



FY 2000 Performance Overview

U.S. Agency for
International Development

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PERFORMANCE OVERVIEW

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

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Center for Development Information and Evaluation



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USAID Public Internet Address

<http://www.usaid.gov>

Development Clearinghouse

<http://www.dec.org>

USAID's Mission

The United States Agency for International Development (USAID) contributes to U.S. national interests by supporting the people of developing and transitional countries in their efforts to achieve enduring economic and social progress and to participate more fully in resolving the problems of their countries and the world.

Introduction

The Agency pursues its mission by contributing to the achievement of six strategic development goals and one management goal:

- Broad-based economic growth and agricultural development encouraged
- Democracy and good governance strengthened
- Human capacity built through education and training
- World population stabilized and human health protected
- The world's environment protected for long-term sustainability
- Lives saved, suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established
- Achieve USAID's development goals in the most efficient and effective manner

These goals were articulated in the Agency's 1997 and revised 2000 Strategic Plans. They are also reflected in the International Affairs Strategic Plan (IASP). Prepared under the leadership of the Department of State (State), the IASP outlines the linkages between the goals of USAID and other agencies and U.S. national security interests. USAID's contributions to these goals are assessed in the Department of State's reports and in the Agency's Performance Overview. USAID's plan for contributing to progress toward the six strategic development goals during the next decade is described more fully in the Agency's Strategic Plan, which sets forth objectives and Development Performance Benchmarks for each goal.

Toward Global Stability – USAID's Essential Role

Vital to U.S. national interests in the post-Cold War world is the maintenance of global economic, political, and social stability. In a world where our democratic values and respect for human rights are central to achieving our foreign policy objectives, USAID has played an essential role for the United States in promoting peace and stability by carrying out development programs and enhancing democracy in developing countries worldwide. USAID's long-term sustainable development programs are an important tool in the U.S. government's efforts to promote international peace and prosperity.

During fiscal year (FY) 2000, USAID fulfilled its mission through a disciplined approach to managing for results for each of its six interdependent development goals. Global trends and USAID operating unit self-assessments of strategic objectives present a composite picture of encouraging outcomes among USAID-assisted countries.

Rapid, broad-based economic growth in developing and transitional countries has improved the lives and well-being of the citizens of those countries while serving U.S. economic, humanitarian, and security interests. Nearly 70 percent of USAID-assisted countries were growing at positive rates in the second half of the 1990s, compared with 45 percent in the early part of the decade. Economic freedom improved in more than two thirds of USAID assisted countries. Overall, 88 percent of the 152 strategic objectives for encouraging economic growth and agricultural development met or exceeded performance expectations.

To achieve the broad goals of democracy, USAID supports programs that strengthen democratic practices and institutions, and ensure the full participation of women and other groups lacking full access to the political system. From 1995 through the end of 1999, 36 USAID-presence countries (41 percent) became freer, while 14 became less free, according to the most recent Freedom House combined scores for political rights and civil liberties. However, in terms of the Agency's country programs during FY 1999, 80 percent of Agency operating units met or exceeded their democracy and governance strategic objectives.

To help develop human capacity in USAID-assisted countries, the Agency works to expand access to quality basic education for underserved populations and to

enhance the contribution of host-country colleges and universities to the process of development. In all regions, the primary-school enrollment rates for USAID-assisted countries has increased. Ninety-five percent of Agency operating units met or exceeded their human capacity and development goals through education and training strategic objectives.

Stabilization of population size and improved human health and nutrition are essential to sustainable development. For all regions, total fertility rates and child mortality rates are declining. Deaths from infectious diseases, except HIV/AIDS, are declining in every region except Africa and Southeast Asia. Yet, the scale of the current HIV/AIDS epidemic is exceeding the worst case projections made a decade ago. By the end of the 1980s, an estimated 10 million people had been infected and 1.5 million people had died. By the end of 1999, 34 million people were living with HIV/AIDS, 23 million in Africa alone. There are 10 countries in Latin American and the Caribbean where prevalence in the adult population is above 1 percent. In parts of Eastern Europe there were more infections registered in 1999 than in all previous years combined, while in parts of southern Africa, the number of people living with HIV/AIDS has increased by 50% in the last two years. In Asia, 6 million people are living with HIV/AIDS has increased by 50% in the last two years. In the absence of effective treatment and care, an additional 15 million people currently infected with HIV will develop AIDS and die in the next five years.

The consequences of morbidity and mortality on this scale are far reaching- nations have lost their investments in human capital and institutional development. HIV/AIDS has the potential to cause development and security crises in Sub-Saharan Africa and has made deep inroads into Asia, Latin America and the Caribbean, and Eastern Europe. Inevitably, the impact of the epidemic will continue to worsen in the coming decade.

In FY 2000, 94 percent of 80 USAID operating unit strategic objectives for stabilizing world population and protecting human health met or exceeded performance expectations. However, AIDS has eroded progress in this area in many countries, and will make the achievement of strategic objectives in population and health, as well as across the board, more difficult to obtain.

USAID environmental programs work to improve national policies; promote technology development and use; and build capacity to plan, promote, monitor; and enforce community empowerment to protect the environment. More than 92 percent of the Agency operating unit strategic objectives to protect the environment for long-

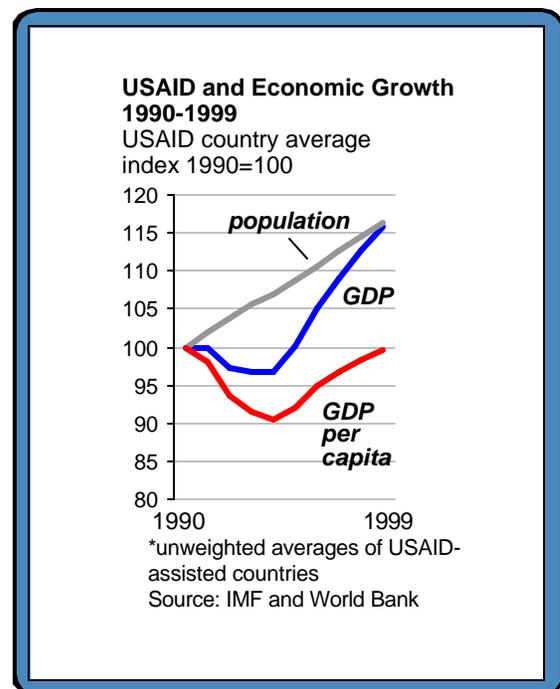
term sustainability met or exceeded performance expectations.

Finally, USAID provides essential food, shelter, water, and health services to keep people alive during man-made and natural disasters. Overall, 90 percent of the Agency's operating units, which have 30 strategic objectives to promote humanitarian assistance, met or exceeded expectations.

The FY 2000 Annual Performance Overview

The Government Performance and Results Act (GPRA or the Results Act) requires that agencies prepare Annual Performance Plans (APPs). USAID has submitted annual plans covering FY 1999, FY 2000 and FY 2001. Agencies must also submit an Annual Performance Report (APR) within six months of the end of a fiscal year. USAID has submitted separate annual reports through the end of FY 1999. This FY 2000 Performance Overview, prepared as part of USAID's compliance with GPRA, is different from predecessor documents in two ways:

First, the Performance Overview contains the Annual Performance Report and key elements of USAID's Annual Performance Plan. Last year, USAID submitted its FY 1999 Annual Performance Report which discussed the progress accomplished in meeting its FY 1999 Annual Performance Plan targets. USAID also submitted at the



same time a separate FY 2001 Annual Performance Plan describing Agencywide performance goals and indicators. Rather than prepare a separate report for FY 2000 and plan for FY 2002, USAID has combined its FY 2000 APR and the broad overview of USAID plans for the FY 2002 APP into a single presentation: – **The FY 2000 Performance Overview**. We believe that this consolidated Performance Overview format, which we plan to use in the future (rather than submitting separate documents), will facilitate understanding of USAID's goals and achievements by the Congress and other readers. The Agency's POR, in conjunction with the annual Congressional Budget Justification (CBJ), is designed to meet the GPRA requirements for the Annual Performance Plan.

Second, instead of reporting progress against goals at the Agency level, we use the operating unit strategic objectives as the Agency's annual performance goals for purposes of the Performance Overview. Yet, prior Agency goals contained in the 2000 Annual Performance Plan are useful to provide the development context in which our programs operate; therefore, they are generally included in the chapters as such.

This FY 2000 Performance Overview presents an overall picture of Agency performance by synthesizing the progress seen in the specific programs in countries and regions benefiting from USAID assistance. The Agency's six programmatic objective goals and one management goal organize this report.

