	110.6% & 223.6% &	428.4% & 897.3% &	27.0% & 12.6% &	5772.0 * 5.8 *	1.75% & % &	1.0% & % &

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SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: NEAR EAST
PRESENTATION COUNTRIES

		AVERAGE ANNUAL GROWTH GNP PER CAP % 65-19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION
EGYPT		4.0% (89)	5.4% (89)	11.0% (89)	38.6% (87) 42.7% (81)	-12,725 (89) -2,934 (81)	14.9% (89) 11.9% (81)	5.9% (88) 6.2% (81)	237 (90) -2,136 (81)
ISRAEL		3.0% (89)	3.2% (89)	117.1% (89)	53.8% (88) 77.4% (81)	-5,859 (90) -4,035 (81)	7.7% (89) 26.9% (81)	13.0% (89) 23.4% (81)	702 (90) -957 (81)
JORDAN		(89)	.	.	44.4% (90) 38.7% (81)	-1,235 (90) -2,309 (81)	.	.	385 (89) -39 (81)
LEBANON		(89)	.	.	.	.	.	.	.
MOROCCO		2.0% (89)	4.1% (89)	7.4% (89)	26.5% (87) 38.5% (81)	-1,913 (89) -2,320 (81)	15.9% (87) 34.1% (81)	4.2% (87) 6.4% (81)	-200 (90) -1,844 (81)
OMAN		6.0% (89)	12.8% (89)	-6.6% (89)	.	1,415 (89) 1,914 (81)	.	.	1,095 (90) 1,234 (81)
TUNISIA		3.0% (89)	3.4% (89)	7.5% (89)	35.4% (89) 32.3% (81)	-839 (90) -713 (81)	11.8% (89) 7.3% (81)	2.0% (87) 2.7% (81)	-500 (90) -387 (81)
YEMEN		(89)
SUMMARY	(MRY) (81)	3.6% @ % @	5.8% @ % @	27.3% @ % @	48.7% & 64.7% &	-3,231 & -1,255 &	9.0% & 23.7% &	10.9% & 17.6% &	647 & -141 &

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SELECTED ECONOMIC INDICATORS, PART 2
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: NEAR EAST
SELECTED OTHER COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % 65-19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION	
ALGERIA	3.0% (89)	3.5% (89)	5.2% (89)	.	490 (88) 1,645 (81)	.	.	1,420 (90) 90 (81)	
BAHRAIN	.	.	.	40.7% (88) 29.5% (81)	381 (88) 386 (81)	21.4% (89) -26.0% (81)	5.6% (88) 6.2% (81)	-19 (89) 430 (81)	
IRAN	1.0% (89)	3.4% (89)	13.5% (89)	19.6% (88) 33.6% (81)	-4,560 (89) -5,411 (81)	45.7% (88) 30.4% (81)	2.3% (88) 4.0% (81)	-2,476 (87) -3,446 (81)	
IRAQ	(89)	.	.	.	.	.	.	.
KUWAIT	-4.0% (89)	0.7% (89)	-2.7% (89)	.	2,308 (89) 8,085 (81)	.	8.5% (89) 3.6% (81)	8,445 (89) 13,778 (81)	
LIBYA	-3.0% (89)	.	0.2% (89)	.	.	.	.	2,203 (90) -3,963 (81)
QATAR	.	.	.	.	.	.	.	.
SAUDI ARABIA	3.0% (89)	-1.8% (89)	-4.4% (89)	.	550 (89) 60,310 (81)	.	.	-4,107 (90) 39,627 (81)	
SYRIA	3.0% (89)	1.6% (89)	15.0% (89)	.	-1,090 (88) -2,904 (81)	16.4% (81) 16.4% (81)	11.2% (87) 14.5% (81)	1,827 (90) -308 (81)	
SUMMARY	(MRY) (81)	0.5% @ % @	1.5% @ % @	4.5% @ % @	33.6% & 33.6% &	819 & 23,509 &	28.1% & 25.0% &	7.2% & 4.4% &	3,015 & 15,266 &
REGION SUMMARY	(MRY) (81)	1.9% @ % @	3.6% @ % @	14.8% @ % @	42.6% & 57.8% &	-618 & 16,752 &	17.8% & 24.1% &	8.4% & 7.9% &	2,251 & 11,674 &

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NEAR EAST

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	44,027	49,209	47,125
ECONOMIC SUPPORT FUND	2,729,825	2,095,000	2,118,000
PL 480 - TITLE Ia	15,000	-	-
PL 480 - TITLE II	27,916	23,486	14,227
TOTALS	2,816,768^b	2,167,695^c	2,179,352

Footnotes:

a. PL 480 - See Food for Peace section of statistical annex for program detail.

b. The FY 1991 total includes the following: (1) \$71,066,458 of 1990 ESF carry over funds obligated in FY 1991; (2) \$650.0 million from the FY 1991 Dire Emergency Supplemental Appropriations Act (P.L. 102-27); (3) Includes \$22,158,628 of Section 517 recoveries reobligated in FY 1991; (4) Includes \$15,912,634 prior-year deobligated funds reobligated in FY 1991.

c. The FY 1992 Total: excludes \$140,396,916 ESF carry forward from FY 1991.

NEAR EAST

Introduction

The Near East is a region in transition--a transition made more rapid by the dramatic events of the past eighteen months. The Persian Gulf War altered economic and political alliances and exacerbated economic problems. The return of thousands of workers from the Gulf states, combined with rapid population growth throughout the region, has expanded the labor force beyond the capacities of the Near East to provide jobs. The statist economic philosophies still prevalent through most of the region do not provide the solutions to these problems, and the example of Eastern Europe and the Soviet Union has demonstrated the weakness of a state-controlled, public sector-led response. As a result, a movement toward market economies and structural adjustment is gaining momentum in much of the Near East. Along with this has come a slow but promising trend toward more participatory societies as well. And most recently, the first region-wide talks toward a Middle East peace have begun.

In the poorer Near East countries, remittances from guest workers in Gulf states were, until recently, one of the most significant foreign exchange earners. Changed relationships as a result of the Persian Gulf War and decreased demand for workers from the Gulf have dramatically reduced this source of revenue for Jordan, Yemen, Egypt, and the West Bank and Gaza. The need to employ the influx of Soviet Jews to Israel has further reduced employment opportunities in Israel for Palestinians in the occupied territories. Domestic economies have not as yet been able to provide sufficient employment to compensate for the loss of jobs in the Gulf, and equally important, alternative foreign exchange earners have not materialized.

Though population growth rates have declined over the past five years in several countries, they remain high, adding pressures on already-burdened social services and on the job market. In Jordan, the growth rate of 3.9% annually approaches the natural maximum.

Near East countries must continue to look outside regional boundaries for new trading partners to stimulate export growth. New industries and agricultural products have been encouraged to meet this need. The elimination of trade barriers within the broadened European Community has mixed implications for the region. The enlarged market represents greater potential demand; however, inclusion of some low-cost producers (e.g., Portugal and eventually Turkey) makes competitiveness of Near East products in this large market more problematic. Opportunities in Eastern Europe are not yet clear. At the same time, continuing fears about political instability affect the tourist trade, an important source of foreign exchange in Israel, Egypt and Jordan.

Several countries of the Near East, realizing that they need to transform their state-dominated economies to a market basis if they are to achieve export-led economic growth, are taking serious structural adjustment measures. Morocco and Tunisia were able, with difficulty, to maintain their International Monetary Fund (IMF)-supported structural adjustment programs throughout the Gulf War; Egypt has successfully begun implementation of both an IMF stand by agreement and a World Bank structural adjustment loan; and Jordan is now negotiating with the Fund and the Bank to reinstate their programs, with which it fell out of compliance during the Gulf War.

The most promising development to promote stability and growth in the region is the peace process. In the past year, the Government of Lebanon has regained control over more of the country, militias have begun to disband, and nearly all the foreign hostages have been released. The World Bank was sufficiently optimistic to call a December 1991 donors group meeting in Paris to solicit large-scale pledges for the reconstruction of Lebanon. As for the Arab-Israeli peace talks, there appears to be a genuine commitment by all parties to negotiate.

A.I.D. Program Priorities in the Near East

A.I.D. is optimistic that, with the rapid economic and political changes occurring in the Near East region, its programs in the region can achieve increased impact and sustainability. A.I.D. will support government efforts to transform their economies to a market basis and make them more competitive; will encourage private sector solutions for sustainable employment; and will tap the expertise and resources of the U.S. private sector to assist in Near East development and to forge new trade and investment links. Recognizing the importance of family well-being in development, A.I.D. will provide assistance for needed social services, particularly in the areas of child survival and family planning. A.I.D. will provide assistance for improving environmental quality and improved natural resource management, particularly related to water resources. Finally, A.I.D. will support improved governance and political development in the region.

Within these priority areas, A.I.D. plans to increase its impact and accountability. A.I.D. will focus on fewer development objectives in most country programs in order to assure better program management. In addition, A.I.D. is instituting a system to develop and report on measurable indicators of progress for each objective, so that program impact can be more readily assessed.

Private Sector Development and Business Partnership

A.I.D.'s private sector programs in the region will support policy reform to reduce barriers to trade and investment; initiatives to improve market information and business and financial services to private firms; and projects that utilize American technology, services and products to build development infrastructure and encourage permanent trade links.

- o The Near East region supports more than \$3 billion in active capital projects which tap the expertise and equipment of U.S. firms in Egypt, Jordan and Oman.
- o Infrastructure improvement programs in Egypt for the power and telecommunication sectors are expanding needed services for private industrial expansion, making pricing reforms to ensure efficiency and encourage more extensive use of U.S. equipment and technical support services.
- o In Jordan, A.I.D.'s Commodity Import Program (CIP) has promoted the sale of over \$140 million in U.S. goods, often producing long-term commercial relationships between Jordanian and U.S. businesses. For example, the CIP helped a U.S.-Jordanian joint venture establish a facility to mill and package rice imported from the United States.
- o In Morocco, Egypt and Jordan, the Trade and Investment Service of the International Executive Service Corps (IESC) is providing specialized assistance to promote indigenous exports to the U.S. market and to encourage joint ventures with U.S. firms linked to export products. The IESC's Trade and Investment Service successfully arranged nearly \$7 million in exports from Moroccan firms to U.S. markets during 1990-91.
- o An A.I.D. commitment to train Tunisian air traffic controllers leveraged an \$11 million contract from the Tunisian government to a U.S. firm over foreign competitors for an air traffic control system.
- o The Jordan Agriculture Marketing Development project is identifying U.S. agribusinesses to form joint ventures with Jordanian companies to increase production and export of exotic fruits and vegetables to off-season markets. The project's agribusiness working group is exploring new possibilities for expanding agribusiness products.
- o An A.I.D.-funded policy study has resulted in the Tunisian government's decision to allow private investment in cereals storage, previously a government monopoly. As a result, serious shortages in storage capacity are now being alleviated.

- o The Egypt Small and Micro Enterprise project provided 5,345 unsubsidized loans to small businesses in Cairo and Alexandria, totaling nearly \$4 million.
- o Sector support programs in Egypt, Morocco, Tunisia and Jordan will provide foreign exchange resources and technical assistance to help those countries in taking policy measures to improve the trade regime, to strengthen financial markets, to implement privatization, and to promote agribusiness development.
- o A.I.D. is revising its development strategy for the West Bank and Gaza to place greater emphasis on sustainable job creation and private sector development. Human resources development, with a special emphasis on short-term skills training needed to address the area's development problems, also will play a greater role in the program.

Family and Development

Near East programs will continue to focus on improving the provision of health, education and population planning services. In response to the rising costs of public health services and the impact this is having on the poor, A.I.D. has developed a regional health sector strategy to shift the costs of curative care to those more able to pay, thereby freeing up scarce government budgets for those least able to pay. The strategy focuses on the collaborative development and testing of pilot health finance and management systems in receptive A.I.D. countries. Implementation will promote policy reforms which deepen pluralism and encourage private sector participation in health care financing, will broaden awareness and skills needed to improve financial management, will improve cost accounting and cost containment, and will increase national capacity for self-financing through greater involvement of private purveyors of services and improved revenue generation.

- o In Morocco, a new activity will expand private sector provision of health services while improving the effectiveness and focus of public services, so they better serve poorer families.
- o Existing programs to address child survival in Morocco, Egypt, Jordan and Yemen will continue. These programs have helped to achieve 80% of vaccination coverage for major child diseases in Morocco and helped attain a remarkable 50% reduction in infant mortality over the past 10 years in Egypt.
- o Family planning programs in Tunisia are beginning to target men and women in the work place with family planning information and services.
- o The Yemen Women in Development project will focus on preparing women through educational and technical training to be fully integrated into the work force.
- o In Jordan, AID has assisted the handicrafts industry to improve product quality, production efficiency and marketing, thereby increasing incomes for 1,500 women.
- o Activities in the West Bank, Gaza and Lebanon, implemented through private and voluntary organizations, will continue to serve humanitarian needs in health and education. A.I.D. is considering broadening programs to address job creation and private sector development as warranted by movements in the peace process and safety conditions in Lebanon.

Environment and Natural Resources

Near East programs will continue and expand efforts to improve soil and water conservation, reduce urban and industrial pollution, and expand environmental education. A.I.D. is particularly concerned about water quality, conservation and efficiency of use of this scarce but essential resource in the Near

East region. A.I.D.'s emphasis is to promote full cost pricing of water to improve efficient allocation among competing uses. A.I.D. also has become increasingly concerned with regional urban and industrial pollution issues.

- o AID has provided ten environmentally sound wastewater treatment plants in Jordan, and through the U.S. engineering firms, has established the capacity of Jordanian engineering firms to undertake these kinds of projects.
- o The Irrigation Management Systems project in Egypt, supported by the Irrigation Support Project for Asia and the Near East (ISPAN), has successfully introduced user fees managed by local water user organizations for what has traditionally been considered a free service. These fees both lead to more conservative water use and help pay for system maintenance.
- o Agricultural research and technology transfer have helped change cropping patterns in Egypt, Jordan and Morocco to less-water intensive crops, such as vegetables and fruits, as well as new generations of traditional crops that require a lower quantity and quality of water.
- o The Near East regional Project in Development and the Environment (PRIDE) will identify critical environmental issues and problems, develop improved economic and environmental policies, strengthen host-country public, private sector and nongovernmental institutions involved in the environment, and promote environmental information exchange. The project focuses on pollution prevention and mitigation, improved wastewater and water resource management, energy-use efficiency and sound agricultural practices.
- o A new natural resources project will improve soil and water use efficiency in the Tadla region of central Morocco, focusing on improved engineering and systems design, local group management and promotion of high value export crop production.

Governance and Political Development

A.I.D. will support improvements in governance and opening up of democratic processes needed to provide the transparency under which a market economy can thrive. A first step is to undertake assessments of the political systems of these countries, which will identify the most important areas for A.I.D. assistance.

- o A.I.D. is already assisting individual activities intended to promote democratic pluralism, including assistance for the newly elected legislature, courts and local councils in Yemen; and assistance to a Jordanian women's professional group to interpret women's rights under Islamic law.
- o Democratic pluralism assessments are underway in Tunisia and Egypt, and a new Egypt program in governance will begin in FY 1993 which will build on A.I.D.'s long experience in local development.

Increasing Program Focus and Impact

In the Near East region, as throughout A.I.D., field missions have been asked to focus and concentrate their activities to address fewer major development objectives. As a result, A.I.D. plans to reduce over time the number of projects it initiates in each country. In addition, program activities must result in measurable indicators of progress, through which A.I.D. will be able to assess impact of its programs and make mid-course corrections where necessary.

- o Morocco and Yemen will eliminate agriculture activities which had previously been planned. Morocco will concentrate on health and family planning, private sector development, trade and investment promotion, and agribusiness. Yemen will concentrate on the social sectors.
- o In Egypt, A.I.D. will phase out its bilateral projects in science and technology and in local development, and will devote greater resources to sectoral-based policy program grants.
- o A.I.D. has identified several Near East regional projects to be phased over to a centrally managed program, for improved efficiencies of project management.
- o An initial set of focused objectives has already been proposed for Morocco and Jordan. New strategy documents in Egypt, West Bank and Gaza, Oman and Yemen will result in a set of focused objectives for each during 1992.

Regional Projects: Progress and Plans

The Near East Regional program is funded by both Economic Support Funds and Development Assistance accounts. During FY 1991, Near East regional private sector development activities focused on the promotion of U.S. trade and investment to complement the expansion of country-specific private sector development. A.I.D. explored working with new intermediaries on private sector development, such as state governments.

- o For example, a small grant to the Kansas world trade center, a Kansas flour milling firm and a university allowed for the marketing of small-scale flour milling technology in Egypt and elsewhere in the region.
- o Working with the American Society of Agricultural Consultants International, the Near East Regional Agribusiness Development project continued to further agribusiness investment opportunities in Jordan, Morocco and Tunisia.

In the area of environment and natural resources, a regionally funded cooperative agreement with the U.S. private sector through the World Environment Center is providing U.S. industrial pollution experts to assist Near East counterparts in industrial health, safety, pollution control, and policy analysis. The Middle East Regional Cooperation project also explored environmental issues, especially those concerned with the Gulf of Aqaba and Eastern Mediterranean. Started in 1979, this program has thus far brought together Israeli, Egyptian, and American universities and technical personnel to solve problems faced by Israel and Egypt in marine sciences, infectious diseases, dryland agriculture, and advanced agricultural technology.

In FY 1991, A.I.D. initiated the Palestinian-Israeli Cooperation Program to promote cooperation and mutual understanding between Israelis and Palestinians. Four grants were awarded to local organizations working in the areas of humanitarian assistance, education and resource planning. The program will be expanded in FY 1992 to a level of \$500,000.