Using the FY 2000 Performance Overview and FY 2002 Budget Justification

USAID will produce two documents that, in combination, will describe the Agency's near-term plan to respond to U.S. foreign policy, Administration, and Congressional priorities. This year's Performance Overview provides the Agency's general plan. The accompanying FY 2002 Congressional Budget Justification (formerly known as the "Congressional Presentation") contains more specific data on Agency goals, indicators and funding levels. While the Performance Overview accommodates most of the specific priorities expected of the Agency, there is a growing concern within USAID and the Department of State that accommodating all these specific requirements limits the Agency's ability to contribute to larger foreign policy and national security objectives. The Performance Overview and the Agency's Budget Justification must be reviewed together in order to obtain a complete picture of the Agency's (and State's) proposed plan to address these emerging concerns.

The FY 2002 Budget Justification (BJ) will serve as an important companion document to this Performance Overview and should be considered an integral part of meeting GPRA requirements. The BJ organizes USAID's results not by goal, but by country, regional, and global programs. The BJ provides details on results from individual programs, while the FY 2000 Performance Overview provides a broad sense of what and how USAID is doing in each of its goal areas. The Performance Overview, however, complements program-specific information with data on broader development trends in order to provide a better sense of the larger context in which USAID operates.

Both the Budget Justification and the Agency Performance Overview draw from the same basic performance information: —the annual R4 reports prepared by each USAID operating unit. Given the tremendous continuing interest in the details of USAID's work, the Agency has modified its Budget Justification to provide more information on programs and activities by country and region. Similarly, the Agency's multiyear strategies for individual countries and regions provide additional detail on the specific results sought. This voluminous detail supplements the Performance Overview, which seeks to synthesize and analyze results from individual strategic objectives that support the Agency's long-term goals.

This FY 2002 Performance Overview also describes USAID's progress to date in identifying more useful Agencywide performance goals and indicators. The Agency has stated its intention to revise the performance goals and indicators introduced in its 2000 Agency Strategic Plan because these performance goals and corresponding indicators were generally felt to be too ambitious and too far removed from what USAID actually does.

USAID's Performance Goals – A Revised Approach

For each of its strategic goals, USAID in 1997 identified a limited set of performance goals and indicators. These goals, and the associated indicators and targets typically capture progress at the country level. Such progress is mainly the result of self-help efforts by the recipient country, supported by USAID and other partners and donors. These indicators are broad development performance indicators. They shed considerable light on the results of overall efforts at development cooperation. Furthermore, they are common across countries, they are typically available from published sources, and they enable the Agency to report on development performance in a

fairly compact set of tables that can be readily summarized and aggregated. Some of them correspond to internationally agreed-upon development goals and targets that USAID supports.

Notwithstanding these favorable attributes, there has been considerable, valid criticism of using these indicators and targets as the ones against which Agency performance could be judged, because in many cases one cannot reasonably attribute overall country progress to USAID programs. While we support and contribute to these goals, their achievement is not usually within the manageable interest of USAID programs and resources. This drawback was acknowledged and discussed when USAID formulated the 1997 Strategic Plan.

The obvious alternative has been to use actual operating unit strategic objectives as the Agency performance goals. Operating unit objectives, targets, and indicators highlight the specific goals that USAID seeks in country, regional, or global settings. Indicators and targets are developed by individual operating units and their partners, with guidance and technical support from Washington, and they are reviewed and approved in Washington. Operating units report annually on how their programs are progressing relative to the agreed-upon performance targets. These annual reports help form the basis on which operating units request resources. Thus, the reports inform the overall resource request and allocation process.

The main drawback is that there are many different objectives and performance indicators. Even though the Agency explicitly and systematically uses these performance measures to manage for results, the measures—based on programs that are tailored to local needs and circumstances—typically do not aggregate into a compact set of common performance indicators that can convey the cumulative value-added of USAID's assistance. After years of effort, USAID has found that as a general rule common indicators cannot be meaningfully applied across programs that may be broadly similar, but that are designed to respond to individual country circumstances.

Considering the advantages and limitations of alternative approaches to performance reporting, USAID will henceforth use the operating unit strategic objectives as the Agency's annual performance goals for purposes of the Performance Overview, which shall continue to encompass the Annual Performance Plan and the Annual Performance Report. Targets will be set for these performance goals, and the Agency is prepared to be held accountable for progress in achieving these targets.

In addition, USAID will continue to report on country development performance indicators, using some of the indicators that were formerly Agency performance goals. The extent of country progress and success is of interest in its own right. It reflects the overall results of cooperative development efforts, and provides important contextual information for discussions of Agency program performance. These indicators will now be referred to as "Development Performance Benchmarks." Targets will no longer be set for these indicators, because they are beyond our manageable interest. USAID will of course continue to support and contribute to the achievement of agreed-upon international goals and targets.

Finally, in the FY 2000 Performance Overview, USAID will aim to synthesize and summarize performance by broadly similar program clusters by Agency goal, where it is possible to do so. In this reporting we will use common indicators where feasible. Common indicators for clusters of programs have been referred to as "mid-level" indicators in recent Annual Performance Plans. USAID will not set targets for these mid-level indicators, nor otherwise manage against them.

The FY 2002 Proposed Plan

What USAID has been—and remains—is an organization dedicated to the transfer of development knowledge. What developing countries want from the United States is not only access to our dollars, but also access to U.S. technical capabilities and expertise. The cost of providing this assistance remains small with a foreign assistance budget of less than one half of 1 percent of the annual Federal budget. The long-term benefits from such investments have been real. Since 1970, literacy in developing countries has risen by almost 50 percent; infant mortality has been cut in half; life expectancy has risen by a decade; and the percentage of people living in absolute poverty has been reduced by almost half.

In 1970, no one could have planned and projected these results with any reasonable certainty. In part, that is because development, like democracy, remains as much a journey as a destination. Creating a global community where many work together to alleviate poverty, reduce infant mortality, open markets, and apply basic democratic principles is complex and long-term. It also requires continual learning. And yet, we have made much progress. Investments made in the past three decades have resulted in real change. Investments made today toward a more prosperous, stable global society will make a world of difference for the generations of this new millennium.

USAID's Portfolio

USAID's portfolio by goal in FY 2002 will be substantially the same as in FY 2000 and FY 2001. Additional programs can be expected in population, HIV/AIDS, infectious diseases, and the environment, reflecting increases in the budget request over the previous year's levels. USAID's proposed plan and budget address most current Congressional and Administration priorities, and they are responsive to foreign policy priorities identified in the International Affairs Strategic Plan and the National Security Strategy.

Given the medium- to long-term nature of development, roughly four-fifths of USAID's planned budget funds ongoing programs. The Agency's mandate to pursue multiple, yet interrelated, agendas continues, as is reflected in the range of funding accounts:

- *Sustainable development assistance* supports the efforts of people and governments to alleviate poverty, open markets, develop agriculture, protect the environment, expand basic education, improve health and family planning, and apply basic democratic principles (using Child Survival and Disease, Development Assistance, and Economic Support funds).
- *Humanitarian assistance* provides aid in complex emergencies and other humanitarian crises (using International Disaster Assistance special appropriations for the Office of Transition Initiatives, Public Law (PL) 480 funds, and Development Assistance and Child Survival and Disease funds in special limited circumstances).
- *Child survival and infectious diseases assistance* fights the causes of child morbidity and mortality and infectious diseases, including AIDS (using Child Survival and Diseases, Development Assistance, and Economic Support funds).
- *Transition assistance* supports the transition to democracy and market economies in Eastern Europe and the former Soviet Union (using Support for Eastern Europe Democracy and Freedom Support Act funds).

The **structure of the budget** that the Agency will administer will remain roughly the same as it was during the past several years. Funds for Development Assistance,

Child Survival and Diseases, Support for East European Democracy (SEED), the Freedom Support Act (FSA) and Economic Support funds are represented in the table, as well as International Disaster Assistance and PL 480. See Agency FY 2000 Accountability Report for details.

In FY 2002, USAID expects to be working on approximately 450 specific strategic objectives in nearly 125 countries, including 75 countries in which the Agency has resident staff. Each of these objectives is oriented toward results, with performance indicators and targets adapted to the local context. Nearly a hundred different operating units—both in Washington and overseas—will administer these programs. This is substantially the same level of program complexity and volume as the Agency administered in FY 2000 and FY 2001.

When examining specific countries or programs, greater individual variations will be found. For example, some countries in **Europe and Eurasia** are projected to graduate from intensive assistance programs. Specific country and program details can be found in the Congressional Budget Justification. The impact of possible supplemental funding has not yet been included.

Resource Allocation By Region and Country

Performance information on the strategic objectives of all Agency operating units' is taken into account annually in budget request preparation. The Agency's allocation of Development Assistance and Child Survival and Diseases funds by country and region accords with best development practice, and reflects three aspects of country programming: need, policy environment (ability to use assistance effectively), and foreign policy priority to the United States. Indeed, USAID recently analyzed its portfolio and found that these three factors explained nearly 70 percent of the FY 1999 country allocations.