During FY 1992, A.I.D.'s Middle East Regional Cooperation Program will continue to work cooperatively with the Israelis and Egyptians on regional environmental issues, including urban and industrial pollution prevention, desert reclamation where feasible, and a renewed effort to further refine and develop renewable energy resources. A.I.D. will also assist in bringing together Arab concerns and interests with U.S. and Israeli expertise on the development of innovative low-cost and affordable technologies for the treatment and reuse of domestic wastewater for irrigation. Regional private sector development activities will begin closer consultation with U.S. agriculture as represented by trade associations to involve them further in Near East agriculture development. A.I.D. will support an Overseas Private Investment Corporation trade and investment mission to Tunisia and Egypt, focusing on computers and auto parts among other products. A new pilot project with a private sector trade association specializing in the Near East will promote trade missions and market studies. The Regional

Democratic Institutions Support project will augment A.I.D. Mission resources in establishing and updating long-range strategies, will provide seed money for innovative programs, and will establish a rapid response mechanism to address unanticipated needs.

FY 1993 Program

For FY 1993, A.I.D. is requesting funding for the Near East region in the amount of \$47 million of Development Assistance, \$2,118 million of Economic Support Funds, and \$14.2 million of P.L. 480 Title II food resources. Regional efforts in health financing, agribusiness promotion, and urban and industrial pollution prevention will require funding. The economic development landscape for the Near East is still undergoing significant change, which will affect all countries in the region politically and economically. A.I.D. will make use of program development and support funds as well as some mission resources to look at regional solutions to debt and complicated trade patterns, examine ways to assist the private sector to relocate and rebuild as necessary, and help train and increase employment opportunities for the significant number of persons affected by the war. A.I.D. also will continue its support of the Middle East Regional Cooperation program. A.I.D. will look for opportunities to expand this cooperative effort to include additional Arab states. Finally, A.I.D. intends to continue funding for governance and democracy activities. Efforts will continue to improve the effectiveness and efficiency of elected bodies, strengthen free press, and continue support to the formation and strengthening of independent citizens groups.

EGYPT

Total U.S. Aid \$ 17,251 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 62.8% (1986-89)
 Yearly U.S. Aid Per Capita \$ 2.07 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 640
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 4.0%
 Government Budgetary Expenditures as a % of GNP...(1987) 38.6%
 Total Expenditures and Net Lending (\$ Millions, US):
 (1987) 17,499 (1988) 17,253 (1989) 17,791
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -6,376 (1988) -6,976 (1989) -6,990

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 130%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 2,355
 As % of Total Export Earnings..... (1989) 22.7%

POPULATION

Total Population...(Thousands, Mid 1991) 54,452
 Population Growth Rate..... (1978) 2.5% (1992) 2.3%
 Population (1991) By Age Group:
 (0-14yrs) 39.9% (15-64yrs) 56.2% (65+ yrs) 3.8%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 37.8%
 Total Fertility Rate...(1970) . (1985) 4.8

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 42%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -7,397(88)-12,480(89)-12,725
 Total Imports(\$ Millions, US) (.) .(.) .(89) 29,177
 Of Which % From U.S.(.) .%
 Major Imports FOODSTUFFS; MACHINERY; CHEMICALS; BASE METALS
 Total Exports(\$ Millions, US) (1987) 11,437(88) 18,491(89) 16,451
 Of Which % to U.S.(.) .%
 Major Exports OIL; COTTON YARN; RAW COTTON
 Trading Partners: UNITED STATES; ITALY; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 20%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Fibers ; Vegetables, fr; Cereals
 Ag. Imports:(1989) Cereals ; Meat products ; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3180
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 60.8 Male 60.2 Female 61.4
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 82
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 89% (1990) Measles 88% (1990)
 Diphtheria(DPT3) 87% (1990) Polio(3) 87% (1990)
 Population with Reasonable Access to Safe Water Supply
 (.) .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 90.0 Female 79.0
 Secondary (1987) Total 69.0 Female 58.0
 Adult Literacy Rate (1985) Male 59% (1985) Female 30%

EGYPT

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	780,819 ^a	815,000 ^b	815,000
TOTALS	780,819	815,000	815,000

a. Includes \$33,995,000 in carryover from FY 1990. Includes \$13,823,812 of ESF prior-year deobligated funds reobligated in FY 1991.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts are the Agency request levels and are subject to change. Excludes \$32 million of FY 1991 ESF carry over funds planned for obligation in FY 1992.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL^b	107	106	102
FOREIGN NATIONAL^c	89	89	89
TOTALS	196	195	191

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
 b. Includes 13 IG personnel.
 c. Includes 9 IG personnel.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	219	1,072	1,291	210	1,442	1,652	83	1,182	1,265
REGIONAL^e			0			0			0
THIRD COUNTRY									
BILATERAL^d	0	101	101	0	132	132	0	43	43
REGIONAL^e			0			0			0
TOTALS	219	1,173	1,392	210	1,574	1,784	83	1,225	1,308

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

EGYPT

Introduction

U.S. economic assistance is crucial to support Egypt's moderating role in the Middle East and to help Egypt confront political and economic problems which could endanger its stability. The U.S. national interest is well served by a strong Egypt willing and able to play a constructive role in the Middle East peace process.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s goal in Egypt is to promote long-term economic growth by increasing productivity in strategic economic sectors and by increasing the productivity of the human resource base. The A.I.D. strategy emphasizes private sector-led growth and the development of democratic institutions to increase public participation in the development process. The strategy will reinforce and strengthen the major economic reforms now being undertaken by the Government of Egypt (GOE) to provide the environment within which the private sector can participate fully, and fairly, in the economy. The strategy's focus is on broad-based economic growth, improvements in the quality of life, promotion of democratic pluralism, and protecting the natural resource base.

A.I.D. supports economic policy reform and free market development by providing fast-disbursing sector assistance, commodity financing and policy-based projects. Through these instruments, A.I.D. has encouraged the relaxation of agricultural price controls and the reduction of subsidies in a number of sectors including agriculture, energy, telecommunications, water and wastewater. Policy-based sector grants will assist the GOE reform effort by focusing on such key areas as financial markets, trade liberalization, fiscal policy and management, and privatization of state enterprises.

A.I.D. has financed reliable power generation and telephone service, clean water and improved sewage disposal. In power, A.I.D. has financed the installation of over 2,500 megawatts or 25% of Egypt's electrical capacity. In telecommunications, A.I.D.-financed U.S. equipment and technology have brought reliable telephone service to over seven million people in Cairo and Alexandria. In the environmental area, U.S. engineering and construction companies have helped Cairo, Alexandria and other major cities to rehabilitate and expand water and sewerage systems serving over 23 million Egyptians.

A.I.D. programs are responsible for decreased morbidity and mortality nation-wide. Over 80,000 Egyptian children are saved each year through use of A.I.D.-financed oral rehydration therapy and immunization. Infant mortality rates have fallen from 100 per thousand to 50 per thousand in just 10 years. At the same time, A.I.D.-financed family planning activities have achieved substantial success. Almost 50% of Egyptian couples are using contraceptives. This rate has doubled in the last ten years. With the increased use of contraceptives, the birth rate has dropped from 37.5 births per thousand in 1980 to 32.2 per thousand in 1990.

Accomplishments in education include the construction of over 1,800 schools which are providing access to more than 900,000 children. In addition, new relationships have been established between Egyptian and U.S. universities through A.I.D. financing of over 400 joint research activities. A.I.D. investments in agricultural research have led to impressive increases in production and yields. With the help of U.S. technology, Egypt's research institutes developed improved varieties which have resulted in a 25% gain in the output of wheat and rice over the previous year. Yields of rice in tons per hectare rose from 5.7 in 1988 to 7.0 in 1990. These rice yields are among the highest in the world. Equally impressive is the record in wheat, with an almost 50% gain in 1990 over 1987. Maize production also has increased 13% since 1987 after a decade of stagnation.

The Commodity Import Program (CIP) has provided balance-of-payment support and has resulted in valuable trade links between the U.S. and Egyptian private sector. Over the past decade, the CIP has financed \$5.1 billion of shipments of essential U.S. materials and equipment to Egypt and has established trade relationships between Egyptian buyers and over 1,400 American suppliers from 46

PROJECT TITLE Sector Policy Grants (Cash Transfer)		PROJECT NUMBER 263-KX93 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 210,000 ESF	LIFE OF PROJECT FUNDING 210,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1997

Purpose: To encourage sectoral policy reforms which will result in a liberalized, market-oriented economy while providing needed foreign exchange for balance of payments support.

Project Description: A.I.D. will provide to the Government of Egypt (GOE) cash grants based on progress on agreed-upon sectoral policy performance. The amount and sectors upon whose policies the releases are made may vary from year to year, depending upon the level of progress achieved. Development of a specific sectoral reform agenda, with annual benchmarks of progress, will help the GOE to articulate and carry out its reform objectives. A.I.D. has supported such sector programs primarily in areas which would support the liberalization efforts pursued by the World Bank and in sectors where A.I.D.'s project experience has helped to identify a reform agenda. These areas include trade and exports, transportation and telecommunications, public finance, and local government. The most likely sectors for financing in FY 1993 are trade policy, industrial liberalization, agricultural sector policy, fiscal policy and administration, and financial sector policy.

Sustainability: The sectoral reforms implemented under this program will help to further improve the environment for sustained, broad based, economic growth. The project will stimulate long-term improvements in the capacity of the GOE to plan, execute and finance its reform program.

Relationship to A.I.D. Strategy: This program supports A.I.D.'s strategy to increase economic productivity and stimulate growth by supporting the removal of controls and restrictions on economic incentives and market forces.

Host Country and Other Donors: Egypt is receiving economic assistance from a number of other bilateral donors totalling approximately \$1 billion per year, with additional extraordinary assistance during 1990-92 due to the Gulf crisis anticipated.

Beneficiaries: The Egyptian people will benefit from the long-term economic growth made possible by the GOE's sectoral reform program.

Major Outputs:All Years:

Improved GOE capacity for sectoral reform

X

A.I.D.-Financed Inputs:Life of Project (In thousands of dollars)Foreign Exchange
Total210,000
\$210,000

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Public Sector Commodity Import Program		PROJECT NUMBER 263-K627 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 25,000 ESF	LIFE OF PROJECT FUNDING 25,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1996

Purpose: To finance U.S. imports needed to increase domestic production and to maintain essential public services.

Project Description: The Commodity Import Program (CIP) provides balance-of-payments support and contributes to Egyptian productivity by financing needed commodity imports from the United States.

The CIP supplements discrete A.I.D. projects. It finances imports essential to the industrial and agricultural sectors and to the development of infrastructure and social services. In addition, significant funds have been used to finance capital equipment and replacement elements for a broad grouping of public sector organizations. FY 1975-FY 1992 CIP allocations centered on:

Industry	\$1,633 million
Agriculture	1,453 million
Basic Human Needs	463 million
Infrastructure	421 million
Transportation	410 million
Other	<u>83 million</u>
Total:	\$4,463 million

The current program is financing machinery, equipment, spare parts, raw materials, semi-finished goods and consumables.

Sustainability: The resources provided under this program contribute to the sustainability of all development activities undertaken by Egypt by (1) alleviating the pressure on Egypt's balance of payments, thereby making imports more readily available; and (2) providing necessary and appropriate commodities, especially spare parts and raw materials.

Relationship to A.I.D. Strategy: By funding the Commodity Import Program, the United States demonstrates its support of moderate Egyptian leadership while helping to contribute to domestic stability and development and making available basic goods to the Egyptian economy.

Host Country and Other Donors: Belgium, Finland, the Netherlands, Japan and France previously provided similar assistance for commodity imports. At present, Germany, Italy and the United Kingdom have CIP-type programs in Egypt.

Beneficiaries: Direct beneficiaries are the Egyptian consumers and users of public services.

Major Outputs:All Years:

Improved GOE capacity for economic reform X

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

- U.S. Dollar Foreign Exchange	<u>25,000</u>
Total	\$25,000

PROJECT TITLE Telecommunications V		PROJECT NUMBER 263-0223 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 ESF 50,000	LIFE OF PROJECT FUNDING 250,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 2002

Purpose: To support policy reforms in the telecommunications sector and to support the Government of Egypt (GOE) in the expansion of the present telecommunications system.

Project Description: Despite significant progress over the past decade, the Egyptian telecommunications system remains overstrained and underdeveloped. When A.I.D. assistance began, only 1 in 100 persons owned a telephone and less than 40% of calls were successfully completed. A.I.D. financing under the Telecommunications I-IV projects has resulted in significant improvements. Currently there are about 4 telephones to every 100 persons and the call completion rate has improved dramatically. A cost of service and operations and maintenance study will form the basis for dialogue with the GOE under this project on a suitable program of policy reform. The acceptance and implementation of study findings and recommendations (to include service costs and operation and maintenance requirements) by the GOE will trigger the authorization of funding tranches for this project.

Sustainability: Telecommunications investments generate high rates of return in both financial and economic terms. This project will generate significant additional volume of both domestic and international calls to boost revenues for the Arab Republic of Egypt National Telecommunications Organization.

Relationship to A.I.D. Strategy: The project supports the A.I.D. country strategy of improving productivity and encouraging the private sector by expanding and modernizing the telecommunications system essential for the development of efficiency and enhancement of profitability in all sectors of the Egyptian economy.

Host Country and Other Donors: The GOE has contributed over \$500 million for the expansion and rehabilitation of the telecommunications system over the period 1981-86, plus allocating approximately \$300 million in its five year plan (1987/88-1991/92).

Beneficiaries: The project will benefit the Egyptian telecommunications system and all Egyptians who are affected by a more modern and efficient telecommunications system.

Major Outputs:All Years:

Improved and expanded telecommunications system	X
New telephone lines installed	X
Cadre of Egyptian technicians trained in operations and maintenance of state-of-the-art telephone equipment	X

A.I.D.-Financed Inputs:**Life of Project (In thousands of dollars)**

- Technical Assistance	20,000
- Commodities	225,000
- Training	<u>5,000</u>
Total	\$250,000

PROJECT TITLE Strengthening Governance		PROJECT NUMBER 263-0231 [X] GRANT [] LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 10,000 ESF	LIFE OF PROJECT FUNDING 35,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1998	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To assist Egyptian officials, both appointed and elected, to respond effectively to the expressed needs of the populations whom they represent.

Project Description: Through the Local Development II project, USAID has trained and otherwise supported more than 100,000 locally elected officials. Last year, USAID organized observation tours and training sessions for members of the parliament - the Peoples Assembly (PA). Through this project, USAID continues to support efforts by the Government of Egypt and concerned non-governmental organizations (NGOs) to strengthen governance and public administration by providing training, material support, technical assistance, and applied research capacity to elected officials and selected staff of government ministries from the most peripheral to the most central levels.

Sustainability: The project will help the PA develop an information and documentation capability modeled after that of the Library of Congress and the Congressional Research Bureau and will facilitate the computerized cross referencing of Egyptian laws dating from the Ottoman Empire. Assuring public confidence in governance implies a free flow of information. This project will support the media and public access to information of all kinds.

Relationship to A.I.D. Strategy: The overall USAID strategy promotes private sector led growth and economic reform. Investors must have confidence that the government will treat all economic actors fairly. People, whose lives will suffer initially because of structural readjustment, must have confidence in the integrity and competence of those who lead them through this difficult process. USAID will have a fully developed strategy for the democratic sector by April 1992 and will develop other projects, complementary to this one, which similarly enhance democracy.

Host Country and Other Donors: The Government of Egypt is committed to the democratic process and improved governance, as demonstrated by recent public statements by the Presidents People Assembly Speaker, and Minister of Local Administration.

Beneficiaries: More effective, responsive elected and appointed officials will better interpret and represent the wishes of their constituents and, therefore, improve the lives of all citizens.

Major Outputs:	All Years:
Conferences and Seminars	12
Observation Tours	15
Participant training (person years)	40
Studies completed	20

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
- Training	8,000
- Commodities	15,000
- Technical Assistance	10,000
- Applied Research	<u>2,000</u>
Total	\$35,000

ISRAEL

Total U.S. Aid \$ 17,472 Million (1951-90)
 Ratio of U.S. Aid To Total ODA 97.8% (1986-89)
 Yearly U.S. Aid Per Capita \$ 32.43 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 9,750
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP...(1988) 53.8%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 22,839
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -1,254 (1988) -3,842 (1989) -1,750

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...() %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... ()
 As % of Total Export Earnings..... () %

POPULATION

Total Population...(Thousands, Mid 1991) 4,558
 Population Growth Rate..... (1978) 2.1% (1992) 2.4%
 Population (1991) By Age Group:
 (0-14yrs) 30.8% (15-64yrs) 59.8% (65+ yrs) 9.4%
 Married Women Aged 15-44 yrs. Using Contraception...() %
 Total Fertility Rate...(1970) (1991) 3.0

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 5%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -6,062(89) -3,925(90) -5,859
 Total Imports(\$ Millions, US) () () (90) 23,760
 Of Which % From U.S.() %
 Major Imports MILITARY EQUIP; DIAMONDS; OIL; CHEMICALS
 Total Exports(\$ Millions, US) (1988) 15,486(89) 16,502(90) 17,901
 Of Which % to U.S.() %
 Major Exports DIAMONDS; FRUITS; TEXTILES & CLOTHING
 Trading Partners: UNITED STATES; COUNTRIES OR A; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1986) 3%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Fruit & vegeta ; Vegetables, fr; Fibers
 Ag. Imports:(1989) Cereals ; Oil crops & fe; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3255
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 77.0 Male 75.1 Female 78.9
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 9
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) .% () Measles .% ()
 Diphtheria(DPT3) .% () Polio(3) .% ()
 Population with Reasonable Access to Safe Water Supply
 () %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 95.0 Female 97.0
 Secondary (1987) Total 83.0 Female 87.0
 Adult Literacy Rate (1985).Male 97% (1985) Female 93%

ISRAEL

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	1,850,000	1,200,000 ^a	1,200,000
TOTALS	1,850,000 ^a	1,200,000 ^b	1,200,000

a. FY 1991 total includes \$650.0 million from the FY 1991 Dire Emergency Supplemental Appropriations Act (P.L. 102-27).

b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL		-	-
FOREIGN NATIONAL		-	-
TOTALS			

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES BILATERAL ^d									
REGIONAL ^e	*								
THIRD COUNTRY BILATERAL ^d	*								
REGIONAL ^e	*								
TOTALS	*								

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.

b. Academic; degree seeking.

c. Technical; non-degree seeking.

d. Funded under bilateral programs.

e. Funded under regional programs (e.g., CLASP, ATLAS).