The Agency is now conducting similar analyses on how it allocates operating expenses and staff resources and on ways of making these allocations more effective. The rapid pace of change complicates these analyses: USAID's staffing has been reduced by 30 percent during the past six years. This situation has made the Agency vulnerable to management weaknesses. The analyses also explore ways to tighten its management structure in response to staffing constraints.

Performance Monitoring In USAID: Addressing Different Needs at Different Levels

As we make progress on better synthesizing and aggregating Agency performance, USAID will continue to use a variety of tools to track Agency performance. These tools, described in this section, have grown out of a need to ensure that we are addressing foreign policy priorities, Agency goals, country-level conditions, and Congressional and Administration interests. During the past year, this package of monitoring tools has given managers an increasingly comprehensive view of Agency performance.

Operating-unit assessments. USAID's current system seeks to manage multiple country programs by balancing centrally identified priorities and limited resources with operating unit strategies and plans. Operating units propose strategies for the countries or regions for which they are responsible, indicating both what could be attained and the resources needed. Following strategy reviews, a management agreement is reached between the operating unit and USAID/Washington. It sets forth goals and indicators for country, regional, or global programs. Operating units submit reports annually - Results Review and Resource Requests (R4s) on progress made toward meeting those goals.

Goal area reviews. Annually there is an in-depth review of global, regional, and country trends data by goal area. On the basis of these trends, the content and emphasis of the Agency's regional and global program portfolios are evaluated, followed by an assessment of the need for changes in the Agency's strategy to achieve long-range goals.

Agency assessment of country allocations. The Agency analyzes whether the allocation of funds matches country profiles of need, self-help, foreign-policy importance, commitment to reform, and progressive policies. Results of our analysis show that USAID assistance conforms quite well with these guidelines: —that is, need, population size, greater political freedom, and better policies and institutional environments correlate closely with country funding allocations. Our own analysis was independently reaffirmed by an independent analysis that concluded that USAID was better at matching funds to

countries that could make best use of them than were other bilateral donors.

Evaluations. The Agency's evaluation system has three tiers: 1) central evaluations conducted by the Agency's central policy bureau, 2) operating-unit evaluations (both impact analysis and operational), and 3) goal-area technical analyses. Central evaluations shed light on the relationships between USAID's interventions and the broader development goals that the U.S. government and the broader donor community have agreed upon. They capture Agency experience and lessons learned to inform the strategic-planning and program-design processes.

Operating-unit evaluations capture project-level progress as well as performance issues and operational problems. A central research and reference service maintains these evaluations and makes them available to the Agency and its partners. This service facilitates the application of our accumulated experience in future planning.

Goal-area technical analyses are conducted on specialized topics and are principally used to validate or modify program strategies.

Continuing Challenges In Performance Measurement

Since the time that the Agency Strategic Plan was submitted in 1997, we have identified several issues that affect its

United States Agency for International Development
Net Cost of Operations by Fiscal Year Summary
(In Millions, rounded)

| Goal Centers | FY 1999 | FY 2000 |
|--|----------------|----------------|
| Encourage broad-based economic growth and agricultural development | \$2,979 | \$3,320 |
| Strengthen democracy and good governance | 495 | 350 |
| Build human capacity through education and training | 294 | 125 |
| Stabilize world population and protect human health | 1,048 | 1,437 |
| Protect the environment for long-term sustainability | 612 | 448 |
| Promote Humanitarian assistance | 824 | 1,056 |
| Less earned revenues not attributed to programs | (3) | (6) |
| Net Cost of Operations | \$6,249 | \$6,730 |

*Source: FY 2000 Accountability Report, Statement of Net Costs

usefulness as a reference point for understanding USAID's aggregate performance during FY 2000. While these issues are not unique to USAID, the scale of the issues may be different, given that USAID works in so many different countries, all of which have few resources and capacities to collect consistently good-quality information. They include the unevenness of data availability and quality within and across goal areas, the limited availability of useful annual measures, and the difficulty of capturing and measuring qualitative changes.

Organization of the FY 2000 Performance Overview

To better understand this new consolidated document, we are providing a short description of the principal chapters. Each of the six technical goal chapters (1–6) covers the following topics:

- A. **Overview of the Goal.** This introductory section explains the goal and its strategic objectives and how they relate to our national interest and benefit the American public. This section sets the goal context by describing the nature of the challenges and USAID's role in facilitating solutions.
- B. **Global Trends.** This section provides an overview of regional trends by strategic goal indicators. Examples of country-level results in each strategic goal area that contribute to achieving long-term goals and objectives are reported in this section. This expository information goes beyond GPRA requirements. We added this descriptive narrative to complement the highly aggregated goal-level data in the tables that do not adequately convey the specifics of what the Agency has supported. While the goals set forth in the Agency Strategic Plan are established centrally, decisions regarding how best to contribute to making progress toward those goals are decentralized to the front-line operating units. This field-driven approach was adopted to accommodate the diverse operating environments within which USAID pursues its mission and goals and to assure local-level buy-in for the programs funded.
- C. **Agency Interventions.** This section summarizes recent and prospective performance of USAID programs. Also presented in this section are the contributions of other partners and donors and future plans that highlight key activities to be accomplished during the forthcoming year.

D. **Conclusion.** The conclusion summarizes overall performance against the strategic goal objectives and prospective program outcomes.

E. **Summary Performance Data Tables for FY 2000.** As required by GPRA, this section presents an analysis of performance based on a comparison of actual with planned levels of performance. Performance Overview data reported in the performance tables are the latest available from USAID-assisted countries. Because the countries assisted by USAID are not the same from year to year (owing to such factors as country graduations), baseline data in the FY 1999 Annual Performance Report cannot be compared with the baseline shown in the FY 2000 Performance Overview data tables.

Annex A provides a list of USAID-assisted countries for FY 2000 performance reporting. Annex B presents selected performance indicators for economic growth and agricultural development, population, health and nutrition and environmental goals. Annex C discusses the status of Agency program evaluations. Annex D provides an overview of data quality verification and validation practices. Annex E lists the involvement of non-Federal government parties in the preparation of this report. Annex F provides a listing of abbreviations and acronyms.

Conclusion

We believe that this report shows the contribution that USAID's programs are making to U.S. foreign policy goals related to economic prosperity, human capacity development, humanitarian assistance, democracy and human rights, and the global issues of health and environmental protection. Pursuant to these goals, USAID is improving the lives of millions of people in our partner countries. In addition, the Agency's initiatives to analyze and address the challenges of results measurement have placed it at the forefront of efforts worldwide to improve the effectiveness of foreign assistance.

For those interested in learning more about USAID, the Agency's Web site is <http://www.usaid.gov>. The Web site for USAID's Development Experience Clearinghouse electronic library is <http://www.dec.org>. Readers are encouraged to refer to these Web sites for the Agency Strategic Plans, Annual Performance Plans, and past Agency Performance Reports, as well as country-specific programs, statistics and evaluations.

USAID Goals and Development Performance Benchmarks (From 2000 Annual Strategic Plan)

Strategic Goal 1: Broad-based economic growth and agricultural development encouraged

- Average annual growth rates in real per capita income above 1 per cent.
- Average annual growth in agriculture at least as high as population growth for low-income countries.
- Proportion of the population in poverty reduced at a rate consistent with a 50 percent reduction over 25 years.
- Increased openness and greater reliance on private markets.
- Low or diminished reliance on concessional foreign aid in advanced countries.

Strategic Goal 2: Democracy and good governance strengthened

- Level of freedom and participation improved.
- Civil liberties and/or political rights improved.

Strategic Goal 3: Human capacity built through education and training

- National primary enrollment ratio increased to attain full primary enrollment by 2015.
- The difference between girls' and boys' primary enrollment ratio virtually eliminated.
- Primary school completion rates increased for both boys and girls.
- Primary school repetition rates decreased for both girls and boys.
- Number of host-country higher-education institutions with teaching, research, and community outreach and service programs that respond to national or local service, educational, or economic development needs increased.
- Dependence of higher education on public funding reduced.
- Percentage of students in higher education from traditionally under-enrolled groups increased.

Strategic Goal 4: World population stabilized and human health protected

- Total fertility rate reduced by 20 percent between 1998 and 2007.
- Mortality rates for infants and children under the age of five reduced by 25 percent between 1998 and 2007.
- Maternal mortality ratio reduced by 10 percent between 1998 and 2007.
- HIV infections reduced by 10 percent among 15- to 24 – year-olds between 1998 and 2007.
- Deaths from infectious diseases of major health importance (excluding HIV/AIDS) reduced between 1998 and 2007.

Continued . . .

USAID Goals and Development Performance Benchmarks (From 2000 ASP) (Continued)

Strategic Goal 5: The world's environment protected for long-term sustainability

- National environmental management strategies prepared.
- Conservation of biologically significant habitat improved.
- Rate of growth of net emissions of greenhouse gases slowed.
- Urban population's access to adequate environmental services increased.
- Energy conserved through increased efficiency and reliance on renewable sources.
- Loss of forest area slowed.