*

ISRAEL

Introduction

Israel's political and economic stability continues to be important in achieving U.S. foreign policy objectives in the Middle East. Since 1979, substantial economic and military assistance to both Israel and Egypt has supported the Camp David accord which has been instrumental in helping sustain more than a decade of peace. The new round of peace talks between Israel and neighboring states has the potential to promote stability in the region and to lead to improved economic developments.

The Persian Gulf War of 1991 and the response to domestic political unrest ("intifada") which began in 1987 has led to increased government military and police expenditures and simultaneously contributed to reduced tourism, instability in labor and construction markets and lessened trade with the occupied territories. The Israeli budget has been further strained by the massive burden of absorbing Soviet immigrants. The progress on economic structural reform and privatization of state enterprises has been very slow. More policy reform will be needed in the next few years to stimulate the substantial investment resources which will be required to sustain economic stability and to absorb the huge number of immigrants.

A.I.D. Development Strategy and Accomplishments to Date

The A.I.D. strategy is to reduce Israel's balance-of-payments pressures as it pursues economic reforms outlined in its 1985 Economic Stabilization Program. The annual U.S. cash transfer is used by Israel for repayment of U.S. debt, including Foreign Military Sales debt, and purchases from the United States. In addition, a \$650 million cash transfer was provided to Israel in FY 91 to alleviate expenses and dislocations incurred during the Persian Gulf War.

Through the ongoing dialogue of the senior policy-level Joint Economic Development Group, the U.S. Government encourages reforms to reduce subsidies, improve tax and public wage structures, improve capital and financial markets and increase privatization. There has been some success in stabilizing the economy, however, more work is needed to liberalize and restructure the economy along private sector lines in order to foster long-term economic vitality.

Other Donors

U.S. assistance is virtually the only source of bilateral aid.

FY 1993 Program

For FY 1993, A.I.D. requests \$1.2 billion in Economic Support Funds for economic support, principally to help Israel service its previously incurred U.S. debts and to pay for U.S. purchases. The U.S. Government will continue to discuss the need for policy reform. Continued U.S. support remains important to Israel's economy as the government struggles to meet economic demands imposed by a rapid immigration.

A.I.D./Washington Office Director: John Champagne

ISRAEL

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Israeli Cash Transfer		PROJECT NUMBER 271-K632 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN	
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)			
FY 1993 1,2000,000		LIFE OF PROJECT FUNDING 1,200,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1993	ESTIMATED PROJECT COMPLETION FY 1993	

Purpose: To support the objective of preserving Israel's political and economic stability and its Government's pursuit of the peace process; and to increase the role of the private sector and free markets to stimulate international competitiveness and economic growth.

Project Purpose: The program provides direct economic support which, by lowering recurrent external payments burden, has in recent years helped enable Israel to service its debt obligations to the United States, including military sales debt. On a parallel track, the U.S. Government conducts an ongoing dialogue with the Government of Israel through the Joint Economic Development Group. The dialogue emphasizes the need to build upon the accomplishments of Israel's Economic Stabilization Program by encouraging structural reforms that will stimulate private sector-led growth.

The requested resources will be provided in the form of a cash transfer to help support the Israeli Government's efforts to revitalize its economy at a time when the country is absorbing a large wave of immigrants, primarily from the former Soviet Union. Needed efforts include: increasing the role of the private sector, promoting productive investment, reforming taxes, and otherwise encouraging more efficient use of Israel's resources.

Sustainability: To achieve the objectives of maintaining economic stability and establishing conditions for sustainable growth, the Government will need to continue to eliminate disincentives to private investment, promote efficient use of labor, reduce the proportion of resources used by the public sector, and generally pursue prudent fiscal, monetary, trade, regulatory and enterprise policies that will catalyze substantial amounts of domestic and foreign private investment in Israel.

Beneficiaries: The Israeli public will benefit from a stable economy which this program supports.

Major Outputs: Reduced need for external borrowing in the face of increasing demands on resources caused by immigration and an uncertain security situation.

A.I.D.-Financed Inputs:

- Cash Grant

Life of Project (In thousands of dollars):

\$1,200,000

Jordan

JORDAN

Total U.S. Aid \$ 1,878 Million (1951-90)
 Ratio of U.S. Aid To Total ODA 13.4% (1986-89)
 Yearly U.S. Aid Per Capita \$ 2.08 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,640
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(1990) 44.4%
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 2.5 Months of Imports (.)
 External Public Debt as % of GNP...(1989) 181%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 454
 As % of Total Export Earnings..... (1989) 19.6%

POPULATION

Total Population...(Thousands, Mid 1991) 3,413
 Population Growth Rate..... (1978) 3.5% (1992) 4.2%
 Population (1991) By Age Group:
 (0-14yrs) 47.4% (15-64yrs) 50.2% (65+ yrs) 2.4%
 Married Women Aged 15-44 yrs. Using Contraception...(1990) 34.9%
 Total Fertility Rate...(1970) 7.7 (1990) 5.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 7%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) -1,339(89) -611(90) -1,235
 Total Imports(\$ Millions, US) (.) (.) (90) 3,589
 Of Which % From U.S.(.) .%
 Major Imports CRUDE OIL; TEXTILES; CAPITAL GOODS; VEHICLES
 Total Exports(\$ Millions, US) (1988) 2,438(89) 2,350(90) 2,354
 Of Which % to U.S.(.) .%
 Major Exports FRUITS & VEGS; PHOSPHATES; FERTILIZERS
 Trading Partners: SAUDI ARABIA; IRAQ; UNITED STATES

AGRICULTURE

Agricultural Production as % of GDP...(1988) 8%
 Disposable Income Spent On Food
 Food: .% (.)
 Ag. Exports:(1989) Vegetables, fr ; Dairy products; Barley
 Ag. Imports:(1989) Cereals ; Dairy products; Meat products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3103
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 71.2 Male 69.5 Female 73.1
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 38
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 17% (1990) Measles 59% (1990)
 Diphtheria(DPT3) 95% (1990) Polio(3) 95% (1990)
 Population with Reasonable Access to Safe Water Supply
 (.) .%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1983) Total 99.0 Female 99.0
 Secondary (1983) Total 79.0 Female .
 Adult Literacy Rate (1985) Male 87% (1985) Female 63%

JORDAN

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	31,150	30,000	30,000
PL 480 - TITLE II ^c	12,384		
TOTALS	43,534^a	30,000^b	30,000

a. Includes \$31,150,000 of FY 1990 ESF carryforward funds obligated in FY 1991.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts are the Agency request levels and are subject to change. Excludes \$35,000,000 of FY 1991 ESF carryover funds planned for obligation in FY 1992.
 c. See Food for Peace Section of Statistical Annex for Program Detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	11.7	14.0	16.0
FOREIGN NATIONAL	11.0	11.0	11.0
TOTALS	23	25	27

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	15	10	25	15	150	165	5	200	205
REGIONAL ^e	-	-	0	-	-	0	-	-	0
THIRD COUNTRY									
BILATERAL ^d	-	-	0	-	50	50	-	3	3
REGIONAL ^e	-	-	0	-	-	0	-	-	0
TOTALS	15	10	25	15	200	215	5	203	208

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic; degree seeking.
 c. Technical; non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

JORDAN

Introduction

The United States has long been interested in supporting a stable and moderate government in Jordan committed to peaceful solutions for the region's problems. Recently, Jordan has renewed its traditional role of advancing the Arab-Israeli peace process. To continue as a regional stabilizing force, Jordan will need international donor assistance in addressing its domestic problems, including its planned return to an economic structural adjustment program in the aftermath of the Persian Gulf crisis.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s development program is focused on three areas: water (including environmental protection), population, and improvement in the country's chronically negative balance of trade. The private sector program continues to be the primary vehicle for achievement of our program objectives in Jordan.

The private sector focus of the program has paid handsome dividends. Over 150 private entrepreneurs have been trained in the United States, yielding business expansions and improvements in Jordan. In one case, a \$5,000 investment by A.I.D. resulted in the establishment of the first printing ink plant in Jordan and over \$500,000 in U.S. exports of equipment and raw materials. On the population front, nearly 50% of the intrauterine device (IUD) users and one-third of all contraceptive users in Jordan obtained their supplies through an A.I.D.-supported population project.

Other Donors

Preliminary indications are that some \$688 million will be committed by external donors for programs in Jordan during 1992. Of this amount, some \$216.4 million will be used to finance repayment of foreign loans, with the balance going to cover the costs of social and capital infrastructure projects in various sectors. Approval of a pending International Monetary Fund stand-by arrangement will enable Jordan to approach its Paris Club creditors for badly needed debt restructuring.

FY 1993 Program

A total of \$30 million in Economic Support Funds is requested for FY 1993 to finance new activities in financial markets, export marketing support, and environmental improvement, as well as to maintain ongoing activities in water quality improvement, enterprise development, and export development. New projects will build upon the results of earlier activities, as determined during the course of several evaluations scheduled for FY 1992.

Mission Director: William T. Oliver

PROJECT TITLE Financial Market Improvement		PROJECT NUMBER 278-0283 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (in thousands of dollars)		
FY 1993 3,000 ESF	LIFE OF PROJECT FUNDING 5,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1994	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To alleviate structural and operational constraints on the efficient allocation of credit and investment capital to productive Jordanian business.

Project Description: Experience in implementing A.I.D.'s private sector development program over the past five years indicates that policy and operational constraints on Jordan's financial markets remain a major obstacle to private sector expansion in the country. A financial market sector assessment has been conducted which notes that these constraints include: lack of an efficient private equity market; inability of new entrepreneurs and small businesses to obtain sufficient financing for their businesses; lack of new financial products useful in expanding production and exports; and weaknesses in the financial policy framework covering such issues as financial disclosure rules, accounting standards and regulation of the stock exchange. Under the project, technical assistance, training and equipment will be provided to strengthen the operations of the stock exchange and improve the regulatory environment in which it operates. Development of the venture capital industry also will be encouraged through training and the fostering of joint-venture and licensing arrangements with U.S. firms. Technical assistance and training also will be given to assist in the development and introduction of new financial instruments, particularly export credit guarantee and insurance facilities. Training will be provided where necessary to promote a greater emphasis on up-to-date financial and economic analysis techniques in making credit allocation decisions.

Sustainability: The project aims at freeing existing capital markets from over-regulation and at introducing analysis techniques and financial products which are fundamental components of the capital market structure of advanced economies. Properly institutionalized, the improved regulatory and commercial practices will strengthen and promote the sustainability of the Jordanian financial market.

Relationship to A.I.D. Country Strategy: One of A.I.D.'s goals is the correction of structural weaknesses contributing to Jordan's chronically negative balance of trade in goods and services. Strengthening of the financial market to foster an increased volume and value of Jordanian output, particularly for export, is critical to achieving this goal.

Host Country and Other Donors: This project will complement Jordan's economic structural adjustment program supported by the World Bank and International Monetary Fund, which focuses on lessening the government's direct role in the financing of Jordan's economic growth and improving the environment for private sector development. No other bilateral donor is strongly active in financial market improvement.

Beneficiaries: Ultimate beneficiaries will be those entrepreneurs and their employees with improved access to equity and credit resources at market rates. Participating financial institutions also will benefit through increased volume and profitability.

Major Outputs: An improved regulatory and policy environment for the financial market; a strengthened equity market structure including the stock market and other equity channels; an expanded array of financial market tools, including export credit guarantee and insurance facilities.

A.I.D.-Planned Inputs:	Life of project (in thousands of dollars)
- Technical Assistance	3,000
- Training	500
- Policy Studies	500
- Equipment	500
- Joint Venture Support	500
Total	\$5,000

PROJECT TITLE Jordan Environmental Development-2000 (JED 2000)		PROJECT NUMBER 278-0291 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 3,000 ESF	LIFE OF PROJECT FUNDING 14,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1994	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To improve the management of Jordan’s water and ecological resources through participation of public and private agencies for maintaining the ecological system while stimulating sustainable economic development.

Project Description: Nature reserves and other fragile ecological systems (such as aquifers, wetlands, lakes, rivers and the Aqaba Gulf) in Jordan are threatened by poor management or inadequate protection, with resultant dangers to people and wildlife species. Jordan has a wealth of antiquities and cultural resources that are being threatened by urban development and population growth. Adequate management capabilities do not exist to ensure that these resources will be preserved and developed to contribute to the national economy on a sustained basis. This project is designed to position Jordan to become a model in the region for the management of these cultural and ecological resources. The project will: Strengthen human and institutional capabilities; Identify and develop opportunities for private sector and private voluntary and nongovernmental organization participation; Establish capabilities to carry out environmental assessments; Strengthen private sector environment services to mitigate the impact of pollution on cultural and water resources; Develop and implement appropriate management plan for each site; and, Conduct feasibility studies.

Sustainability: The Government of Jordan (GOJ) has produced a comprehensive set of policies and legislation related to preserving cultural and ecological resources. This project will focus on implementing these policies through development of innovative mechanisms for financing participation of the private sector, nongovernmental organizations (NGOs), and public agencies in the preservation of cultural and water resources. These activities will contribute to the national economy through increased tourism and sustained utilization of these resources.

Relationship to A.I.D. Strategy: This project is consistent with A.I.D.’s Environmental and Natural Resources Management Strategy for the region and the Agency’s Environmental Initiative. The project will address Jordan’s scarce resources with a focus on water and provide appropriate management of these resources. It also will address the environmental issues indicated in Jordan’s National Environmental Strategy and A.I.D.’s strategies, goals and objectives statements for Jordan.

Host Country and Other Donors: A.I.D. will ensure close coordination with the host country and other donors. This project complements A.I.D.’s planned activities in the field of water quality improvement and conservation. It also complements the environmental activities of other donors and NGOs.

Beneficiaries: The ultimate beneficiaries for this project are the general public and the national heritage by preserving valuable cultural and ecological sites, increased foreign exchange, and enhanced public awareness of environmental issues.

Major Outputs: Trained managers and specialists in the environmental field and strengthened institutions to preserve the cultural and ecological resources; increased participation of private sector; and sustained tourism growth resulting from the preservation of these resources.

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
- Technical Assistance	5,000
- Training and Public Awareness	3,000
- Commodities	3,000
- NGO Support	<u>3,000</u>
Total	\$14,000

LEBANON

Total U.S. Aid \$ 408 Million (1946-90)
 Ratio of U.S. Aid To Total ODA 15.3% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.51 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(.)
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(.) . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 33
 As % of Total Export Earnings..... (.) . %

POPULATION

Total Population...(Thousands, Mid 1991) 3,385
 Population Growth Rate..... (1978) 0.1% (1992) 1.5%
 Population (1991) By Age Group:
 (0-14yrs) 39.2% (15-64yrs) 55.4% (65+ yrs) 5.4%
 Married Women Aged 15-44 yrs. Using Contraception...(1971) 53.0%
 Total Fertility Rate...(1970) 5.5 (1991) 3.6

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 10%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %
 Major Exports AG. PRODUCTS; CHEMICALS; TEXTILES; PRECIOUS METALS
 Trading Partners: ITALY; FRANCE; UNITED STATES

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Vegetables, fr ; Vegetable oils; Tobacco and pr
 Ag. Imports:(1989) Dairy products ; Cereals ; Vegetables, fr

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2832
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 68.4 Male 66.1 Female 70.8
 (1970) Total 66.2 Male 64.2 Female 68.4
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 48
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 0% (1985) Measles 39% (1991)
 Diphtheria(DPT3) 82% (1991) Polio(3) 82% (1991)
 Population with Reasonable Access to Safe Water Supply
 (.) . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total Female
 Secondary (.) Total Female
 Adult Literacy Rate (1985) Male 86% (1985) Female 69%

LEBANON

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	5,924	4,000 ^a	4,000
ECONOMIC SUPPORT FUND	3,400	2,000	5,000
PL 480 - TITLE II	9,888	10,495	11,597
TOTALS	19,212	16,495	20,597

a. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts are the Agency request levels and are subject to change. Excludes \$350,000 of FY 1991 ESF carry over funds planned for obligation in FY 1992.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	-	-	-
FOREIGN NATIONAL	2	2.0	2.0
TOTALS	2	2	2

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	-	-	0	-	-	0	-	-	0
REGIONAL ^e	-	-	0	-	-	0	-	-	0
THIRD COUNTRY									
BILATERAL ^d	-	-	0	-	-	0	-	-	0
REGIONAL ^e	-	-	0	-	-	0	-	-	0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

LEBANON

Introduction

After 16 years of devastating civil war, 1991 was a year of relative calm in Lebanon despite the setbacks of the Persian Gulf War. In response to the internationally-supported Taif Plan, the Government of Lebanon gained control over much of the country, militias largely have been disarmed, and militia leaders brought into the cabinet. Though the Lebanese people are able to travel around the country in relative safety, life remains precarious for most people. To date, little official attention has been given to ameliorating the staggering human and economic loss. There is a massive need for capital for economic and social reconstruction.

U.S. interests in Lebanon support the reestablishment of an independent national government with control of its territory and the ability to provide for the needs and aspirations of its people.