Strategic Goal 6: Lives saved, suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established.

- Crude mortality rate for refugee populations returned to normal range within six months of onset of emergency situation.
- Nutritional status of children five and under maintained or improved in populations made vulnerable by emergencies.
- Conditions for social and economic development in post-conflict situations improved.
- Freedom of movement, expression, and assembly and economic freedoms in post-conflict situations increased.

Management Goal 7: Achieve USAID's goals in the most efficient and effective manner

- Accurate program performance and financial information available for Agency decisions.
- USAID staff skills, Agency goals, core values and organizational structures better aligned to achieve results efficiently.
- Agency goals and objectives served by well-planned and managed acquisition and assistance (A&A).
- Agency goals and objectives supported by better information management and technology.
- Collaboration with partners and stakeholders strengthened.



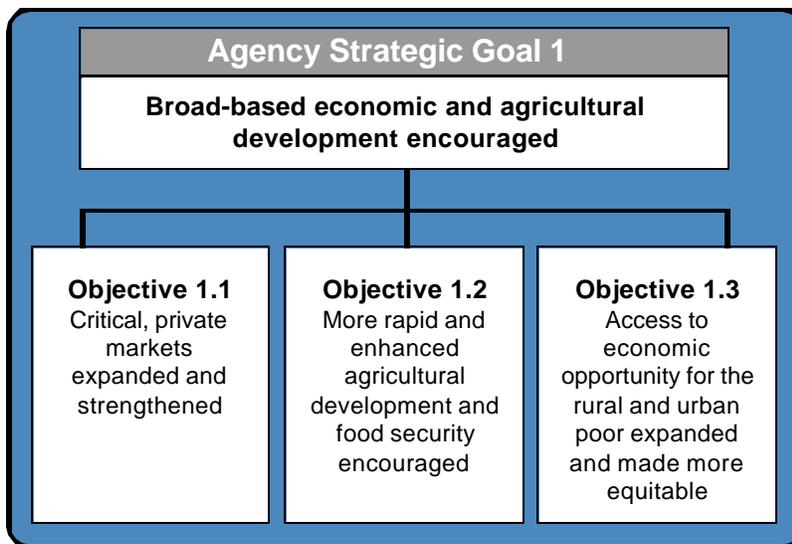
Strategic Goal 1: Encourage Economic Growth And Agricultural Development

1

A. Introduction

Broad-based, equitable economic growth is the most effective means of bringing poor, disadvantaged, and marginalized groups into the mainstream of an expanding economy. The keys to broad-based growth and reduced poverty include a policy environment that promotes economic opportunity for all members of society, well-functioning institutions, private investment, sound investments in public goods and services and in human capacity development, and good governance. The resulting widespread increases in income, employment, and output lead to reduced poverty, increased food security, and higher standards of living, including better health and education. For transitional countries, broad-based, equitable economic growth offers the best chance to enhance political stability and to transform their societies along an irreversible reform pathway.

1. Results Framework



2. What USAID Is Doing

To achieve the goal of broad-based economic growth and agricultural development (EGAD), USAID undertakes programs to expand and strengthen private markets, encourage more rapid and enhanced agricultural development, and expand equitable access to economic opportu-

nity for the rural and urban poor. A strong policy environment and strong institutions within recipient countries are two of the most important determinants of the overall success of USAID programs; therefore, the Agency continues to place priority on EGAD programs that address policy and institution reforms.

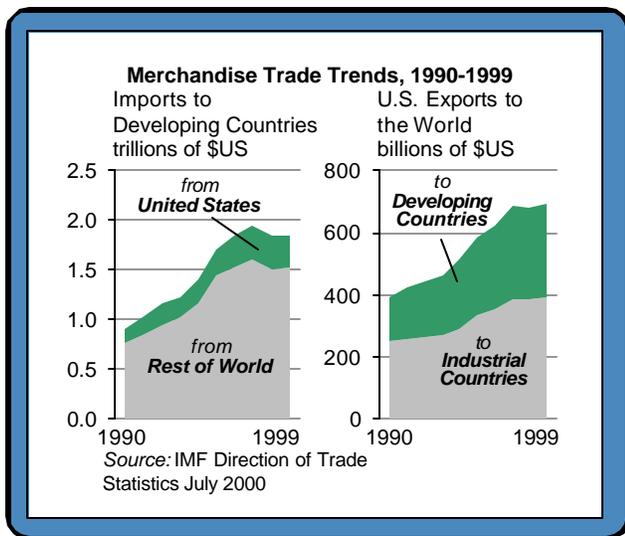
3. Benefits to the American Public

In an increasingly integrated global economy, progress in policy reform, institution building, and human capacity development enables countries to benefit more than ever from opportunities for trade, investment, and technology transfer. The stakes in terms of U.S. economic interests are large and growing. The combination of superior U.S. competitiveness¹ and increased openness and growth in developing countries has resulted in rapidly expanding demand for U.S. exports, contributing to higher incomes and employment for Americans. The United States has

been the industrial world's leading exporter since the mid-1980s, consistently achieving growth rates in exports of goods and services well above those of **Japan** and the major **European** economies.² At the same time, the fastest-growing markets have been in developing countries. Indeed, the 1990s import demand in developing countries has increased more than twice as fast as import demand in industrial economies, even with the financial disturbances of the late 1990s.³

Consequently, U.S. exports to developing countries have expanded much more rapidly than U.S. exports to industrial countries.⁴ This mainly reflects much more rapid growth in developing country markets, the result

of both increased incomes and increased openness. It also reflects somewhat larger gains in market share for the United States in developing country markets. During the course of the 1990s, the U.S. share of industrial country imports increased by 9 percent, compared with a 12 percent gain in the U.S. share of developing country imports.⁵



Among and within developing regions, the evidence clearly points to significant links between economic progress and demand for U.S. exports. Among major developing regions, U.S. exports expanded much more rapidly to more advanced regions than to poorer regions. The rate of expansion was fastest for **Latin American and Caribbean (LAC)** (mainly middle-income and advanced developing countries); slower, but still significant for **Asia** (a blend of poor and advanced developing countries); and slowest for **Africa** (mainly poor countries). This suggests that with development progress, U.S. exports don't just expand, they accelerate.

At the same time, the United States does not need to wait for poor countries to reach middle-income status before realizing concrete benefits from development progress. In **Africa**, U.S. exports have tended to increase relatively rapidly, although absolute numbers are still small, in countries making meaningful progress in terms of growth and/or openness—countries like **Ghana, Uganda, Mali, Ethiopia, and Benin**. The same was true for low-income countries in other regions, such as **Bangladesh, India, Nepal, and Nicaragua**.⁶

4. Challenges

Among developing countries, low-income countries account for 90 percent of global poverty and food insecurity. For low-income countries, broad-based economic growth—which necessarily includes agricultural development—has been a major engine for reducing poverty and food insecurity. It is therefore one of the most important factors in achieving the development

community's international targets for reducing global poverty, defined in terms of income and consumption.

Broad-based, economic progress has also promoted political stability and helped countries avoid crisis. By and large, the developing countries that have been most vulnerable to crisis, chaos, and state failure are among the poorest and least developed countries in the world—for example, **Liberia, Sierra Leone, Somalia, Nigeria, the Democratic Republic of the Congo, and Cambodia**. While countries that have achieved significant economic and development progress have not always avoided internal conflict, they generally are better able to handle conflict—for example, **Indonesia, India, Uganda, Swaziland, South Africa, and El Salvador**.

Significant, widely shared economic progress is also important to transition in formerly Communist countries. Indeed, transition in its economic dimensions is largely the challenge of building institutions and implementing policies that support markets and thereby deliver significant, widespread increases in incomes and productivity. Without such improvements, transition remains incomplete, with adverse implications for stability and security.

B. Global Trends

Rapid, broad-based economic growth in developing and transitional countries has improved the lives and well-being of the citizens of those countries while serving U.S. economic, humanitarian, and security interests. By the end of the 1990s, economic growth performance in USAID recipient countries had improved, despite the Asian financial crisis and other financial disturbances. Nearly 70 per cent of USAID partner countries were growing at significantly positive rates in the second half of the 1990s, compared with 45 per cent in the early years of the decade.

This overall positive trend reflects sharp improvements in the two regions facing the greatest challenges and problems at the beginning of the 1990s—**sub-Saharan Africa** and formerly Communist **Europe and Eurasia**. Performance in **Asia**, and to a lesser extent the **Near East**, was strong in the early 1990s, but has declined somewhat since then. Performance in **LAC** remained mixed overall, with significant improvements in some countries and declines in others.

The remainder of this section discusses economic trends by region, drawing on the country-level indicators contained in USAID's Strategic Plan. These include growth in

per capita income at average annual rates above 1 percent and/or at rates consistent with achieving international targets for poverty reduction; growth in agriculture at least as rapid as population growth (for low-income countries); improvements in economic freedom; growth in trade and direct foreign investment; and declines in aid dependency for advanced countries.⁷

Economic growth performance improved dramatically in **Africa**, as two-thirds of USAID recipients exceeded the 1 percent growth benchmark in 1996–99, compared with only 30 percent in 1992–95. Both external and internal analysts attribute the striking improvements to more effective economic policies. Five countries grew at rates exceeding 3 percent—**Uganda, Mozambique, Rwanda, Malawi, and Angola**. In five more countries (**Burkina Faso, Ethiopia, Eritrea, Senegal, and Benin**), growth was well above 2 percent. At the other end of the spectrum, per capita income remained largely unchanged in five countries—**Madagascar, South Africa, Kenya, Namibia, and Zambia**. Average growth improved markedly, from –1 percent in the early 1990s to +2.1 percent in the late 1990s.⁸ Rapid growth in agriculture supported improvements in overall growth, particularly in **Mozambique, Rwanda, Malawi, Angola, Benin, and Zimbabwe**. Economic freedom increased in about one half of the countries, with **Mozambique, Rwanda, Burkina Faso, Senegal, and Mali** achieving the largest improvements, and **Uganda, Benin, Mali, South Africa, Namibia, and Zambia** registering the best scores in 2000. Only in **Malawi, Angola, and Zimbabwe** did economic freedom decline. A number of countries achieved double-digit growth in exports, including **Rwanda, Uganda, Malawi, Ethiopia, Zimbabwe, Ghana, and Mali**. Exports declined in **Angola, Eritrea, Tanzania, Madagascar, and Kenya**. Direct foreign investment rose dramatically overall, from about \$1.25 billion annually in 1994–95 to nearly \$3.5 billion annually in 1997–98. However, of this improvement was in **South Africa**.

Improvements in **Europe and Eurasia** were even more dramatic: in some cases, reflecting significant progress in strengthening economic policies and institutions, and in others, reflecting merely incipient recovery from the large initial shocks of transition. As in **Africa**, roughly three quarters of USAID recipients achieved the growth benchmark in the latter 1990s, compared with about 30 percent in the early 1990s. On average, growth improved from –7.3 percent (reflecting double-digit rates of decline in some countries in the early 1990s) to around +2 percent.⁹ Fourteen (out of 26) countries grew rapidly, at rates above 3 percent. These include not only the **Baltics** and the advanced countries of **Eastern Europe**, but

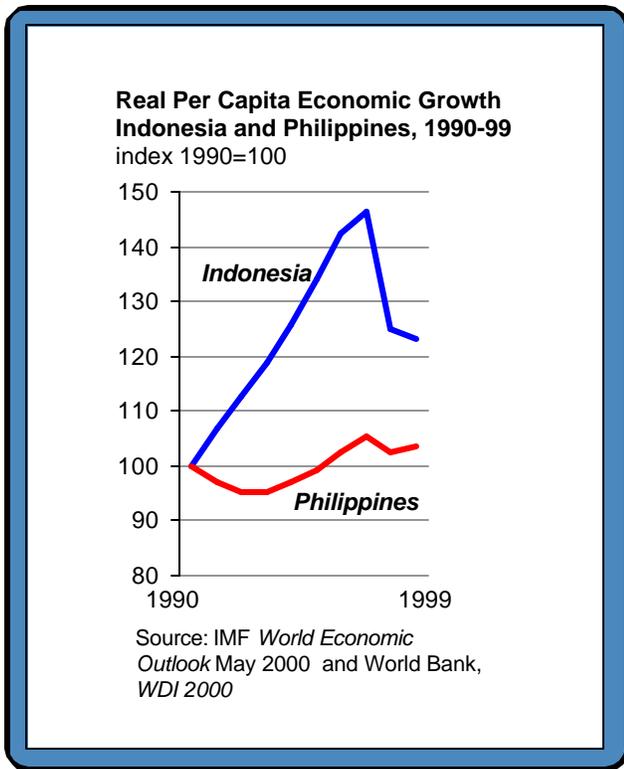
also **Bosnia, Belarus, Georgia, Azerbaijan, Armenia, Kyrgyzstan, and Albania**. Five more grew at rates well above 1 percent. On the negative side, per capita income continued to decline in some significant instances, including **Russia, Ukraine, Bulgaria, Romania, Moldova, and Turkmenistan**.

Economic freedom improved in about 85 percent of the countries, often by substantial amounts. Only four countries experienced declines—**Russia, Georgia, Slovak Republic, and Albania**. Both trade and investment expanded rapidly in most countries, particularly in most of those that achieved the overall growth benchmark, and also in **Russia and Moldova**. Trade declined significantly in **Ukraine, Bulgaria, Uzbekistan, and Kyrgyzstan**. For the region overall, direct foreign investment almost doubled in the second half of the 1990s to more than \$24 billion.

In **Asia** and the **Near East**, the share of countries achieving the growth benchmark (1996–1999) declined from about three quarters to two thirds. The average growth rate in the region fell from 2.5 percent to 1.7 percent.¹⁰ While it is tempting to attribute this mainly to the **Asian** financial crisis, the pattern of declines and improvements suggests otherwise. Performance in **Indonesia** clearly deteriorated (compared with the early 1990s), while the **Philippines** saw an improvement. Otherwise, growth slowed significantly in **Pakistan, Cambodia, Israel, Jordan, and Lebanon**, and it accelerated sharply in **Egypt, Morocco, and Mongolia**. Growth remained rapid (above 3 percent) in **India, Vietnam, Sri Lanka, and Bangladesh**, with positive implications for reductions in global poverty. Of the seven low-income countries in the **Asia/Near East** group, all but **Cambodia** achieved agricultural growth at least as rapid as population growth.

Economic freedom improved in three fifths of the **Asia/Near East** countries, with the largest gains in the **Philippines** and **Cambodia**. The only major decline was in **Pakistan**. Overall trade increased in all countries except **Pakistan**, and direct foreign investment (DFI) increased almost everywhere except **Indonesia**, where it fell substantially. Total DFI rose from about \$10.5 billion to \$13.5 billion. In the eight middle-income countries of the region, aid dependency declined everywhere except **Jordan**.

In **Latin America and the Caribbean**, overall economic growth performance changed little between the beginning and the end of the 1990s. The share of recipients achieving the growth benchmark remained at 56 percent, and average growth for the region declined



slightly from 1.4 percent to 1.1 percent.¹¹ Within the group there were some significant positive shifts (**Mexico, Honduras, Dominican Republic, Haiti, and Nicaragua**), as well as some substantial declines in growth performance (**Brazil, Colombia, Ecuador, El Salvador, Peru, and Guyana**). Only the Dominican Republic and **Mexico** achieved rapid growth (above 3 percent), and only four additional countries grew at rates consistent with significant reductions in poverty (**Guyana, Panama, Nicaragua, and Honduras**).

Economic freedom improved in about two thirds of the countries. In many cases the improvements were substantial, including the **Dominican Republic, Guyana, Nicaragua, Bolivia, Peru, Guatemala, El Salvador, and Jamaica**. There were modest declines in **Mexico, Honduras, Paraguay, and Brazil**. Trade expanded in all countries except **Jamaica**, but only four countries achieved double-digit rates of growth in exports—**Mexico, Nicaragua, El Salvador, and Haiti**. Direct foreign investment (DFI) expanded everywhere except in **Peru and El Salvador**. Overall, DFI rose sharply to the region, from about \$20 billion to \$48 billion during the second half of the 1990s. Of 14 middle-income countries in the region, aid dependency is declining in 9 and is already very low in 3 others.

C. Agency Interventions

This section discusses the performance of USAID programs under the EGAD goal, drawing on the self-assessments of performance by Missions and other operating units. It highlights the three EGAD objectives and describes the approaches that the Agency uses to accomplish these objectives. It provides examples of results achieved through USAID efforts undertaken around the globe, discusses programs that failed to meet expectations, and reveals plans for further progress. Finally, this section discusses USAID collaboration with other donors and development partners.

1. Program Objectives/Approaches

USAID supports broad-based economic growth and agricultural development around the world through programs directed at three broad objectives:

- Critical private markets expanded and strengthened
- More rapid and enhanced agricultural development and food security encouraged
- Access to economic opportunity for the rural and urban poor expanded and made more equitable

For this reporting period, each operating unit categorized its programs as primarily under one of the three EGAD objectives. The Agency has a total of 152 EGAD programs carried out in 75 operating units around the world. Many of the country programs emphasize a broad and comprehensive approach to economic development, so that a single operating unit may simultaneously address multiple Agency objectives. An operating unit's program may, for example, seek to expand trade through policy, legal, and regulatory reform to reduce barriers for exporters, an approach consistent with the first EGAD objective. Also, the program may emphasize increased production of agricultural commodities such as fruit, coffee, or flowers not traditionally grown in the country, but attractive for international markets. Increases in agricultural production also serve to raise farmer incomes, helping to ensure food security. Typically, agriculture and food security programs fall under the second EGAD objective. Yet another intervention of the same program may involve small loans and business training for the rural poor, helping to generate entrepreneurial development and increase incomes. This purpose equates to the EGAD objective for expanded access to economic opportunity for the poor.