A.I.D. Development Strategy and Accomplishments to Date

The current A.I.D. strategy remains centered on providing emergency humanitarian assistance and support for U.S.-based educational institutions. A.I.D.'s objective is to continue to demonstrate to the people of Lebanon U.S. interest in their welfare. With increased stability, A.I.D. plans to explore ways to affirm U.S. support for the Government of Lebanon, to encourage private sector-led redevelopment in Lebanon, and to strengthen democratic institutions.

P.L. 480, Title II food aid helps meet the basic food needs of more than 135,000 families in greatest need throughout the country (about one-fourth to one-third of the population). A.I.D. programs, implemented by five U.S.-based private and voluntary organizations (PVOs) also provide basic household necessities and other emergency assistance as well as rudimentary reconstruction assistance. Support provided to the American University of Beirut and Beirut University College help maintain an educational system with training in democratic values. A 1991 initiative utilizing funding from the War Victims appropriation is upgrading prosthetics training and delivery services. Initial exploration also has begun on identifying ways to strengthen democratic governance and to provide analytical economic support services to Lebanese institutions. A.I.D. grants require that assistance must be distributed throughout Lebanon without regard to religious affiliation of the beneficiary.

Other Donors

Under World Bank auspices a Lebanon donors' coordination meeting was held in Paris in December 1991. Although not a pledging session, several donors indicated support totaling \$700 million. As stability is assured and the Government of Lebanon demonstrates a capability to prioritize needs and administer reconstruction programs, more funds can be expected from other countries and international organizations as well as from the private sector.

FY 1993 Program

A.I.D. requests \$5 million in Economic Support Funds and \$4 million in Development Assistance to supplement ongoing PVO grants for relief and redevelopment assistance, to provide continuing support to U.S.-based educational institutions, and to augment programs which prepare the way for Lebanon's redevelopment. A \$11.6 P.L. 480 Title II targeted feeding program will continue to provide food for a substantial portion of Lebanon's displaced and needy population.

A.I.D./Washington Office Director: John Champagne

MOROCCO

Total U.S. Aid \$ 1,834 Million (1952-90)
 Ratio of U.S. Aid To Total ODA 20.5% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.37 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 880
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 2.0%
 Government Budgetary Expenditures as a % of GNP...(1987) 26.5%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1987) 5,277
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1985) -937 (1986) -1,304 (1987) -840

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 89.7%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,670
 As % of Total Export Earnings..... (1989) 33.3%

POPULATION

Total Population...(Thousands, Mid 1991) 26,158
 Population Growth Rate..... (1978) 2.5% (1992) 2.1%
 Population (1991) By Age Group:
 (0-14yrs) 38.4% (15-64yrs) 57.4% (65+ yrs) 4.2%
 Married Women Aged 15-44 yrs. Using Contraception...(1987) 35.9%
 Total Fertility Rate...(1970) (1991) 3.8

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1985)Total .% Urban 28.0% Rural 32.0%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 38%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) -1,532(88) -4,627(89) -1,913
 Total Imports(\$ Millions, US) () () (89) 5,992
 Of Which % From U.S.() .%
 Major Imports CAPITAL GOODS; SEMIPROCESSED GOODS; RAW MATERIALS
 Total Exports(\$ Millions, US) (1987) 3,285(88) 4,309(89) 4,079
 Of Which % to U.S.() .%
 Major Exports FOOD & BEV.; SEMIPROCESSED GOODS; CONSUMER GOODS
 Trading Partners: FRANCE; SPAIN; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 17%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Vegetables, fr ; Fruit & vegeta; Fibers
 Ag. Imports:(1989) Cereals ; Vegetable oils; Beverages

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2745
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 64.5 Male 62.9 Female 66.2
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 59
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 96% (1990) Measles 79% (1990)
 Diphtheria(DPT3) 81% (1990) Polio(3) 81% (1990)
 Population with Reasonable Access to Safe Water Supply
 (1985) 58%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 71.0 Female 57.0
 Secondary (1987) Total 27.0 Female 30.0
 Adult Literacy Rate (1985) Male 45% (1985) Female 22%

MOROCCO

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	23,731	23,000	20,225
ECONOMIC SUPPORT FUND	28,300	12,000	12,000
PL 480 - TITLE II	3,386	3,346	0
TOTALS	55,417^a	38,346^b	32,225

PL 480 - See Food for Peace section of statistical annex for program detail.
a. Includes \$231,455 of DA and \$8,300,000 of ESF Section 517 recoveries reobligated in FY 1991.
b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	21.5	22	20
FOREIGN NATIONAL	13	19	19
TOTALS	41^b	41^c	39^c

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
b. Includes three regional positions and one Resident Direct Hire position.
c. Includes two regional positions and one Resident Direct Hire position.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	193	104	297	149	179	328	141	180	321
REGIONAL ^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL ^d	0	2	2	0	14	14	0	17	17
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	193	106	299	149	193	342	141	197	338

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic; degree seeking.
c. Technical; non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

MOROCCO

Introduction

Morocco has made important progress since beginning a structural adjustment program in 1983. It has opened its internal markets, liberalized the marketing of a large number of commodities, and begun making many of the hard decisions countries must make in order to progress economically. It is moving ahead on an aggressive privatization program, beginning to address important financial reforms, and positioning itself to take full advantage of events that are occurring in Europe and other potential external markets. King Hassan II continues to play an important constructive role on such key regional issues as the peace process. During the Persian Gulf crisis, the Government of Morocco exerted its positive influence by being the first Arab state to condemn the Iraqi invasion of Kuwait and to send troops to Saudi Arabia's defense. Morocco has also supported the United States on important United Nations (U.N.) issues concerning the Middle East and other topics, and continues to back the UN-sponsored referendum on the Western Sahara scheduled for early 1992.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D. has assisted Morocco significantly in recent years to increase its food supply, reduce population growth and improve primary health care, and improve management of energy and natural resources. A.I.D. has played a major role in providing the analytical underpinning for structural adjustment in agriculture, which, in turn, has had a beneficial effect on overall agricultural production levels. Also, through support of agricultural research, A.I.D. helped introduce improved crop varieties, which have increased production, especially in cereals. With A.I.D. technical and financial assistance, infant mortality has fallen by 40% since the early 1970s, while child mortality has fallen by 75%. Since 1980, the annual population growth rate declined from 3.2% to 2.6%. The total fertility rate also has declined significantly, especially in urban areas. A.I.D. also has improved the management of energy and natural resources by helping private industry implement techniques to improve energy efficiency and by strengthening the energy planning capacity with the Government of Morocco.

Building on these accomplishments, A.I.D. has identified three major strategic objectives: employment creation, improved social services delivery, and increased competitiveness for Moroccan businesses. A.I.D. also will devote special attention to encouraging democratic pluralism, women in development, and conservation of the environment.

-- Increasing employment. New private sector job opportunities will be created. This will be accomplished through activities that support development and expansion of small and medium enterprises, easier business access to finance, changes in the policy environment to increase private investment, improved business information services for small and medium enterprises, and increased financing for business investment.

-- Market competitiveness. Increased competitiveness of individual firms will be supported through management and business training; business-oriented information collection, dissemination and policy development; support for increased foreign investment; and assistance to improve export performance. A.I.D. also will support Morocco's privatization program, which will substantially improve the climate for private sector investment.

-- Improving delivery of selected social services. Programs in this area will continue funding for family planning and maternal and child health services and will initiate funding for health care financing, to encourage greater private sector participation in the provision of health care services. Also included under this objective are programs to provide housing for low-income families, including greater private developer provision of low-income housing and increased potable water supplies to rural neighborhoods.

Other Donor Contributions

The World Bank, the International Monetary Fund, France, several other European countries, and a number of Arab countries provide significant resources to Morocco. A.I.D. maintains close working relationships with the multilateral donors and informal coordination with other bilateral donors, including private voluntary organizations (Helen Keller International, American Middle East Foundation, Catholic Relief Services) and Peace Corps.

FY 1993 Program

For FY 1993, A.I.D. requests \$20 million of Development Assistance (DA) and \$12 million of Economic Support Funds (ESF) for the program in Morocco. To help increase employment, \$7 million in ESF will be provided to the New Enterprise Development and the Microenterprise projects. To improve market competitiveness, \$8 million in ESF will be provided for Privatization non-project assistance, and \$1.5 million will fund the Dryland Agriculture Research program. The bulk of DA funding in FY 1993 will help Morocco improve its delivery of selected social services in the health and family planning area. Design of the new Health Care Financing project is expected to be completed for FY 1993 obligation. This new project, along with the continuing Population and Child Survival project, will receive a total of \$20 million in DA funds in FY 1993. A \$20 million Housing Guaranty Program is proposed for FY 1993.

Mission Director: Dennis M. Chandler

PROJECT TITLE Microenterprise Development		PROJECT NUMBER 608-0218 [X] GRANT [] LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 2,000 ESF	LIFE OF PROJECT FUNDING 14,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: This project will provide credit and technical assistance to urban microentrepreneurs through the development in Morocco of a self-sustaining microenterprise development program.

Project Description: Expansion and improved efficiency of both formal and informal microenterprises represent a potentially important part of the solution to the country's employment problem. The project will consist of credit, technical assistance and information services, to be implemented by a competitively selected U.S. private voluntary organization (PVO) through one or more Moroccan affiliate organizations. The mix of services and methodologies of delivery will be based on proven successful experience in other countries which can be adapted to Moroccan conditions. The program will be implemented on a pilot basis in one urban area and later replicated in other urban areas.

Sustainability: Credit operations can be expected to become profitable, assuming appropriate interest rates are charged. After demonstrating profitability, the program(s) established in Morocco should be in a position to graduate from dependence on outside sources of funds and to attract additional capital requirements, as needed, from the local financial markets. Technical assistance operations aimed at microentrepreneurs also should become a paying proposition if costs are kept low and services are carefully geared to demand.

Relationship to A.I.D. Strategy: This objective is fully consistent with the A.I.D. strategy which has as one of its three strategic objectives increased employment and income generation through private sector mechanisms. This project will complement the New Enterprise Development project, which targets small and medium enterprises.

Host Country and Other Donors: The project will be implemented by private intermediaries. The Government of Morocco will not play a direct role in the project. Other donor organizations in Morocco supporting microenterprises and the informal sector will be consulted as needed to assure cooperation.

Beneficiaries: The pilot program in the first urban area will target approximately 1,000 microentrepreneurs as primary beneficiaries through credit and technical assistance, a significant percentage of whom will be women. Indirect beneficiaries will be individuals who receive employment as a result of the creation and expansion of the assisted microenterprises.

Major Outputs:

- At least 2,000 microentrepreneurs assisted with credit or technical assistance;
- At least two private, self-sustaining microenterprise programs operating in urban areas of Morocco; and
- Outputs translatable into increased incomes and jobs.

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

- Technical Assistance	4,000
- Training	300
- Commodities	400
- Other Operating Costs	2,000
- Credit (revolving)	5,000
- Research	400
- Evaluation/audit	300
- Contingency	<u>1,600</u>
Total	\$14,000

OMAN

Total U.S. Aid \$ 149 Million (1973-90)
 Ratio of U.S. Aid To Total ODA 53.5% (1986-89)
 Yearly U.S. Aid Per Capita \$ 1.15 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 5,220
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 6.0%
 Government Budgetary Expenditures as a % of GNP... () . %
 Total Expenditures and Net Lending (\$ Millions, US):
 () () ()
 Budgetary Deficit or Surplus (\$ Millions, US):
 () () ()

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 34.4%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 601
 As % of Total Export Earnings..... (1989) 13.6%

POPULATION

Total Population...(Thousands, Mid 1991) 1,534
 Population Growth Rate..... (1978) 5.2% (1992) 3.5%
 Population (1991) By Age Group:
 (0-14yrs) 47.3% (15-64yrs) 49.9% (65+ yrs) 2.7%
 Married Women Aged 15-44 yrs. Using Contraception...() . %
 Total Fertility Rate...(1970) (1991) 6.7

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 () Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 42%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1987) 1,547(88) 726(89) 1,415
 Total Imports(\$ Millions, US) () () (89) 2,642
 Of Which % From U.S.() . %
 Major Imports MACHINERY; TRANSPORT EQUIP; MANUFACTURES; FOOD
 Total Exports(\$ Millions, US) (1987) 3,818(88) 3,355(89) 4,057
 Of Which % to U.S.() . %
 Major Exports PETROLEUM; REEXPORTS; PROCESSED COPPER; DATES; NUTS
 Trading Partners: JAPAN; SINGAPORE; UNITED ARAB EM

AGRICULTURE

Agricultural Production as % of GDP...(1986) 3%
 Disposable Income Spent On Food
 Food: .% ()
 Ag. Exports:(1989) Live animals ; Vegetables, fr; Cereals
 Ag. Imports:(1989) Dairy products ; Vegetables, fr; Cereals

NUTRITION AND HEALTH

Calorie Intake per Person per Day...()
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 66.4 Male 64.6 Female 68.3
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 40
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 93% (1990) Measles 96% (1990)
 Diphtheria(DPT3) 96% (1990) Polio(3) 96% (1990)

Population with Reasonable Access to Safe Water Supply
 (1985) 58%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 97.0 Female 92.0
 Secondary (1987) Total 38.0 Female 29.0
 Adult Literacy Rate () Male .% () Female .%

OMAN

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	15,454 ^a	15,000 ^b	15,000
TOTALS	15,454	15,000	15,000

a. Includes \$13,320,379 of ESF Section 517 recoveries reobligated in FY 1991. Includes \$1,695,917 of ESF prior-year deobligated funds reobligated in FY 1991.

b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts are the Agency request levels and are subject to change. Excludes \$14,562,296 of 1991 ESF carry over funds planned for obligation in FY 1992.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	4.8	5	4
FOREIGN NATIONAL	0	0	0
TOTALS	5	5	4

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	05	16	21	45	50	95	55	100	155
REGIONAL ^e			0			0			0
THIRD COUNTRY									
BILATERAL ^d	0	0	0	07	06	13	20	40	60
REGIONAL ^e			0			0			0
TOTALS	5	16	21	52	56	108	75	140	215

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.

b. Academic: degree seeking.

c. Technical: non-degree seeking.

d. Funded under bilateral programs.

e. Funded under regional programs (e.g., CLASP, ATLAS).

OMAN

Introduction

In 1980, Oman agreed to provide the U.S. access to certain Omani military facilities. Parallel to this agreement was the creation of the Omani-American Joint Commission for Economic and Technical Cooperation (OAJC) to administer an economic assistance program in support of U.S. foreign policy and security interests. On December 1, 1990, the economic agreements were renewed for an additional ten years.

A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s primary strategy for Oman has focused on the conservation and management of fisheries and water resources, the two major renewable natural resources of the country. These resources are critical to the Omani Government's goal of sustainable economic diversification.

In fisheries, OAJC assistance is resulting in significantly improved resource management and better trained Omani professionals. In water resources, OAJC assistance has been instrumental in improving the long-term planning of urban water supply systems in Oman's two major cities which cover one third of the Sultanate's total population. A 20% increase in the water supply for Muscat, Oman's capital, also is being constructed at this time. A wastewater master plan also has been prepared for the city of Salalah, Oman's second largest city. As in fisheries, OAJC assistance is resulting in better water resources management, a key resource constraint in this arid country.

The second focus of the OAJC is human resources development. Technical and capital assistance over the past ten years was instrumental in augmenting the country's educational infrastructure, especially rural schools. The OAJC also has provided significant skills training. Assistance in the field of human resources development has benefited directly over 2% of the national population.

Having achieved these accomplishments, the OAJC is in the process of preparing a new program strategy for the nineties.

Other Donors

The official donor community in Oman (United Nations, United Kingdom, Japan) is quite small. Regular coordination is maintained to avoid duplication of effort.

FY 1993 Program

The requested \$15 million of Economic Support Funds in FY 1993 will assist the OAJC to reduce the focus of its program with greater concentration on human resources development. The principal objective of this sector grant will be to improve the productivity of Omani labor in both the public and private sectors. The sector grant will conform to the program strategy currently under preparation.