Thus a USAID operating unit's program may encompass all three Agency objectives, even though it will be categorized under only one, representing the program's major area of emphasis.

Further, USAID EGAD objectives and activities can be combined with other Agency goals in an integrated strategy. For instance, operating units often pursue goals for economic growth and environment together in a single program by emphasizing an environmentally sustainable approach to growth. Similarly, programs that strengthen the free-market advocacy role of business associations and empower the poor with opportunities to more fully participate in the economy also complement the development of an active civil society under the Agency's democracy and governance goal.

Self-Assessment of Performance by Missions And Other Operating Units

Eighty-eight percent of EGAD objectives met or exceeded expectations. Examples of both successful objectives and objectives not met are discussed below:

a. USAID Objective: "Critical Private Markets Expanded and Strengthened"

Of the 75 USAID operating units promoting EGAD, just over two thirds have programs with a primary focus on strengthening markets. This objective accounts for just over 80 percent of the Agency's EGAD budget. Regionally, this objective has been critical to the countries of

Europe and Eurasia (E&E), where 19 of the 22 operating units are pursuing it to accelerate economic transition. Elsewhere, 11 of 32 operating units in **Africa**, 10 of 19 in **Latin America and the Caribbean**, 10 of 16 in **Asia and the Near East**, and one central operating unit carry out market-strengthening programs.

USAID aims to effect change by facilitating development, reform, and strengthening of the various sectors that constitute a market-based economy. Major areas of program concentration include private-enterprise development, fiscal reform, strengthening financial markets, privatization, and facilitating trade and investment. Each is described below, along with specific examples of USAID activities and accomplishments:

Examples of USAID Program Results

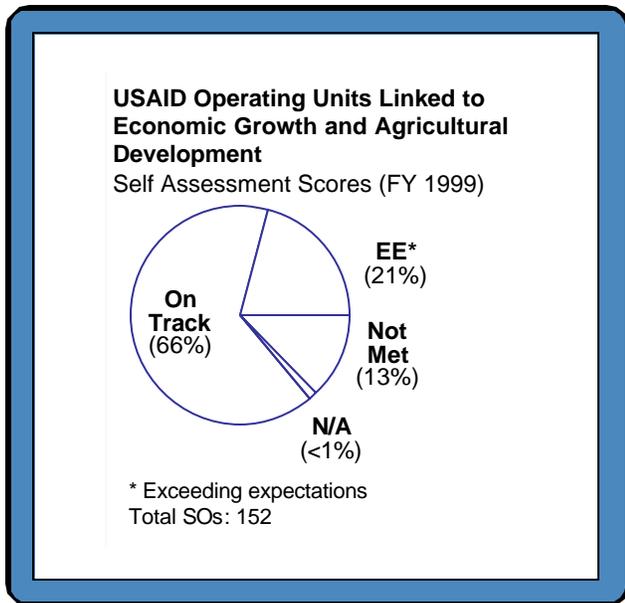
DEVELOPMENT OF PRIVATE ENTERPRISES

USAID also undertakes policy, legal, and regulatory reform necessary for increasing trade competitiveness, attracting investment, and achieving sustained economic growth. Business development services can be clustered into several key areas: market linkages, improved technologies, and better business practices. Technical assistance to enterprises helps business owners develop needed skills and knowledge for managing their operations and marketing products. Programs work to strengthen business and professional associations and work through them, as well as service providers, to build local capacity. For instance, reforms can allow economic incentives for business growth, competition, and reduced transaction costs. Strengthening trade and professional associations to lobby governments leads to improvements in the enabling

Box 1.1: Economic Growth Programs with Environmental Sustainability

USAID develops and implements many activities that both stimulate economic growth and help preserve the environment. While programs can take a variety of different forms, depending on the needs of the country, they often fall under one of two major focus areas:

Sustainable Agriculture and Natural Resource Management – Sustainable agriculture approaches aim to increase production, but through the adoption of sustainable agriculture practices. Use of appropriate technologies such as composting, tree planting, and building small dams and rock lines serve to reduce soil erosion, increase soil fertility, and protect watersheds. Farmers adopt the practices because they are simple and cost-effective and result in short-term economic benefits by increasing yields. Other natural resource approaches with economic benefits tend to focus on the management and sustainable use of forests, coastal zones, and water resources.



environment for private enterprise. Private-sector growth helps to generate revenues for public expenditures and social transfers.

USAID's program in **Ghana**, as an example, works to diversify and expand the economy by creating a more investor-friendly business environment and by strengthening the private sector's capacity to be more competitive. Progress achieved on policy reforms included streamlining tax revenue collection, elimination of disincentives to foreign investment, and an update of labor legislation. Agency activities also included development and support of community tourism. Tourism to USAID-supported sites increased by more than 30 percent in 1999. The level of interest in tourism, mostly Ghanaian, is serving to demonstrate to the rest of the country that tourism is a viable industry for business and investment.

FISCAL REFORM AND FINANCIAL MANAGEMENT

Sound fiscal policies and practices are critical to private-sector growth and the development of financial markets. Financial management systems enhance public accountability and reduce opportunities for corruption. Fiscal decentralization is also key for strengthening local governments. Fiscal reform is especially critical to the transition and sustainability of economies once centrally controlled.

USAID emphasizes, among other things, reform of tax policies to make them more transparent, simple, and equitable; improved tax administration for collections and enforcement; efficient budget formulation and execution;

revenue sharing and spending authorities between national and subnational levels of government; and pension reform.

For instance, the inadequacy of many social and public services in **Kyrgyzstan** can be attributed, in part, to the problems with fiscal policies and fiscal management. USAID is addressing the immediate and long-term needs by targeting three critical areas: 1) tax administration, 2) tax policy, and 3) budget reform. The direct beneficiaries of such improvements are the national and local government agencies that need tax revenues and sound budget policies and those parties that are owed money by the government. Indirectly, all Kyrgyz citizens stand to benefit in the long run through the impact of fiscal policies on economic growth. One indication of success is the size of the federal budget deficit. In 1999, the government budget deficit as a percentage of gross domestic product (GDP) was down to 2.7 percent—less than the 3 percent of 1998 and a fraction of the 12.5 percent of 1995.

STRENGTHENING FINANCIAL MARKETS

The Agency addresses two major components of the financial sector—banking and capital markets. Programs seek to improve private-sector access to a wide array of financial instruments at competitive, market-determined rates. USAID assistance in many countries supports a market-oriented legal and regulatory framework for banking; developing bank regulatory authorities; strengthening bank infrastructure through training and conversion to International Accounting Standards; drafting laws on securities commissions and securities and investment companies; establishing security trade mechanisms and independent securities regulators; and developing markets for government securities, commodities, and municipal bonds.

In **Ukraine**, the challenge in the financial sector is to transform a mechanistic system of a centrally planned economy to a service-oriented sector based on market principles, capable of providing financial support to consumers and businesses. The USAID program in Ukraine was designed to develop the fundamentals (bank supervision, accounting, and training) of a functioning financial system. Major legislation was passed in 1999, including the adoption of a bankruptcy law. Privately owned banks made significant progress in increasing their market share. The ratio of combined total assets of the 10 largest privately owned banks compared with those of government-owned banks increased to 82 percent, exceeding expectations and well above the 66 percent of the previous year.

PRIVATIZATION

Private ownership of productive assets is critical to the formation of competitive markets, the achievement of economic growth through private initiative, and the efficient mobilization of productive resources.

Privatization of state-owned enterprises helps to redefine the role of government to a facilitator of economic activity and a provider of essential services. Types of USAID assistance include privatization of large enterprises and farms, land privatization, and improving corporate governance.

Moldova has made significant strides in land privatization and is noted as a model for its achievement in the break-up of state and collective farms and the issuance of constitutionally valid tradable land titles. USAID is working to help complete the Moldovan land privatization program and assists the government with the privatization of strategic enterprises. A total of 660 out of an estimated thousand state and collective farms were broken up in 1999. Concurrently, 956,000 new land titles were issued to individuals.

FACILITATING TRADE AND INVESTMENT

While this category of programs has considerable overlap with the ones mentioned above, these activities concentrate on private-sector-led, export-oriented growth. Policy, legal, and regulatory reforms lower trade barriers and eliminate cumbersome requirements for exporters. The transfer and utilization of new technologies enable the production of nontraditional goods for export. The provision of business services and improved management practices builds the capacity of businesses to grow. Partnerships with foreign investors and access to market

information assist businesses to learn about and develop new markets.

USAID's Global Technology Network (GTN) works to expand trade by matching an overseas company's needs with small and medium-size U.S. firms that are equipped to provide the appropriate technological solutions. The network targets the agriculture, environment and energy, health, and information technology sectors. An internet-based matching system links firms with compatible interests, facilitating communication and partnering.. Partnership with 32 states, trade offices and three regional offices facilitate U.S. firms exporting into developing and emerging markets. In 1999, the GTN recorded \$120 million in completed business transactions, up from \$78 million the previous year. The program's innovation and success led to its receiving the 1999 Public Service Excellence International Award sponsored by the Public Employees Roundtable.

In **Egypt**, USAID is promoting export-oriented growth fueled by the private sector. Through the use of technical assistance, the Agency helped the government adopt numerous policy reforms in 1999, including a product registry for importers and exporters to streamline inspections. USAID assistance also works with and through business associations to train them to better lobby for policy change. In addition, activities provide technical assistance and training to businesses in improved technologies and better management practices. In the sectors that USAID targets, the value of private-sector exports (including fresh and processed agricultural products, spinning/weaving products, leather goods, and furniture) rose by 28 percent, from \$361 million in 1998 to \$462 million in 1999.

A comprehensive legal and regulatory reform agenda in **Jordan** enabled it to qualify for World Trade Organization (WTO) accession in 1999. The WTO process required a myriad of new and amended laws and regulations. Spurred on by strong support at the highest levels of government, USAID assistance played an essential role in facilitating Jordan's application and ensuring its ultimate success. Participation in the WTO will provide benefits to Jordan for many years to come. USAID-funded technical assistance also

| Program Concentration | Number of Operating Units |
|--|---------------------------|
| Development of Private Enterprises | 40 |
| Fiscal Reform and Financial Management | 31 |
| Strengthening Financial Markets | 42 |
| Privatization | 32 |
| Facilitating Trade and Investment | 45 |
| This table shows the number of USAID operating units that pursue each major area of program concentration, either as a primary or secondary purpose, within the strengthening markets objective. Many of the operating units address more than one area. | |

enabled the government to transfer \$88.6 million in assets to private-sector control.

Program(s) Failing to Meet Expectations

Under the strengthening markets objective, several USAID programs failed to meet their goals. This was due to, in almost all cases, lack of host government commitment to reforms and, in some cases, to political instability stemming from government transition. In the **E&E** region, USAID operating units in **Albania, Armenia, Croatia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, and Uzbekistan** all faced difficulties. In other regions, programs in **Angola, Colombia, and Haiti** fell short of expectations.

In **Armenia**, performance of the economic restructuring portfolio during the past year did not meet expectations, primarily because of a range of major policy-level obstacles that have yet to be resolved. Disappointing progress in areas such as privatization, capital markets development, and the registration/sale of property continued to stifle private-sector activity. Notwithstanding this negative performance and outlook, the USAID program has had various activity-level accomplishments that—if critical policy issues can be resolved—will facilitate sustainable increases in employment and income in Armenia during the life of this program.

In **Croatia**, USAID suspended assistance under its financial-sector program in 1998 because the government showed no willingness to engage in any meaningful economic reform. As a result, the economy became a major political issue in Croatia, eventually leading to the election of a new reform-minded government. USAID

Croatia is in the process of responding with immediate targeted support and will work with the government to reinstate sound management of the economy.

In **Kyrgyzstan**, progress was achieved in developing an effective securities market, but banking targets were not met because of the crisis in the banking system that resulted from large-scale fraud. Four of the largest banks were closed, contributing to a loss in consumer confidence. The USAID program initially concentrated on strengthening the bank regulatory authority's ability to supervise commercial banks. However, that effort was halted in 1997 because of a similar Finnish government effort and because the central bank had started to develop a modernized bank supervisory capability. Without USAID assistance for bank supervision reform, however, the Central Bank made little progress toward achieving a self-sustaining bank regulatory unit. USAID has recently responded to a host government request to restart assistance as part of an effort to tighten financial regulatory guidelines and enhance monitoring capacity in the banking sector.

Despite some individual accomplishments, the growth and development of **Tajikistan's** private sector remained constrained by the uncertainty of the elections. Private-sector growth is critical to rebuilding Tajikistan's war-torn economy. Although the economic policy environment has improved noticeably, chronic security problems continue to hold back growth. Long-term USAID development activities are just beginning. Although Tajikistan's government has demonstrated its commitment to economic reform, the ongoing political instability limits USAID's ability to provide technical assistance.

Business Training Spurs Computer and Internet Services

Arben Kote is the owner of Hard & Soft, a hardware, software, and computer services provider in the **Albanian** city of Elbasan. Through USAID-funded training in North Carolina and Texas, Mr. Kote learned about software programming in support of the fields of construction, wood and metal processing, and accounting. He also acquired knowledge related to the Internet and hardware and software pricing strategy and marketing, as well as the profitable provision of computer support services. Soon after returning to his home town, Mr. Kote signed a contract with "Albania On Line" and the City of Elbasan, which, through Mr. Kote's support, will be the first city after Tirana, Albania's capital, to have a local Internet server provider. Other local government offices are now setting up Web pages and have turned to Kote for training.

Hard & Soft's business has increased more than 50 percent since Mr. Kote's visit to the United States. Kote says, "Everyone is so excited about Internet access. The Customs Agency in Elbasan is already communicating with its central office in Tirana and its border posts via e-mail."

The government of **Turkmenistan** faces a potentially severe fiscal crisis. The nation's financial conditions have worsened in large part because of a sharp drop in export revenues when Turkmenistan ceased exporting gas through the Russian pipeline system. The government also has failed to adopt progressive privatization or land reform. Turkmenistan is the slowest country in the region to move toward market liberalization. It has made little progress in privatization and financial-sector reform or in liberalization of its trade regime.

After a movement in the mid-1990s toward free-market reforms through pricing and trade liberalization measures and tightened short-term fiscal and monetary management policies, the government of **Uzbekistan** retreated in the late 1990s by restricting convertibility and access to foreign currency. This resulted in suspension of its International Monetary Fund (IMF) Standby Arrangement. The lack of convertibility, minimal progress toward privatization, and a near halt in other economic or fiscal reform are having a seriously debilitating effect on the Uzbekistan economy, as well as a chilling effect on the international donor community. This led to a termination of USAID's Fiscal Reform Project in early 2000.

USAID's program in **Haiti** contributes to the maintenance and improvement of the macroeconomic environment by encouraging government reform through privatization of state-owned enterprises, civil service downsizing, civil service reform in general, and improvement of the host government's public resource management. Privatization efforts in Haiti stalled because of lack of government commitment to move forward; however, the government is making progress in some areas. USAID will continue to work in collaboration with other donors, including the IMF, to consolidate gains and continue a reform process.

b. USAID Objective: “More Rapid and Enhanced Agricultural Development and Food Security Encouraged”

The majority of people in the poorest countries, such as many in **Africa**, derive their livelihoods from agriculture. Therefore, in the least developed countries, the transformation of agriculture and food systems is an essential aspect of broad-based economic growth. The shift from subsistence agriculture to producing for off-farm markets and consumers contributes to a more prosperous rural environment and generates additional opportunities for employment, and economic progress throughout the economy.

The concept of food security incorporates the traditional idea of ensuring food availability with the need for social and economic conditions that enable families to gain access to food. Access can be achieved either by producing food themselves or earning income to buy food. It serves as a planning tool and framework for designing food assistance and measuring impact. USAID's efforts promote long-term food security and include a wide array of measures aimed broadly at eradicating poverty, increasing production, improving health and nutrition, and empowering women as both food producers and caregivers.

Agriculture programs (not including PL 480) receive 12 percent of USAID's EGAD budget. USAID also uses nonemergency food aid as a resource in needy countries for direct feeding or monetizing (i.e., selling the food in recipient country markets) to generate local currency for development activities.

The **Africa** region predominates under this objective, with two thirds (12 of 18) of the total number of Agency operating units having agricultural development and food security programs as a primary objective. The African continent, even with significant recent growth in GDP, continues to be relatively poor and agrarian (with agriculture having an average value-added of 29 percent of GDP¹²). Operating units in other regions, however, also carry out significant activities in the agricultural and food security realm. Overall, a total of 58 Agency operating units include this theme as either a primary or secondary purpose of their program.

Agency agricultural programs promote increased production and diversification of agricultural goods for both local consumption and export; strengthen public and private agricultural institutions; reform policies to provide incentives for farmers and agricultural entrepreneurs; promote research for, and adoption of, improved agricultural practices and technologies [e.g., through the Consultative Group on International Agricultural Research (CGIAR)]; and increase access to markets and market information. Food security programs give priority to activities that improve household nutrition and agricultural productivity.