U.S. Representative: Mark S. Matthews

TUNISIA

Total U.S. Aid \$ 1,259 Million (1952-90)
 Ratio of U.S. Aid To Total ODA 16.0% (1986-89)
 Yearly U.S. Aid Per Capita \$ 0.55 (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(1989) 1,260
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) 3.0%
 Government Budgetary Expenditures as a % of GNP...(1989) 35.4%
 Total Expenditures and Net Lending (\$ Millions, US):
 () () (1989) 3,669
 Budgetary Deficit or Surplus (\$ Millions, US):
 (1987) -440 (1988) -381 (1989) -434

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 Months of Imports ()
 External Public Debt as % of GNP...(1989) 63.3%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 1,043
 As % of Total Export Earnings..... (1989) 22.9%

POPULATION

Total Population...(Thousands, Mid 1991) 8,276
 Population Growth Rate..... (1978) 2.2% (1992) 2.0%
 Population (1991) By Age Group:
 (0-14yrs) 36.9% (15-64yrs) 58.3% (65+ yrs) 4.8%
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 49.8%
 Total Fertility Rate...(1970) (1991) 3.3

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (1985) Total 7.7% Urban 8.4% Rural 7.0%
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 26%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1988) 37(89) -418(90) -839
 Total Imports(\$ Millions, US) () () (90) 6,130
 Of Which % From U.S.() %
 Major Imports INDUSTRIAL GOODS & EQUIP; HYDROCARBONS; FOOD
 Total Exports(\$ Millions, US) (1988) 4,243(89) 4,489(90) 5,291
 Of Which % to U.S.() %
 Major Exports HYDROCARBONS; AG. PRODUCTS; PHOSPHATES; CHEMICALS
 Trading Partners: FRANCE; ITALY; GERMANY

AGRICULTURE

Agricultural Production as % of GDP...(1988) 12%
 Disposable Income Spent On Food
 Food: 39% (1985)
 Ag. Exports:(1989) Vegetable oils ; Vegetables, fr; Barley.
 Ag. Imports:(1989) Cereals ; Vegetable oils; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2990
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 71.9 Male 70.0 Female 73.8
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 38
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 82% (1990) Measles 81% (1990)
 Diphtheria(DPT3) 87% (1990) Polio(3) 87% (1990)

Population with Reasonable Access to Safe Water Supply
 (1985) 68%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (1987) Total 116.0 Female 107.0
 Secondary (1987) Total 40.0 Female 34.0
 Adult Literacy Rate (1985) Male 68% (1985) Female 41%

TUNISIA

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	3,393 ^a	3,000 ^c	10,000
PL 480 - TITLE I	15,000 ^b		
TOTALS	18,393	3,000	10,000

a. Includes \$392,305 of ESF prior-year deobligated funds reobligated in FY 1991.
b. PL 480 Title I administered by USDA as of January 1, 1991.
c. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	2.4 ^a	10.0 ^b	6.0 ^b
FOREIGN NATIONAL	3.2 ^c	13.2 ^c	13.2 ^c
TOTALS	26	23	19

a. Excludes 2.4 RHUDO staff.
b. Excludes 3.0 RHUDO staff.
c. Reflects one driver working 48 hours workweek.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	311	22	333	180	31	211	80	106	186
REGIONAL ^e	-	-	0	-	-	0	-	-	0
THIRD COUNTRY									
BILATERAL ^d	-	8	8	1	3	4	-	-	0
REGIONAL ^e			0			0			0
TOTALS	311	30	341	181	34	215	80	106	186

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

TUNISIA

Introduction

Tunisia remains at a crucial stage in implementing its political and economic reform programs, as social pressure mounts and the costs of reform bite deeper. U.S. interests lie in seeing Tunisia stay the course and make a successful transition to a market economy and a pluralistic democracy. Tunisia is supportive of U.S. efforts in the current Middle East peace process and a stable and moderate Tunisia will continue to be important to long-term foreign policy objectives in the region. U.S. assistance contributes directly to opening the economy to market forces, encouraging private investment and greater competitiveness, and promoting democratic pluralism and respect for human rights.

AID Development Strategy and Accomplishments to Date

Over the past five years, A.I.D. has helped Tunisia recover from the 1986 economic crisis and implement its comprehensive economic reform program. As the balance-of-payments and domestic budget deficits decline, U.S. assistance is tackling the triple challenges of enterprise, export, and employment development by concentrating assistance on private sector revitalization, agribusiness promotion, and marketable skills development.

A.I.D.'s Economic Support Fund (ESF), P.L. 480 food aid, and Housing Guaranties have improved the lives of Tunisians by providing greater access to jobs, potable water, family planning services, modern technology, U.S. degree training and low-income housing. U.S. technical assistance has provided policy advice which has facilitated the implementation of agricultural reforms and the transfer of \$140 million of state-owned assets to the private sector.

Other Donors

The A.I.D. program in Tunisia, though modest, complements other donor programs, especially the World Bank which averages about \$300 million annually. The European Economic Community has provided approximately \$500 million between 1985 and 1990. The major bilateral donors are Italy, France, Germany and Japan, with total annual contributions of some \$450 million for commodity loans and investor credits.

FY 1993 Program

A.I.D.'s FY 1993 request of \$10 million in ESF for Tunisia includes \$4.0 million for one new start, Agribusiness Promotion project. A planned \$10.0 million of Housing Guarantee borrowing authority will be requested. In addition, \$6.0 million in ESF is requested for the continued implementation of the Private Enterprise Promotion, Productive Skills Training, and Development Studies projects.

Mission Director: James Graham

PROJECT TITLE Agribusiness Program		PROJECT NUMBER 664-0354 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 4,000 ESF	LIFE OF PROJECT FUNDING 25,000 ESF	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To promote and accelerate sustainable market-driven growth in the private agribusiness export sector.

Program Description: This is a six-year program, with an A.I.D. investment of \$25 million and a Government of Tunisia (GOT) contribution of 10 million Tunisian Dinars, equivalent to approximately \$8 million. The program grant approach reflects the new, relationship between the GOT and A.I.D.

The program has two main components:

1. Implementation of a policy reform package, including market liberalization and privatization of trade organizations and parastatal marketing functions, in selected subsectors which have the greatest potential for sustaining growth of agribusiness exports (seafood, dates, tomato concentrate, olive oil and wine); and
2. Improving the delivery of marketing and business services to private firms through strengthened trade organizations which are responsive to their member firms. Because liberalization and reform need to be complemented by the activities of private firms, the Agricultural Program Grant works through relevant interprofessional groups and trade organizations, to assist member firms to adjust to the competitive world market through improved internal management and strategic marketing.

Relationship to A.I.D. Strategy: The program furthers A.I.D.'s overall strategy, which aims at transforming Tunisia into a market-driven, export-oriented economy spurred on by a revitalized private sector and directly addresses major constraints to growth of Tunisia's agribusiness export sector identified through past A.I.D.-supported analyses.

Host Country and Other Donors: The program is linked to implementation of Tunisia's basic sectoral reform agenda, through continued support of the reforms initiated under the Seventh Plan and the GOT/World Bank Agricultural Sector Adjustment Programs. The GOT will establish and incrementally finance a special Agribusiness Trade Association Fund which will be drawn upon by Tunisian trade associations and firms for the purpose of developing business services required by their membership.

Beneficiaries: The major beneficiaries will be the private entrepreneurs who take advantage of new opportunities for investment and growth as a result of policy reform and restructuring and the services provided through the trade organizations. Job opportunities and wages in agricultural production and processing also should increase as a result of expanded private investment.

Major Outputs: Program outputs will include a series of policy reforms, privatized and strengthened agricultural trade organizations linked to domestic consulting firms and research institutions, and specific export promotion and marketing activities for selected Tunisian agribusiness products.

AID-Financed Inputs: Of the total A.I.D. contribution, \$20 million consists of dollar cash transfers to the GOT in the form of performance-based disbursements according to a schedule and policy agenda laid out in the PAAD. A progress notification and review system triggers the annual disbursements. The remaining \$5 million of the Grant is utilized directly by A.I.D. to: (1) provide long and short term technical assistance, (2) provide in-country training, (3) establish the performance monitoring system, (4) and conduct periodic evaluations.

A.I.D.- Financed Inputs

Life of Project (In thousands of dollars)

- Cash Grant	20,000
- Studies and Training	5,000
Total	\$25,000

West Bank
And Gaza

WEST BANK AND GAZA

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	7,663	12,000	25,000
PL 480 - TITLE II ^c	2,258	1,118	2,630
TOTALS	9,921^a	13,118^b	27,630

a. Includes \$444,000 in carry forward funds from FY 1990.
b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts are the Agency request levels and are subject to change. Excludes \$4,781,771 of FY 1991 ESF carry over funds planned for obligation in FY 1992.
c. See Food for Peace Section of Statistical Annex for Program Detail.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	-	1	1
FOREIGN NATIONAL	-	-	-
TOTALS	0	1	1

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	-	-	0	-	-	0	-	-	0
REGIONAL ^e	-	-	0	-	-	0	-	-	0
THIRD COUNTRY									
BILATERAL ^d	-	-	0	-	-	0	-	-	0
REGIONAL ^e	-	-	0	-	-	0	-	-	0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLASP, ATLAS).

WEST BANK AND GAZA

Introduction

The West Bank and Gaza program was initiated in FY 1975 to demonstrate American concern for the humanitarian and economic development needs of Palestinians in the Occupied Territories, and to support U.S. efforts to peacefully resolve the Arab-Israeli conflict. The program has operated over the years primarily through five U.S. and one indigenous (Gazan) private and voluntary organization (PVO). The significance of the program rose markedly as a result of the 1991 peace conferences held in Madrid and Washington, D.C. -- the first such direct Arab-Israeli meetings since the 1978 Camp David accords.

The program also was given renewed impetus with the appointment of a full-time A.I.D. representative to the West Bank. Since arriving in Jerusalem in August 1991, the A.I.D. Representative has moved promptly to establish systems for improving program monitoring and management. Also during FY 1991, a major planning exercise was inaugurated to reexamine current A.I.D. strategy and implementation modalities, with an eye to accelerating private sector development (including job creation) and greater use of indigenous Palestinian institutions.

A.I.D.'s Development Strategy and Accomplishments to Date

Since 1987, A.I.D.'s strategy in the West Bank and Gaza has focused on (1) promoting economic growth, (2) creating a favorable environment for development of the export and financial markets sectors, (3) increasing the capacity of public and non-public institutions to support economic activity in the Occupied Territories, and (4) improving social services, particularly in the Gaza Strip. The program has resulted in major improvements in public health services, water and sanitation, rural cooperatives, veterinary services, and facilities for the handicapped.

Other Donors

Taking into account the annual U.S. contribution of \$62.5 million to the United Nations Relief Works Agency program (the bulk of which is directed to the Occupied Territories), the United States is the largest donor. Other major donors include the European Community, France, Germany, and Italy.

FY 1993 Program

A.I.D. requests \$25 million in Economic Support Funds for FY 1993 to finance continuation of its program in the West Bank and Gaza. Food assistance under the P.L. 480 Title II program, valued at \$2.6 million, also is requested to help meet the nutritional needs of the population.

A.I.D. Representative: Sarah Suzanne Olds

Yemen Arab
Republic

YEMEN

Total U.S. Aid \$ 467 Million (1959-90)
 Ratio of U.S. Aid To Total ODA . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(.)
 Average Annual Real Per Capita GNP Growth Rate.(1965-89) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(1989) 36.1%
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (1989) 160
 As % of Total Export Earnings..... (1989) 9.8%

POPULATION

Total Population...(Thousands, Mid .)
 Population Growth Rate..... (1978) . % (.) . %
 Population (.) By Age Group:
 (0-14yrs) . % (15-64yrs) . % (65+ yrs) . %
 Married Women Aged 15-44 yrs. Using Contraception...(1979) 1.3%
 Total Fertility Rate...(1970) (.)

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.) Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 64%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) .(.) .(.)
 Total Imports(\$ Millions, US) (.) .(.) .(.)
 Of Which % From U.S.(.) . %
 Major Imports TEXTILES; MANUFACTURES; PETROLEUM PRODUCTS
 Total Exports(\$ Millions, US) (.) .(.) .(.)
 Of Which % to U.S.(.) . %
 Major Exports
 Trading Partners: ; ;

AGRICULTURE

Agricultural Production as % of GDP...(1988) 24%
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Beverages ; Vegetables, fr; Fibers
 Ag. Imports:(1989) Cereals ; Sugar ; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 2599
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (.) Total . Male . Female .
 (1970) Total . Male . Female .
 Infant Deaths in First Yr of Life per 1000 Live Births (.)
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) 99% (1990) Measles 74% (1990)
 Diphtheria(DPT3) 89% (1990) Polio(3) 89% (1990)
 Population with Reasonable Access to Safe Water Supply
 (.) . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (1985) Male 27% (1985) Female 3%

YEMEN

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	2,900	3,000 ^a	6,000
TOTALS	2,900	3,000	6,000

a. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	8.8	9	7
FOREIGN NATIONAL	22	14.8	14.0
TOTALS	31	24	21

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	189	1	190	150	15	165	112	20	132
REGIONAL ^e	-	-	0	-	-	0	-	-	0
THIRD COUNTRY									
BILATERAL ^d	12	-	12	5	10	15	-	15	15
REGIONAL ^e	-	-	0	-	-	0	-	-	0
TOTALS	201	1	202	155	25	180	112	35	147

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
b. Academic: degree seeking.
c. Technical: non-degree seeking.
d. Funded under bilateral programs.
e. Funded under regional programs (e.g., CLAS², ATLAS).

YEMEN

Introduction

Yemen is experiencing serious social and economic strains as a result of the unification of the former North and South Yemens. Its experiment with political pluralism and the loss of aid and remittances resulting from its pro-Iraq orientation during the Persian Gulf crisis have exacerbated its problems. Annual inflation is 65%, and parallel exchange rate is more than double the official rate. A moderate increase in oil revenues and concession fees has somewhat mitigated the very serious economic dislocations. Among the Arabian Peninsula states, Yemen is the only one with a multiparty system, universal suffrage, and a free press.

It is in the U.S. national interest that Yemen be able and willing to play a stabilizing and positive role in the region, that it succeed in its democratic transition and economic liberalization and development, and that it be open to U.S. participation in this process.

A.I.D. Development Strategy and Accomplishments to Date

Following the Gulf crisis, A.I.D. program funding and staffing were cut and its program scope was narrowed to "activities that affect people directly," i.e., humanitarian and human resource development programs. The core program now includes health, population, primary education and development training. A.I.D.'s overarching interest in Yemen during the next few years will be to support Yemen's initiatives in a transition to a democratic society. In this context, A.I.D. has established two strategic objectives for the near future: development training, including direct support to the democratic process, and effective support to primary education, health, and family planning to develop human capital.

A.I.D.'s major accomplishments in Yemen include the immunization of over 85% of infants against lethal childhood diseases since 1985, Yemen's recent adoption of a new private investment law in which A.I.D. played an instrumental role, and the provision of degree training for over 300 students.

Other Donors

Yemen's refusal to join the anti-Iraq coalition has cost it dearly in economic assistance. There is no new aid from Kuwait and Saudi Arabia; and U.S., German, and other western country assistance levels have been reduced. Yemen's major donor partners now are the Netherlands, the United Nations agencies, and the World Bank. Donors are strongly supportive of A.I.D.'s administration and management training that contributes to their own development objectives.

FY 1993 Program

A.I.D. does not now plan any new projects in FY 1993. The \$6.0 million in Development Assistance will strengthen and expand existing projects. Emphasis will be given to direct support of Yemen's democratic initiatives and strengthening of human resources. Administrative and management training in the United States will provide exposure to democratic processes, improve relations between the two countries, and will have long-term benefits on the planning and sustainability of development programs.

Mission Director: George M. Flores

NEAR EAST REGIONAL

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE ECONOMIC SUPPORT FUND	11,472 9,646	19,209 6,000	16,900 6,000
TOTALS	21,118^a	25,209^b	22,900

a. Includes \$306,794 of DA Section 517 recoveries reobligated in FY 1991 and \$5,477,208 in ESF carry over funds from FY 1990.

b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts are the Agency request levels and are subject to change. Excludes \$3,692,849 of FY 1991 ESF carryover funds planned for obligation in FY 1992 and excludes \$410,204 of ESF section 517 recoveries.

PERSONNEL DATA - MISSION DIRECT HIRE^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	0	0	0
FOREIGN NATIONAL	0	0	0
TOTALS	0	0	0

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours. N.E. Regional program is managed in A.I.D./Washington.

PARTICIPANT TRAINING DATA^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A^b	T^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL^d	0	0	0	0	0	0	0	0	0
REGIONAL^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL^d	0	0	0	0	0	0	0	0	0
REGIONAL^e	0	0	0	0	0	0	0	0	0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.

b. Academic: degree seeking.

c. Technical: non-degree seeking.

d. Funded under bilateral programs.

e. Funded under regional programs (e.g., CLASP, ATLAS).

NEAR EAST REGIONAL

Introduction

Through the Near East (NE) Regional program, A.I.D. pursues a variety of American interests in the region which go beyond the normal bilateral relationships. Such interests include promoting U.S. regional and country-specific trade and investment opportunities, increasing the capacity of countries to solve pressing energy and environmental problems, supporting innovative democratic initiatives, and encouraging broad-based, sustainable growth to reduce poverty. The economic development landscape for the Near East is still undergoing significant change, due to the post-Desert Storm reorientation of economic priorities and the Middle East peace negotiations, which will substantively affect all countries in the region politically and economically. The total lifting of the Arab boycott is but one example of the positive impact economically, the negotiations could have.

A.I.D. Development Strategy and Accomplishments to Date

Promoting freer, more open markets and the increased private investment that accompanies liberalization is among A.I.D.'s highest priorities. During FY 1991, A.I.D. regional efforts focused on the promotion of U.S. trade and investment to complement the expansion of country-specific private sector development, environmental issues, especially those concerned with the Gulf of Aqaba and eastern Mediterranean, and cooperatives. Working with the American Society of Agricultural Consultants, A.I.D. continued its efforts in Morocco and Tunisia to further agribusiness investment opportunities. In Jordan, we are moving ahead with the identification of relevant U.S. agribusinesses that will form joint ventures with Jordanian companies to increase production and export of exotic fruits and vegetables to off-season markets. The joint agribusiness working group continues to explore new possibilities for expanding agribusiness products. As the political and economic situation continues to improve in the Near East, additional links with U.S. trade associations will be forged and these private sector resources brought to bear throughout the region.

In response to the rising costs of public health services and the impact this is having on the poor, A.I.D. has developed a regional health sector strategy. The strategy is to shift the costs of curative care to those more able to pay, thereby freeing up scarce government budgets for those least able to pay. The strategy focuses on the collaborative development and testing of pilot health finance and management systems in receptive A.I.D. countries. Implementation will promote policy reforms which deepen pluralism and encourage private sector participation in health care financing, broaden awareness and skills needed to improve financial management, improve cost accounting and cost containment, and increase national capacity for self-financing through greater involvement of private purveyors of services and improving revenue generation.

Regional population efforts are improving family planning programs so they can better respond to the dramatic changes that are occurring in age structure, urban population and female labor force participation rates in the Near East. Building on successes in Turkey, programs in Tunisia are beginning to target both men and women in the work place with family planning information and services. In Turkey, Tunisia, Yemen and Jordan, regional resources continue to strengthen private pharmaceutical networks, and better public accessibility to affordable contraception.

A.I.D.'s efforts to solve the energy and environment problems in the Near East have meant greater involvement with regional urban and industrial pollution issues. A cooperative agreement with the U.S. private sector through the World Environment Center is providing U.S. industrial pollution experts to assist Near East counterparts in industrial health, safety, pollution control, and policy analysis. We continue to work cooperatively with the Israelis and Egyptians on regional environmental issues. Urban and industrial pollution abatement is a high priority; desert reclamation, where feasible, will be included; and a renewed effort will be made to further refine and develop renewable energy resources.

A.I.D. also will assist in bringing together Arab concerns and interests with U.S. and Israeli expertise on the development of innovative, low-cost and affordable technologies for the treatment and reuse of domestic wastewater for irrigation.

A.I.D. has increased emphasis on energy efficiency and expanding private sector participation, particularly in power. A.I.D. activities in Morocco specifically and the Near East generally and the United States are beginning to achieve results: private sector participation in energy generation and distribution has increased; environmentally safe and efficient power production has been expanded; and a leading U.S. energy efficiency company is helping to develop local private energy service capabilities in Morocco. Finally, A.I.D. collaboration with U.S. industry and trade associations in developing the new cooperative field support program has progressed, and cooperative agreement is in the offing in FY 1992. Started in 1979, this program has thus far brought together Israeli, Egyptian, and American universities and technical personnel to solve problems faced by Israel and Egypt in marine sciences, infectious diseases, dryland agriculture, and advanced agricultural technology. We envisage that under a more politically and economically stable Near East region, this cooperative effort will rapidly expand to include additional Arab states who display many of the concerns now being addressed by the Regional Cooperation Programs between Israel and its Arab neighbors.

FY 1993 Program

FY 1993 funding in the amount of \$16.9 million in Development Assistance and \$6.0 million in Economic Support Funds will be used to continue activities such as those described above. Regional efforts in health financing, family planning, agribusiness promotion, and urban and industrial pollution abatement will require funding. We will use program development and support funds, as well as some mission resources, to look at regional solutions to debt and complicated trade patterns, examine ways to assist the private sector to relocate and rebuild as necessary, and to help train and increase employment opportunities for the significant number of persons affected by the Persian Gulf War. A.I.D. also will continue its support of the Arab-Israeli Cooperation program. Finally, A.I.D. intends to continue funding for the democratic pluralism initiatives in the region. Efforts will continue to improve the effectiveness and efficiency of elected bodies, strengthen a free press, and to support the formation and strengthening of independent Citizens groups.

NEAR EAST REGIONAL

PLANNED PROGRAM SUMMARY SHEET

PROJECT TITLE Regional Trade and Investment Support		PROJECT NUMBER 398-0376 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 2,000	LIFE OF PROJECT FUNDING 6,000	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1997	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: The objective of the project is to strengthen the Near East Regional Bureau's linkages with the U.S. business community in promoting trade and investment in Near East countries.

Project Description: Based on the experience of the Regional Private Enterprise Project, and in view of the Administrator's Business and Development Partnership Initiative, the Regional Trade and Investment Support Project will focus specialized support for trade and investment in agribusiness, regional trade and business services.

Presently, A.I.D.'s contact with the U.S. business community is largely indirect, either through procurement opportunities or contract technical assistance and training services. The NE Bureau has been exploring alternative alliances and development relationships with the U.S. business community in such specific areas as agribusiness. Trade promotion missions and sector studies have identified several areas for systematic and institutionalized support of U.S. trade and investment.

This project will address these issues through demonstration subprojects with private trade associations or business consortiums or corporations based in the U.S. Such demonstration subprojects might include support for the brokering of U.S.-NE joint ventures and other business relationships such as international networks of U.S. credit-reporting or business information companies. It also might include financial markets or privatization subprojects directly supportive of U.S.-NE regional trade and investment expansion.

Sustainability: An important aspect of the project will be to leverage resources of the U.S. private sector to match project activities in brokering joint ventures, privatizing companies, or establishing indigenous credit reporting services, thus enhancing sustainability.

Relationship to A.I.D. Strategy: The A.I.D. goal is to broaden the volume of trade and investment activity in the NE region, and to do so by furthering the Agency's partnership with the U.S. private sector.

Host Country and Other Donors: As appropriate, the project will coordinate with resources from such other federal agencies as OPIC, EXIMBANK, TDP and the Commerce Department, plus multilateral donors. Public and private trade and investment promotion agencies, chambers of commerce, etc. in NE region host countries will also cooperate with the project.

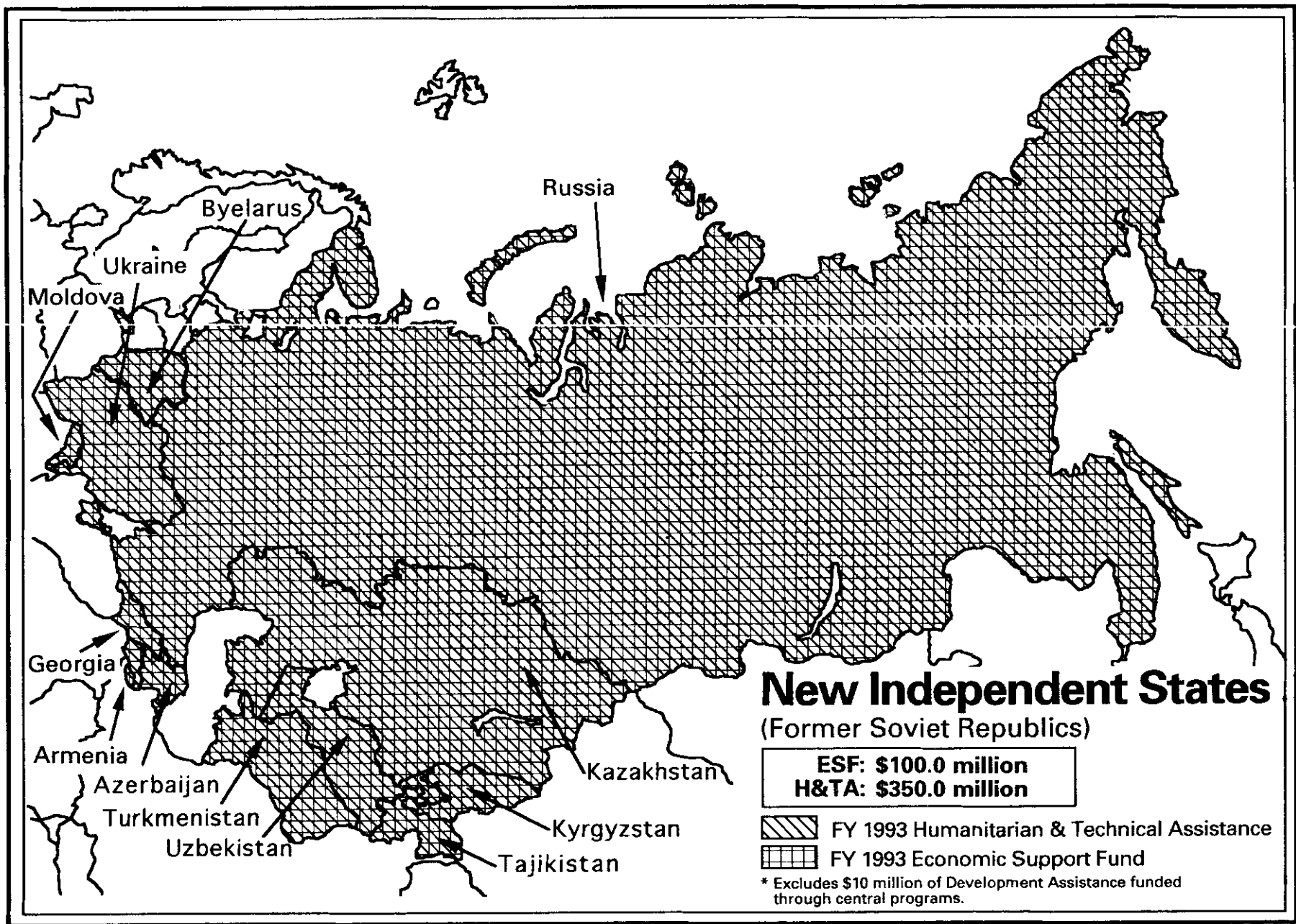
Beneficiaries: Entrepreneurs and employees of businesses benefiting from expanded trade and investment with U.S. companies will be the primary beneficiaries of the project.

Major Outputs: Increased trade and investment (and related growth in employment) for agribusiness, light manufacturing and other business firms in the Near East region.

A.I.D.-Financed Inputs:

Life of Project (In thousands of dollars)

- Technical Assistance	3,000
- Training	1,000
- Commodities	500
- Studies/research	1,000
- Coordination/monitoring	500
Total	<u>\$6,000</u>



SELECTED SOCIAL INDICATORS

REGIONAL SUMMARY, FY93

REGION: NEWLY INDEPENDENT STATES
PRESENTATION COUNTRIES

(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

	POPULATION			HEALTH			EDUCATION		--POPULATION DENSITY-- (PERSONS PER SQUARE KM)		
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
USSR	293,048 (91)	0.7% (92)	70 (91)	270 (81)	.	23 (91)	.	50% (89)	47 (87)	13 (87)	
	268,714 (81)	0.9% (81)	68 (81)	270 (81)	.	29 (81)	.	.	44 (81)	12 (81)	
SUMMARY	(MRY)										
	(81)	293,048 *	0.7% #	70 #	270 #	. #	23 #	. #	50% #	47 @	13 @
		268,714 *	0.9% #	68 #	270 #	. #	28 #	. #	. #	44 @	12 @
REGION SUMMARY	(MRY)										
	(81)	293,048 *	0.7% #	70 #	270 #	. #	23 #	. #	50% #	47 @	13 @
		268,714 *	0.9% #	68 #	270 #	. #	28 #	. #	. #	44 @	12 @

* = SUM, @ = ARITHMETIC MEAN, # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

* = SUM, @ = ARITHMETIC MEAN, # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

SELECTED ECONOMIC INDICATORS, PART 1
REGIONAL SUMMARY, FY93
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: NEWLY INDEPENDENT STATES
PRESENTATION COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE			
		GOVERNMENT DEBT OUTSTANDING			TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA	
		AS % OF GNP	AS % OF EXPORTS	DEBT SERVICE RATIO	US AID \$ MILLION	US AID AS % GNP	AS A % OF GNP ALL SOURCES	
USSR								
SUMMARY	(MRY)	#	% &	% &	% &	*	% &	% &
	(81)	#	% &	% &	% &	*	% &	% &
* = SUM, & = WEIGHTED MEAN (BY GNP PER CAPITA), # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS								
REGION SUMMARY	(MRY)	#	% &	% &	% &	*	% &	% &
	(81)	#	% &	% &	% &	*	% &	% &
* = SUM, & = WEIGHTED MEAN (BY GNP PER CAPITA), # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS								

SELECTED ECONOMIC INDICATORS, PART 2
 REGIONAL SUMMARY, FY93
 (DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: NEWLY INDEPENDENT STATES
 PRESENTATION COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % -19()	AVERAGE ANNUAL GROWTH IN GDP 1980-19()	AVERAGE ANNUAL RATE OF INFLATION 1980-19()	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION
--	--	---	---	---	----------------------------------	--	---	---

USSR

SUMMARY	(MRY)	. % @	. % @	. % @	. % &	. &	. % &	. % &	. &
	(81)	. % @	. % @	. % @	. % &	. &	. % &	. % &	. &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
 REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

REGION SUMMARY	(MRY)	. % @	. % @	. % @	. % &	. &	. % &	. % &	. &
	(81)	. % @	. % @	. % @	. % &	. &	. % &	. % &	. &

@ = ARITHMETIC MEAN, & = WEIGHTED MEAN (BY GNP PER CAPITA), . = MISSING DATA
 REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

USSR

Total U.S. Aid \$ 186 Million (1946-47)
 Ratio of U.S. Aid To Total ODA . . % (1986-89)
 Yearly U.S. Aid Per Capita \$. (1986-89)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP(.)
 Average Annual Real Per Capita GNP Growth Rate.(. - .) . %
 Government Budgetary Expenditures as a % of GNP...(.) . %
 Total Expenditures and Net Lending (\$ Millions, US):
 (.) (.) (.)
 Budgetary Deficit or Surplus (\$ Millions, US):
 (.) (.) (.)

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to
 . Months of Imports (.)
 External Public Debt as % of GNP...(.) . %
 Service Payments on External Public Debt,
 (\$ Millions, US)..... (.)
 As % of Total Export Earnings..... (.) . %

POPULATION

Total Population...(Thousands, Mid 1991) 293,048
 Population Growth Rate..... (1978) 0.9% (1992) 0.7%
 Population (1991) By Age Group:
 (0-14yrs) 26.0% (15-64yrs) 64.3% (65+ yrs) 9.7%
 Married Women Aged 15-44 yrs. Using Contraception...(.) . %
 Total Fertility Rate...(1970) (1991) 2.4

HOUSEHOLD INCOME AND EMPLOYMENT

% of Population Living Below Absolute Poverty Level
 (.)Total . % Urban . % Rural . %
 Percentage of Total Adult Population Employed Full Time
 Proportion of Labor Force in Agriculture...(1988) 14%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (.) (.) (.)
 Total Imports(\$ Millions, US) (.) (.) (.)
 Of Which % From U.S.(.) . %
 Major Imports AG. PRODUCTS; MACHINERY & EQUIP; STEEL PRODUCTS
 Total Exports(\$ Millions, US) (.) (.) (.)
 Of Which % to U.S.(.) . %
 Major Exports PETROLEUM PRODUCTS; NATURAL GAS; METALS; WOOD
 Trading Partners: GERMANY; GERMANY (EAST); POLAND

AGRICULTURE

Agricultural Production as % of GDP...(.) . %
 Disposable Income Spent On Food
 Food: . % (.)
 Ag. Exports:(1989) Fibers ; Barley ; Cereals
 Ag. Imports:(1989) Cereals ; Sugar ; Beverages

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1988) 3378
 Life Expectancy at Birth, in Years (Bureau of the Census)
 (1991) Total 69.8 Male 65.0 Female 74.3
 (1970) Total 68.7 Male 64.3 Female 73.3
 Infant Deaths in First Yr of Life per 1000 Live Births (1991) 23
 Percent Of Children 12-23 Months Old Fully Immunized Against
 Tuberculosis(BCG) . % (.) Measles . % (.)
 Diphtheria(DPT3) . % (.) Polio(3) . % (.)
 Population with Reasonable Access to Safe Water Supply
 (.) . %

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:
 Primary (.) Total . Female .
 Secondary (.) Total . Female .
 Adult Literacy Rate (.) Male . % (.) Female . %

New Independent States (former Soviet Union)

PROGRAM OBLIGATION SUMMARY (in thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
ECONOMIC SUPPORT FUND	0	0 ^a	100,000
HUMANITARIAN and TECHNICAL ASSISTANCE	0	150,000	350,000
PL 480 - TITLE II	0	10,000 ^b	10,000 ^b
TOTALS	0	160,000^c	480,000^c

a. Excludes \$85,000,000 of reprogrammed funds.
 b. See Food for Peace section of Statistical Annex for program detail.
 c. Excludes \$5 million in Development Assistance (DA) funds for FY 1992 and \$10 million in DA for FY 1993 to be obligated through centrally funded projects.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	c	b	b
FOREIGN NATIONAL	c	b	b
TOTALS	0	0	0

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
 b. Overseas staffing requirements have not yet been decided.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	0	0	0	0	0	0	0	0	0

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs.
 e. Funded under regional programs (e.g., CLASP, ATLAS).

NEW INDEPENDENT STATES (Former Soviet Union)

Introduction

The dramatic collapse of the Soviet Union presents an historic opportunity for a transition to a more peaceful and stable international order and the gradual integration of the newly independent states into the community of democratic nations. Popularly elected leaders now run large and strategically important states, including Russia and Ukraine. They look to the United States and the West for guidance and help in launching genuine, far-reaching political and economic reform.

The United States and the entire international community have a vital interest in the success of this transition. The people of the former Soviet Union, have gained, for the moment, a measure of political freedom. However, they face accelerating economic deterioration, especially rising unemployment, with the worst stage perhaps just ahead. The dimension of the problems now faced in the New Independent States (NIS--the countries of Armenia, Azerbaijan, Byelarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan) makes it imperative for donor countries and institutions to provide the expertise and financial support necessary to ensure continued progress. To do so has the potential to enhance immeasurably the security, prosperity, and freedom of the United States and the world.

Current Environment

The winter of 1992 has already confronted the citizens of the 12 newly independent states with the prospect of hunger, disease, and homelessness. The current situation is alarming: none of the states has an adequate supply of medicines and in many there are serious food and housing shortages and a lack of fuel for heat and transport. The situation in Moscow, St. Petersburg and the industrial cities of the Urals is becoming increasingly critical. Unemployment is rising rapidly in parts of Ukraine and Russia, food prices are escalating, and major reductions in welfare for pensioners, students, and orphans, brought on by economic collapse and reform efforts already launched, are causing serious hardship.

The United States has already shipped more than 19.5 million tons of food, the largest by far of any Western country. In 1991 the United States made available \$4 billion in Commodity Credit Corporation (CCC) food credits and grants--\$2.3 billion following the August Soviet coup. Through the President's Emergency Medical Initiative, the United States has shipped through Project HOPE more than \$30 million in privately donated medical supplies to the NIS states and the Baltic states; A.I.D.-provided disaster assistance funds totaling \$10 million are helping defray administrative and operational support costs. Department of Agriculture (USDA) grant funds totaling \$165 million will help meet food shortages in the NIS this winter. And food stocks left over from Desert Storm and valued at about \$45 million are being sent to regions in critical need, including Armenia, Moscow, St. Petersburg, and the industrial cities of the Urals.

On the political front, leaders of the states are attempting to maintain control while introducing far-reaching economic and political reforms. Some states (Russia, Byelarus, Ukraine, Armenia, Kazakhstan, and Kyrgyzstan) have taken some steps to move in the direction of a market economy. They have liberalized prices and made plans to privatize housing and the agricultural sector, dissolve the state security apparatus, decrease the size of the armed forces, and create multi-party governmental systems. Other states also have expressed interest in moving to a market economy, but will probably attempt a more gradual transition.

The collapse of central control is resulting in ethnic or other factional disputes in many parts of the region. Georgia is currently undergoing severe internal unrest. And Armenia, already suffering the results of an economic blockade by Azerbaijan, is likely to be further overwhelmed by the influx of refugees from renewed fighting in the disputed Nagorno-Karabagh region.

A.I.D. Strategy for the NIS

The United States is especially well positioned because of its technical expertise and private sector's extensive involvement in the international economy to make a substantial contribution to the transition underway in the NIS by building on current technical cooperation, medical and food assistance programs. Under the guidance of the Deputy Secretary of State--as Coordinator of U.S. assistance to the NIS--and Deputy Coordinators representing several U.S. Government departments, A.I.D. will play a key role as a vehicle for providing a comprehensive, yet focused technical assistance program for the region.

A.I.D. is planning its assistance package in close collaboration with other donors, and is basing a number of short-term activities on Action Plans developed at the January 1992 Coordinating Conference in Washington. Other bilateral donors have already committed approximately \$27 billion in assistance to the NIS.

The initial A.I.D. program will concentrate on six objectives:

- o Encouragement of free market systems;
- o Promotion of democracy;
- o Meeting urgent humanitarian needs;
- o Conversion of the defense-oriented economy;
- o Promotion of bilateral trade and investment; and
- o Increasing the efficiency of the energy sector.

Technical assistance will be tailored to individual NIS countries to the extent that logistical systems are in place to administer support and each country is taking appropriate positive steps related to:

- o Establishment of a democratic system based on principles of the rule of law and individual freedoms;
- o Respect for internationally recognized human rights based on full respect for the individual and including equal treatment for minorities;
- o Economic reform based on market principles, the development of a private sector and integration into the world economy;
- o Respect for international law and obligations, and adherence to the provisions of the Helsinki Final Act and the Charter of Paris; and
- o Adherence to responsible security policies, including non-proliferation of weapons of mass destruction and non-proliferation of conventional weapons.

For the remainder of FY 1992 and into FY 1993, A.I.D. will program assistance according to the following priority criteria:

- (1) Follow-up technical assistance required by emergency humanitarian assistance efforts underway and planned by various U.S. Government agencies;
- (2) Immediate actions which can be completed within one year to 18 months and which demonstrate approaches to the development of democratic institutions and a market-oriented economy; and
- (3) Key transition programs which should begin this year to build a bridge to medium-term development.

U.S. technical assistance is intended to provide the necessary bridge between short-term humanitarian aid to cope with immediate shortages and medium-term development to promote the successful transition to a democratic society and a market economy. Emphasis will be given to programs which provide technical assistance to promote investment in the private sector as well as to those sectors of the economy where U.S. trade opportunities are most advantageous. Where feasible, programs should directly link the U.S. private sector to that of the newly independent states and should identify ways to generate further resources and private investment. A.I.D. will attempt to avoid a government-to-government focus, where possible.

In addition, the program must be coordinated with other donors, should focus on a limited number of sectors and implementing organizations, and should emphasize activities that avoid fragmentation and limit extensive U.S. Government involvement. Priority will be given to mechanisms which have a demonstrable quick-delivery capability and adequate accountability mechanisms.

Emergency assistance must set the stage for self-generated growth and development. In that context, A.I.D. will explore the appropriateness of focusing medium-term development efforts on the poorer states of Central Asia, which lack the resource base and the infrastructure already in place in some of the wealthier states, such as Russia and Ukraine. A.I.D. assistance to the wealthier states should play a catalytic role and be of limited duration. Because of limited absorptive capacity in Central Asia, A.I.D. efforts there may start

small but may be required for a longer period of time.

A.I.D. Programs

A.I.D. programs for the NIS are being conceptualized as this Congressional Presentation goes to press. For FY 1992, a \$235 million economic assistance program is planned, consisting of \$80 million in Economic Support Funds (ESF), \$150 million from the Humanitarian and Technical Assistance special account, and \$5 million in Development Assistance (DA). Also in FY 1992, \$25 million in disaster assistance funding is being made available for urgent humanitarian assistance, as well as \$10 million in P.L. 480 Title II assistance for a "Farmer-to-Farmer" program.

FY 1993 funding for economic assistance is budgeted at a total of \$460 million, including \$100 million in ESF, \$350 million from the special account, and \$10 million in DA funds. The "Farmer-to-Farmer" program will receive \$10 million in FY 1993 in P.L. 480 Title II assistance.

Emergency technical assistance includes:

- o Food distribution follow-up, including a Farmer-to-Farmer program through a U.S. private and voluntary organization (PVO) and improvement of food distribution systems by USDA and A.I.D.
- o Emergency medical follow-up, including provision of vaccines and assistance to revitalize the pharmaceutical industry, and improvement of medical practices for priority health services in states with the most urgent needs.
- o Short-term energy efficiency measures designed to improve the performance of the energy sector and conservation of energy.
- o Shelter, including assistance to states for design of workable housing policies and reduction of shelter subsidies (this component will focus initially on defense conversion shelter needs); assistance to selected cities for divestiture of publicly held housing stock, privatization of rental housing, and development of systems to foster new housing construction.

Beyond emergency needs, other first-year activities include:

- o U.S. experts to support economic reform programs to be developed in conjunction with the NIS states, International Monetary Fund and World Bank, focusing on price liberalization, exchange rate policy, and monetary and fiscal control;
- o Direct support to the private sector by the International Executive Service Corps to assist small and medium-sized enterprise;
- o Democracy-related training, civic education, and equipment to support governance activities, civic participation, and public administration; and
- o Defense conversion activities, including feasibility studies and training for companies employing former defense workers.

Finally, A.I.D. plans to finance a number of special technical assistance programs to help the NIS move towards institutionalized democratic and market reforms, including the Eurasian Foundation for Democracy, Free Enterprise, and Training in Leadership and Management.

A.I.D.'s first projectized activities, totaling \$5 million, are about to get underway:

- o The Democratic and Economic Initiatives project, providing the newly independent states with initial advisory services, training, studies and assessments, and PVO support to promote the emergence of a market economy and democracy. Funds totaling \$3.2 million have been committed.
- o The Energy Efficiency and Market Reform project, which will provide U.S. experts to help

implement urgently needed repairs of district heating plants, as well as short-term energy-efficiency improvements in industrial and electrical power facilities, refineries, and petroleum production companies. The project also will help develop new energy policy and pricing reforms, as well as institutional and regulatory mechanisms to promote market competition and to stimulate capital investment.

Only initial activities have been identified for these projects and for the other activities described above. A.I.D. will notify the Congress of future activities and funding requirements, as planning progresses.

Management of the Program

President Bush has appointed Deputy Secretary of State Lawrence Eagleburger as Coordinator for all U.S. Government assistance to the NIS. Ambassador Robert L. Barry, Special Adviser for Assistance to Emerging Democracies, is in charge of day-to-day coordination under Deputy Secretary Eagleburger. Ambassador Richard Armitage has been designated as on-the-ground coordinator for U.S. emergency relief, within the overall U.S. Government effort.

A.I.D. Administrator Ronald W. Roskens serves as a Deputy Coordinator to Deputy Secretary Eagleburger, and he has named Richard E. Bissell to head A.I.D.'s specially appointed Task Force on the NIS. Action bureaus within A.I.D. (Bureaus for Food and Humanitarian Assistance, for Europe, for Research and Development, for Private Enterprise, and Policy Directorate) which are working on activities to assist the NIS will coordinate planning and implementation through the Task Force for the short to medium term.

The U.S. Food Aid Task Force, led by Under Secretary of Agriculture Richard Crowder, is charged with assuring food assistance for particularly needy and vulnerable population groups. Within this context, an intra-agency Emergency Working Group to coordinate immediate relief efforts has been set up under FHA/OFDA's supervision; other U.S. Government agencies are participating.

While acting in concert with other U.S. Government agencies, A.I.D., as the agency ultimately responsible for expenditure of appropriated funds, will take a proactive role in program coordination and oversight. Coordination with other agencies will occur first at the design stage when the final program is reviewed and approved by the entire inter-agency review committee; next at the project implementation review stage by participation of other agencies; and finally through periodic inter-agency field assessments.

FY 1993 Budget Request

In FY 1993 A.I.D. requests \$460 million for economic assistance activities to assist the 12 new states of the former Soviet Union, including \$100 million in ESF, \$350 million from the special account, and \$10 million in DA through centrally funded programs. Ten million dollars in P.L. 480 Title II assistance for a "Farmer-to-Farmer" program also is requested. Economic assistance activities will build on the FY 1992 program. As the states' needs are identified, programs will be designed which may include: macro-economic policy assistance; help in developing the commercial, legal and regulatory structure necessary to mobilize domestic and foreign investment and end direct government ownership of business; support for privatization of specific enterprises; economics and business education; energy pricing and institutional reform; increasing energy efficiency; feasibility studies and training for new civilian enterprises employing former defense workers; assistance to national legislatures and independent media; public education programs on democratic systems of governance; and support for PVOs.

ROCAP

PROGRAM OBLIGATION SUMMARY (In thousands of dollars)			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
DEVELOPMENT ASSISTANCE	17,982 ^a	18,000 ^b	15,120
ECONOMIC SUPPORT FUND	498	0	0
TOTALS	18,480	18,000	15,120

a. Includes \$10,155 of DA and \$619,895 of Section 517 recoveries reobligated in FY 1991.
 b. At the time of printing, no FY 1992 appropriations have been enacted. FY 1992 amounts shown are the Agency request levels and are subject to change.

PERSONNEL DATA - MISSION DIRECT HIRE ^a			
CATEGORY	FY 1991 (ACTUAL)	FY 1992 (ESTIMATED)	FY 1993 (REQUEST)
U.S. NATIONAL	12.2	10	10
FOREIGN NATIONAL	4.0	4	4
TOTALS	16	14	14

a. Total full time equivalent workyears. Includes HG and IG personnel. One workyear = 2080 hours.
 b. Includes two RHUDO USDH.
 c. Includes two RHUDO USDH and one USDH Deputy Controller.

PARTICIPANT TRAINING DATA ^a									
PARTICIPANT CATEGORY	FY 1991 (ACTUAL)			FY 1992 (ESTIMATED)			FY 1993 (REQUEST)		
	A ^b	T ^c	TOTAL	A	T	TOTAL	A	T	TOTAL
UNITED STATES									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	3	6	9	4	8	12	2	0	2
THIRD COUNTRY									
BILATERAL ^d	0	0	0	0	0	0	0	0	0
REGIONAL ^e	0	0	0	0	0	0	0	0	0
TOTALS	3	6	9	4	8	12	2	0	2

a. In-training refers to the sum of new starts in training during the FY and carryovers still in training from the prior FY.
 b. Academic: degree seeking.
 c. Technical: non-degree seeking.
 d. Funded under bilateral programs, including CLASP, CASS and ATIE.
 e. Funded under regional programs.

REGIONAL OFFICE FOR CENTRAL AMERICAN PROGRAMS

Introduction

Building on successive free elections throughout Central America and on a new consensus favoring market-oriented economies, the five Central American presidents signed the Declarations of Antigua and Puntarenas in 1990 affirming a commitment to the goals of regional cooperation and integration. The Agency for International Development (A.I.D.) through the Regional Office for Central American Programs (ROCAP) and its work in support of the U.S. Enterprise for the Americas Initiative (EAI) and the Partnership for Democracy and Development (PDD) are critical in helping the Central Americans to realize these goals.

A.I.D. Development Strategy and Accomplishments to Date

The United States supports Central American efforts towards regional integration and development through ROCAP and its bilateral A.I.D. missions. ROCAP administers programs which complement bilateral activities in the region, these programs are specifically designed to focus on constraints to economic growth in Central America that require multi-country solutions or that are more cost-effectively addressed at the regional level. ROCAP's program focuses on four main themes: 1) increased intra- and inter-regional trade and investment based on liberalized and harmonized economic policies; 2) rational environmental and economic practices, and higher productivity insofar as uses of natural resources are concerned; 3) strengthening of democratic institutions so as to enfranchise citizens politically and economically; and 4) providing support for various initiatives, such as the PDD, the EAI and the Central American Development Coordination Commission (CADCC) processes to encourage regional harmonization and attract international development resources to Central America. Significant accomplishments in the region have been made in the areas of trade and investment reforms, including a steady reduction in tariffs both within Central America and with the outside trading partners; adoption of common documentation for trans-border and export shipments; and a strong dialogue between regional and governmental institutions with representatives of private enterprise. Partly as a result of these endeavors, overall merchandise trade has increased at an annual rate of almost 13% since 1988. In the environmental area, two major U.S.-based consortia have set up operations in Central America matching A.I.D. dollar for dollar in programs. Turtle excluder devices have been successfully introduced into the region's shrimp export industry. Major environmental policy inventories for all Central American countries have been completed to provide the information base necessary to guide and measure policy reform actions.

Other Donors

ROCAP coordinates very closely with other bilateral, regional and multilateral donors (notably the Inter-American Development Bank) working in Central America, especially in the context of the PDD. The goal is to achieve a greater coherence and consistency among international donors so that the combined effort is greater than the sum of the individual contributions.

FY 1993 Program

For FY 1993, A.I.D. is requesting \$ 5.1 million in Development Assistance to continue the present regional program thrust while tailoring activities to the Central Americans' commitment to regional cooperation and integration. In line with A.I.D.'s mandate for program concentration, new activities will be minimal and current activities in natural resources and the environment, regional municipal development and regional coordination will be advanced in accordance with our strategic objectives. For FY 1993, A.I.D. plans to initiate a program focused on more open trade and investment regimes in Central America through improved policy formulation and coordination among the regional countries.

Mission Director: Irenemaree Castillo.

PROJECT TITLE (APERTURA) Assistance for the Promotion of Trade Opening through Regional Action		PROJECT NUMBER 596-0170 <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
PROPOSED OBLIGATION BY FUNDING SOURCE (In thousands of dollars)		
FY 1993 2,000 DA	LIFE OF PROJECT FUNDING 8,000 DA	
INITIAL OBLIGATION FY 1993	ESTIMATED FINAL OBLIGATION FY 1996	ESTIMATED PROJECT COMPLETION FY 1998

Purpose: To promote a more open trade and investment regime in Central America through improved policy formulation and coordination among countries in the region.

Project Description: All Central American countries have committed themselves to work closely together in the development of an integrated economy in the region, characterized by a common policy framework that will allow the private sector to compete freely within the region and in international markets. This project will support regional activities critical to the process of Central American trade and investment policy cooperation and coordination and will complement policy reform initiatives at the national level, in particular those promoted by the bilateral A.I.D. missions. Project priorities are: 1) continued reduction of trade barriers; 2) enhanced transnational competition and investment through consistent removal of restrictive business practices; 3) a level playing field for all investors and entrepreneurs through improved and consistent protection within the legal, regulatory and judicial system; 4) increased trade in financial services through policy harmonization; and 5) increased trade in infrastructure services through greater reliance on market-based mechanisms. The project will finance technical consultants to assist regional entities or fora engaged in policy harmonization, regional conferences and training seminars that contribute to the process of economic policy liberalization and harmonization. Key regional entities may include the Permanent Secretariat of the General Treaty of Central American Economic Integration, the Central American Institute of Business Administration, the Federation of Private Sector Entities of Central America and Panama, and conceivably the Interamerican Institute for Agricultural Cooperation on issues of agricultural trade.

Sustainability: Project assistance is limited to existing regional institutions on specific activities; no assistance will be provided to general institutional development.

Relationship to A.I.D. Strategy: The project addresses directly two elements of A.I.D.'s assistance strategy for Latin America, growth and regional cooperation, within the context of the economic assistance strategy for Central America for 1991-2000. The project promotes overall U.S. Government policy as expressed in the Enterprise for the Americas Initiative.

Host Country and Other Donors: Regional cooperation has become an increasingly important element of economic and trade policy reform. The project will support this process and efforts by other donors working in the same area, in particular the European Community, InterAmerican Development Bank, and the United Nations Development Program.

Beneficiaries: The immediate beneficiaries of the project will be Central American policy-makers working at the regional level to coordinate and harmonize economic policy reforms, and to intensify trade with each other and with other countries. Better trade and investment conditions will benefit employers and producers. Employees and consumers in the Central American region will benefit as well.

Major Outputs:	All years
Specific policy studies	45
Draft treaties, legislation and regulation	25
Seminars, workshops, conferences	24
Training (person-months)	48

A.I.D.-Financed Inputs:	Life of Project (In thousands of dollars)
Technical assistance	6,000
Training	500
Direct costs (seminars)	<u>1,500</u>
Total	8,000

GLOSSARY OF TERMS

The glossary defines legislative, administrative, programming and budget terms referred to in this presentation. Underscored terms in the definitions are defined elsewhere in the glossary. Frequently used abbreviations are included.

Activity: Project or task required to carry out a program. The word "activity" is used for any activity or unified group of activities, programs, projects, types of material assistance or other operations for which a separate Planned Program Summary sheet in the Congressional Presentation or an Advice of Program Change would normally be used. Refers to both project and non-project assistance.

Actual Year: Last completed fiscal year; in this case, FY 1991.

Appropriation: An act of Congress permitting Federal agencies to incur obligations for specified purposes, e.g., Foreign Assistance and Related Programs Appropriation Act, 1990.

Appropriation Accounts: The separate accounts for which specific dollar amounts are authorized and appropriated.

Authorization: Substantive legislation which establishes legal operation of a Federal program, either indefinitely or for a specific period, and sanctions particular program funding levels, e.g., the Foreign Assistance Act of 1961, as amended (FAA).

Bilateral Assistance: Economic assistance provided by the United States directly to a country or through regional programs to benefit one or more countries indirectly. (A.I.D. Development Assistance, Economic Support Fund, Special Assistance Initiative, and most P.L. 480 food aid are among the U.S. bilateral programs. Others include Peace Corps and International Narcotics Control.)

Budget Authority: Authority provided to the Government by law to enter into obligations which result in outlays or government funds.

Budget Year: Year of budget consideration; in this case, FY 1993.

Consortium Grants: Grants to consortia of private and voluntary organizations (PVOs) to enable a group of PVOs with similar interests to exchange information and program experiences and to collaborate in programs, thereby avoiding duplication.

Continuing Resolution: A joint resolution passed to provide stop-gap funding for agencies or departments whose regular appropriations bills have not been passed by Congress by the beginning of the fiscal year.

Cooperatives: A business voluntarily owned and controlled by its users and operated for their benefit.

Deobligations: Unexpended funds obligated for a specific activity which are subsequently withdrawn, following a determination that they are not required for that activity.

Development Assistance: Assistance under Chapter I of the Foreign Assistance Act primarily designed to promote economic growth and equitable distribution of its benefits.

Development Assistance Committee (DAC): A specialized committee of the Organization for Economic Cooperation and Development (OECD). The purpose of the DAC is to increase total resources made available to developing countries. Member countries jointly review the amount and nature of their contributions to bilateral and multilateral aid programs in the developing countries. DAC members are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, the United States and the Commission of the European Economic Communities.

Development Loan: Development Assistance which must be repaid, usually a long-term, low-interest loan repayable in U.S. dollars.

Development Program Grants (DPGs): Grants to assist private and voluntary organizations to strengthen their ability to be effective development agencies.

Economic Assistance: Bilateral and multilateral foreign assistance designed primarily to benefit the recipient country's economy. Military assistance, Export-Import Bank activities, Overseas Private Investment Corporation programs and Commodity Credit Corporation short-term credit sales, which have primary purposes other than economic development, are not included in this category.

Economic Support Fund: An appropriation account for funding economic assistance to countries based on considerations of special economic, political or security needs and U.S. interests. It took the place of Security Supporting Assistance, as provided in Section 10(b)(6) of the International Security Assistance Act of 1978 (92 STAT 735).

Expenditures: As reported in this document, represent the total value of goods and services received, disbursement for which may not have been made. Disbursements, also referred to as actual expenditures or outlays, represent funds paid from the U.S. Treasury.

U.S. Government Fiscal Year: Yearly accounting period, without regard to its relationship to a calendar year. (The fiscal year for the U.S. Government begins October 1 and ends September 30.)

Foreign Assistance Act (FAA): The Foreign Assistance Act of 1961, as amended (A.I.D.'s present authorizing legislation).

Foreign Assistance and Related Programs Appropriation Act: The Appropriation Act for a particular year for economic (except P.L. 480 food aid) and military assistance and Export-Import Bank.

Functional Assistance: Development Assistance funded from one of the following eight appropriation accounts: (1) Agriculture, Rural Development and Nutrition; (2) Population Planning; (3) Health; (4) Child Survival; (5) AIDS Prevention and Control; (6) Education and Human Resources Development; (7) Private Sector, Environment and Energy; and (8) Science and Technology.

Grants: Assistance to an organization to carry out its activities as opposed to the acquisition of services for A.I.D. or a host country which need not be repaid. (Term also describes a funding instrument for programs of an institution or organizations, e.g., International Executive Service Corps or an international agricultural research center.)

Gross Domestic Product (GDP): Measures the market value of total output of final goods and services produced within a country's territory, regardless of the ownership of the factors of production involved, i.e., local or foreign, during a given time period, usually a year. Earnings from capital invested abroad (mostly interest and dividend receipts) are not counted, while earnings on capital owned by foreigners but located in the country in question are included. The GDP differs from the GNP in that the former excludes net factor income from abroad.

Gross National Product (GNP): Measures the market value of total output of final goods and services produced by a nation's factors of production, regardless of location of those factors, i.e., in the country or abroad, during a given time period, usually a year. Earnings from capital owned by nationals but located abroad (mostly interest and dividend receipts) are included, while earnings in the country by factors owned by foreigners are excluded.

International Financial Institutions (IFIs): Currently known as multilateral development banks (MDBs), multilateral lending institutions which provide resources for development. They include the following: Asian Development Bank (ADB) and Fund (ADF), Inter-American Development Bank (IADB), International Bank for Reconstruction and Development (IBRD) (the "World Bank"), International Finance Corporation (IFC), International Development Association (IDA) and African Development Bank

(AfDB) and Fund (AfDF).

Loans: Assistance which must be repaid. Repayment terms for development loans under Development Assistance and the Economic Support Fund are established by A.I.D. in accordance with the Foreign Assistance Act of 1961, as amended (FAA), and the current Foreign Assistance and Related Programs Appropriation Act.

Management Services Grants: Grants to private and voluntary organizations (PVOs) who in turn provide management or program support services to other PVOs (e.g., clearinghouse, accounting assistance, evaluation).

Multilateral Assistance: Assistance which the United States provides to less developed countries (LDCs) through multilateral development banks, the United Nations agencies, and other international organizations with development purposes.

Multilateral Development Banks (MDBs): See international financial institutions.

New Directions: Legislation enacted in 1973 requiring A.I.D. to focus more of its efforts on helping the poor majority in developing countries.

Non-Project Assistance: Program or commodity loans or grants which provide budget or balance-of-payments support to another country. Such assistance is usually funded under the Economic Support Fund or Development Fund for Africa.

Obligation: Legal commitment of funds through such mechanisms as signed agreements between the U.S. Government and host governments, contracts and grants to organizations and purchase orders.

Ocean Freight Reimbursements: Reimburses private and voluntary organizations (PVOs) for up to one-half of their cost in shipping equipment and commodities overseas in support of their development programs.

Official Development Assistance (ODA): Assistance on concessional terms (with a grant element of at least 25%), provided by member countries of the Development Assistance Committee (DAC) to promote economic development in developing countries.

Operating Expenses: Those appropriated funds used to pay salaries, benefits, travel, and all support costs of direct-hire personnel. The "cost of doing business."

Operational Year: Fiscal year in progress (current year), presently FY 1992.

Operational Program Grants (OPGs): Grants to private and voluntary organizations (PVOs) to carry out specific programs.

Organization for Economic Cooperation and Development (OECD): Organization of donor countries which promotes policies designed to stimulate economic growth and development of less developed countries (LDCs). OECD member countries are Australia, Austria, Belgium, Canada, Denmark, Finland, France, the Federal Republic of Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States.

Outlays: Cash disbursements from the Treasury.

Participant: A.I.D.-sponsored less developed country (LDC) national being trained outside his or her own country.

Peacekeeping Operations: The program authorized and appropriated for a special type of economic assistance for peacekeeping operations and other programs carried out in furtherance of the national interests of the United States.

Pipeline: The difference between obligations and expenditures.

P.L. 480: The Agricultural Trade Development and Assistance Act of 1954, as amended, which governs administration of the U.S. Food for Peace program. (Term is often used to describe food aid.)

President's Budget: Budget for a particular fiscal year transmitted to Congress by the President in accordance with the Budget and Accounting Act of 1921, as amended.

Private and Voluntary Organization (PVO): A non-profit, tax-exempt and nongovernmental organization established and governed by a group of private citizens whose purpose is to engage in voluntary charitable and development assistance operations overseas.

Program: A coordinated set of A.I.D.-financed activities directed toward specific goals. For example, maternal and child health, nutrition, education and family planning projects designed to promote the spacing of children may comprise a program to reduce infant deaths.

Project: A single activity designed to generate specific results. For example, a maternal and child health project may be designed to extend basic health services to 60% of children under five years of age in a poor, rural district of the recipient country. A project is A.I.D.'s basic unit of management.

Reimbursement: Collection of funds for services provided to recipients outside the Agency.

Reobligation: Obligation of an amount which had been obligated and deobligated in prior transactions.

Congressional Presentation (CP) Terms:

Program Summary Table. The table found at the beginning of each region and country narrative contained in this Congressional Presentation document. This table summarizes by type of assistance (Development Assistance, Economic Support Fund, Special Assistance Initiative, Development Fund for Africa, P.L. 480 and other) the prior year, current year and proposed year budget levels.

Table I. The summary table of programs and appropriations, found at the beginning of each regional and central program listing of projects in the statistical annex to this Congressional Presentation document.

Table II. The summary table of active and proposed projects, by country and central program, found following the Table I in the statistical annex to this Congressional Presentation document.

Green Book. This publication is entitled U.S. Overseas Loans and Grants and Assistance from International Organizations. This data, which is grouped by country and geographic region, includes assistance from A.I.D., military assistance, P.L. 480, Export Import Bank, etc. from 1945 to the last completed fiscal year, in this case FY 1991. This publication is released at the time or shortly after the Congressional Presentation is distributed.

ABBREVIATIONS AND ACRONYMS

ACRIS	-	A.I.D. Contractor Registry Information System
AEPRP	-	African Economic Policy Reform Program
AFL-CIO	-	American Federation of Labor-Congress of Industrial Organizations
AID	-	Agency for International Development
AIDS	-	Acquired Immunodeficiency Syndrome
AIFLD	-	American Institute for Free Labor Development
AIM	-	AIDS Impact Model
APEC	-	Asia Pacific Economic Coordination
ASEAN	-	Association of Southeast Asian Nations
ASHA	-	American Schools and Hospitals Abroad
ATI	-	Appropriate Technology International
ATLAS	-	African Training for Leadership and Skills
BIFADEC	-	Board for International Food and Agricultural Development and Economic Cooperation
CAAA	-	Comprehensive Anti-Apartheid Act of 1986
CADCC	-	Central American Development Coordination Committee
CARE	-	Cooperative for American Relief Everywhere
CARICOM	-	Caribbean Community
CASP	-	Cyprus-American Scholarship Program
CCC	-	Commodity Credit Corporation
CCT	-	Clean Coal Technology
CDC	-	Centers for Disease Control
CDIE	-	Center for Development Information and Evaluation, A.I.D.
CDO	-	Cooperative Development Organization
CEDPA	-	Center for Population and Development Activities
CFO	-	Chief Financial Officer
CGIAR	-	Consultative Group of International Agricultural Research
CIP	-	Commodity Import Program
CIS	-	Commonwealth of Independent States (former Soviet republics)
CRSP	-	Collaborative Research Support Program
CS	-	Child Survival Fund Account
CSFR	-	Czech and Slovak Federal Republic
CTC	-	Central Train Control, in Zambia
CTIS	-	Center for Trade and Investment Services, A.I.D.
DA	-	Development Assistance
DART	-	Disaster Assistance Response Team
DFA	-	Development Fund for Africa
DFI	-	Development Finance Institution
DOD	-	Department of Defense
DPT	-	Diphtheria-Pertussis-Tetanus
EAI	-	Enterprise for the Americas Initiative
EC	-	European Community
EH	-	Education and Human Resources Account
ERP	-	Economic Recovery Program
ESAF	-	Enhanced Structural Adjustment Facility, of the International Monetary Fund
ESF	-	Economic Support Fund
EXIM	-	Export-Import Bank
FASCOM	-	Farmers Services Company
FDA	-	Food and Drug Administration
FDAP	-	Functional Development Assistance Program
FEWS	-	Famine Early Warning System

FHA	-	Bureau for Food and Humanitarian Assistance, A.I.D.
FMLN	-	Farabundo Marti National Liberation Front, of El Salvador
FN	-	Food and Nutrition Account
FP	-	Family Planning Account
FTE	-	Full-time Equivalent
FY	-	Fiscal Year
GAFNA	-	The Gambia Food and Nutrition Association
GAO	-	General Accounting Office
GDP	-	Gross Domestic Product
GDRM	-	Government of Madagascar
GEEI	-	Global Energy Efficiency Initiative
GEPC	-	Ghana Export Promotion Council
GFPA	-	The Gambia Family Planning Association
GIC	-	Ghana Investment Center
GNP	-	Gross National Product
GOB	-	Government of Bolivia
GOBF	-	Government of Burkina Faso
GODR	-	Government of the Dominican Republic
GOE	-	Government of Ecuador
GOE	-	Government of Egypt
GOG	-	Government of Ghana
GOGB	-	Government of Guinea Bissau
GOIC	-	Government of Cote d'Ivoire
GOJ	-	Government of Jordan
GOM	-	Government of Morocco
GON	-	Government of Namibia
GON	-	Government of Nicaragua
GOP	-	Government of Pakistan
GOP	-	Government of Panama
GOP	-	Government of Peru
GOP	-	Government of the Philippines
GOS	-	Government of Senegal
GOT	-	Government of Tanzania
GOT	-	Government of Tunisia
GOTG	-	Government of The Gambia
GOU	-	Government of Uganda
GOZ	-	Government of Zimbabwe
GPA	-	Global Program on AIDS, of the World Health Organization
GRC	-	Government of the Republic of Cameroon
GRM	-	Government of the Republic of Mali
GRM	-	Government of the Republic of Mozambique
HBCU	-	Historically Black Colleges and Universities
HE	-	Health Account
HG	-	Housing Guaranty
HIV	-	Human Immunodeficiency Virus
IARC	-	International Agricultural Research Centers
IBRD	-	International Bank for Reconstruction and Development (World Bank)
ICMA	-	International City Management Association
ICRAF	-	International Council for Research in Agroforestry
ICRISAT	-	International Crops Research Institute for the Semi-Arid Tropics
IDB	-	Inter-American Development Bank
IDI	-	International Development Intern
IESC	-	International Executive Service Corps
IG	-	Inspector General
IGGI	-	Inter-Governmental Group on Indonesia
IMF	-	International Monetary Fund
IOM	-	Institute of Medicine

LAC	-	Latin America and the Caribbean
LDC	-	Less (or Least) Developed Country
LGA	-	Local Government Area
MAI	-	Multilateral Assistance Initiative
MCH	-	Maternal and Child Health
MCRC	-	Management Control Review Committee, of A.I.D.
MOH	-	Ministry of Health
MT	-	Metric Ton
NAE	-	Narcotics Awareness and Education
NATO	-	North Atlantic Treaty Organization
NCBA	-	National Cooperative Business Association
NE	-	Near East
NGO	-	Non-Governmental Organization
NIS	-	New Independent States (former republics of Soviet Union)
NPA	-	Non-Project Assistance
NSF	-	National Science Foundation
OAJC	-	Omani-American Joint Commission for Economic and Technical Cooperation
OAS	-	Organization of American States
ODA	-	Official Development Assistance
OE	-	Operating Expenses
OECD	-	Organization for Economic Cooperation and Development
OECS	-	Organization of Eastern Caribbean States
OFDA	-	Office of Foreign Disaster Assistance, A.I.D.
OFNAR	-	National Roads Agency of Chad
OPIC	-	Overseas Private Investment Corporation
ORS	-	Oral Rehydration Salts
ORT	-	Oral Rehydration Therapy
OSDBU	-	Office of Small and Disadvantaged Business Utilization, A.I.D.
PA	-	Project Assistance
PACT	-	Private Agencies Collaborating Together
PASA	-	Participating Agency Service Agreement
PATH	-	Program for Appropriate Technology in Health
PDD	-	Partnership for Democracy and Development
PHC	-	Primary Health Care
PIAS	-	Procurement Information Access System
PN	-	Population Planning Account
PNG	-	Papua New Guinea
POL	-	Directorate of Policy, A.I.D.
P/PHC	-	Preventive and Primary Health Care
PRE	-	Bureau for Private Enterprise, A.I.D.
PRISM	-	Program Performance Information for Strategic Management
PSEE	-	Private Sector, Environment and Energy Account
PSIP	-	Private Sector Investment Program, of A.I.D.
PTRH	-	Part-time Resident Hire
PVO	-	Private and Voluntary Organization
R&D	-	Bureau for Research and Development, A.I.D.
REDSO/ESA	-	Regional Economic Development Services Office, East and Southern Africa
RHUDO	-	Regional Housing and Urban Development Office, of A.I.D.
RMA	-	Range Management Area
ROCAP	-	Regional Office for Central American Programs
RSSA	-	Resource Services Support Agreement
RTG	-	Royal Thai Government
SADCC	-	Southern Africa Development Coordination Conference
SAI	-	Special Assistance Initiative
SAL	-	Structural Adjustment Loan, of the World Bank
SAP	-	Structural Adjustment Program
SARP	-	Southern Africa Regional Program

SME	-	Small and Microenterprise
STD	-	Sexually Transmitted Disease
TDP	-	Trade and Development Program
TGE	-	Transitional Government of Ethiopia
TT	-	Tetanus-Toxoid
UN	-	United Nations
UNDP	-	United Nations Development Program
UNHCR	-	United Nations High Commissioner for Refugees
UNICEF	-	United Nations Children's Fund
US-AEP	-	United States-Asia Environmental Partnership
USCEFA	-	U.S. Coalition for Education for All
USDA	-	U.S. Department of Agriculture
USDH	-	U.S. Direct Hire
USIA	-	United States Information Agency
VOCA	-	Volunteers in Overseas Cooperative Assistance
VSC	-	Voluntary Surgical Contraception
WAMU	-	West African Monetary Unit
WCEFA	-	World Conference on Education for All
WDCCU	-	World Council of Credit Unions
WEC	-	World Environment Center
WHO	-	World Health Organization
WID	-	Women in Development
WRI	-	World Resources Institute
WWF	-	World Wildlife Fund
ZR	-	Zambia Railways