Examples of USAID Program Results

In **Malawi**, USAID works to enable small farmers to achieve economic diversification and increase incomes. In the mid-1990s, USAID pursued a policy reform agenda to help the government of Malawi liberalize markets. That groundwork has created opportunities for small farmers in rural areas to increase productivity and market efficiency. USAID efforts helped contribute to an important 14.8

percent increase in rural incomes in Malawi from 1998 to 1999. In 1999, 44 percent of the area of smallholder farms (up from 37 percent in 1998) had been diversified into crops such as rice, potatoes, and coffee.

In **Uganda**, USAID works together with the government and other donors on a comprehensive Poverty Reduction Strategy. Among other things, USAID supported the International Institute of Tropical Agriculture and other nongovernmental organizations to introduce disease-resistant varieties of cassava, a food crop widely consumed in the region and generally less affected by drought. These efforts led to dramatic results, with production of this crop increasing by more than 700 percent in 1999 over the previous year. Overall, GDP growth in Uganda stood at close to 8 percent in 1999.

Combined efforts of USAID and its partners have led to a remarkable evolution in **Bangladesh**, from a famine-prone country in the early 1970s to a country now capable of managing food emergencies. USAID food security efforts have served to reform food policies, feed vulnerable groups, improve disaster preparedness, and upgrade community infrastructure. As a result of USAID's continuous policy dialogue, the government of Bangladesh has reoriented its large public food distribution system away from competition with the private sector and more toward managing it as a food safety net for the poor, helping to reduce poverty. In 1999, the government distributed 88 percent of public food to targeted programs for the poor, up from 76 percent the previous year and double the level of the early 1990s.

In **Guatemala**, access to land and credit is out of reach for many living in rural areas. USAID supported the creation of a land fund by the Guatemalan Congress. In coordination with other donors, USAID helped 3,973 small farm families gain access to land. By 1999, USAID implementing partners had worked with 17,500 new producers (up from 4,000 in 1998) to adopt sustainable agriculture practices such as soil conservation and organic fertilization.

Program(s) Failing to Meet Expectations

All USAID programs under this objective met expectations.

c. USAID Objective: "Access to Economic Opportunity for the Rural and Urban Poor Expanded And Made More Equitable"

The Agency's third performance goal under EGAD specifically targets the alleviation of poverty by more directly providing opportunities to enable economically the poor, women, and the disadvantaged.

Globally, 68 USAID operating units incorporated some features of this objective into their programs, with 31 operating units considering it a primary objective. Six percent of the Agency's economic growth budget is counted as going toward these programs. **LAC** operating units, in particular, have found this to be an appropriate

Microfinance Fosters Business Growth and Land Ownership

Crispina Canales started out in business with a small food stall in a rural community located in southern Mindanao, a large island of the Philippines. The little restaurant served ten people at a time and featured five dishes, including her specialty, roasted pig.

Crispina learned that a local credit union, Nabunturan Integrated Cooperative (NICO) was offering loans to local businesses. NICO is part of an USAID-supported program called CUES (Credit Union Empowerment and Strengthening) Philippines, run by the World Council of Credit Unions and Freedom from Hunger. Initially, Crispina deposited \$7.50 in share capital and attended the required pre-membership seminar. Almost immediately she was eligible for a loan of \$37.50. With the loan, she purchased better equipment and hogs. Instead of depending on a farmer to supply her stock, she could raise her own. She quickly repaid the loan and was granted a second loan of \$125.

Three years later the eatery sales had increased by 50 percent. Crispina had saved so much that she was able to purchase over two acres of rice farmland for \$175. In 1999, Crispina took out a loan to expand the eatery, doubling its size. She now offers 30 different dishes daily and can feed 50 people at a time.

and successful objective, with two thirds of them (13 of 19) pursuing it. Operating units in **Africa** (7), **Asia and the Near East** (7), **Europe and Eurasia** (2), and USAID's Global Programs bureau also have strategies to increase economic opportunities for the poor.

In pursuing this objective, missions may use a variety of interventions, employing human resources, ideas, and financing from both the agricultural and private sector development spheres. A particularly popular tool among missions for this purpose is microenterprise development, involving the provision of financial services, such as savings products, micro-loans, leasing and increasingly insurance products, and business development assistance to microentrepreneurs and poor, farming households. Programs also work towards legal and regulatory reform to improve the economic environment for small and micro enterprises.

Examples of USAID Program Results

Millions of poor households around the world participate in microenterprises to provide income that pays for basic family expenses such as food, clothing, shelter, school tuition, and medical bills. In addition, many farming households use microenterprises to balance income flow and reduce risk. During times of crisis and economic distress, additional households also use informal business activities to generate needed income.

In FY 1999, the Agency's microenterprise initiative, providing small loans to those in need, benefited more than two million clients across the globe. Of those borrowers, the vast majority (70 percent) were women. The average loan size was \$329, reflecting the Agency's emphasis on poverty lending—that is very small loans to poor clients that, in the right circumstances, can go a long way in empowering them to help themselves. The 627 microenterprise organizations supported by USAID also provide business development services to microentrepreneurs, including training, counseling, product marketing, and assistance with production technologies.

In the aftermath of the destruction of Hurricane Mitch, USAID's assistance in **Honduras** is helping to create a foundation for economic reactivation, renewed growth, and poverty reduction. USAID disbursed a \$3 million Mitch Recovery Fund for microfinance. These resources provided liquidity to support and rehabilitate the enterprises of some 9,000 clients severely affected by Mitch. Those resources have been complemented by some \$8 million of CACEDRF funds directed toward the expansion of microfinance services in areas notably affected by

Mitch. By the end of 1999, USAID-supported micro-finance institutions were providing services to 43 percent of all micro and small enterprises in Honduras, up from 1998 when the percentage of coverage was 35 percent.

USAID in **Bolivia** is also working towards increasing the incomes of the poor. Bolivia's micro-finance sector as a whole was negatively affected by the country's recent severe economic recession. Nonetheless, USAID microfinance activities helped Bolivia's poor gain access to financial services to support their entrepreneurial businesses. Although the number of borrowers was not as high as targeted, active borrowers under USAID-supported programs increased from 189,000 in 1998 to almost 215,000 in 1999. Furthermore, as successful microfinance institutions graduate from the need for regular and major USAID support, their clients disappear from our figures, but remain important beneficiaries of USAID support. In fact, microfinance has flourished so successfully in urban Bolivia that fierce competition, market saturation, and over-indebtedness in the absence of adequate credit bureau services are the new problems. As a result, Bolivia is serving as a learning laboratory for the entire sector in this regard. Women borrowers accounted for 68 percent of the current total.

In more developed but severely stressed economies, such as those in Eastern Europe in the throes of conversion from a communist system to free markets, there is a role for micro and small businesses in the fight against poverty and economic dislocation. In **Russia**, for example, USAID helps to stimulate economic growth as well as a private sector mentality, by fostering the development of micro, small and medium-sized enterprises at selected regional sites around the country. USAID facilitates business support services and greater access to finance for entrepreneurs. As a result, more than 25,000 jobs were created in 1999. Entrepreneurs receiving support from USAID's business support centers were able to obtain \$37 million in credit through 1999, short of expectations but an increase over the \$29 million they obtained in 1998. Women have received 71 percent of the loans that USAID-funded partner organizations have made to enterprises. Russia is gradually recovering from the financial crisis that plagued it in 1998; GDP grew at a modest 3.2 percent in 1999.

Programs Failing to Meet Expectations

Programs in Eritrea, Namibia, and Haiti failed to meet Agency expectations. USAID's Rural Enterprise Investment Partnership in **Eritrea** was at the point of contracting the advisors needed for its first loans when war broke out with Ethiopia. The war prevented disbursement of

funds under the rural enterprise lending facility, technical assistance, and program support components. An alternative disbursement mechanism has recently been put in place, and implementation picked up sharply in the middle of FY 2000.

In **Namibia**, the economic growth rate fell to 1.8 percent in 1997 and dropped again in 1998. While growth returned to 2.6 percent in 1999, further deterioration may be expected as the effects of the Angolan conflict in northern Namibia spill over onto business activity. As a result of the poor business climate, USAID's program has not been meeting the targets set. The program has been revised to focus on small and medium enterprises (SMEs), which represent the most attractive targets-of-opportunity for promoting economic growth and job-creation. As reformulated, the strategy directly addresses the need for private sector managerial and entrepreneurial skills, and for improved business support services and technology linkages for SMEs.

As mentioned earlier, the government of **Haiti's** progress toward economic reform, privatization, investment promotion and secondary cities development was disappointing, leading to mixed results of USAID's program to help increase incomes of the poor. Further sustainable economic growth will not be possible if the government continues on a course of anti-investment policies and inaction.

2. Collaboration With Other Donors and Development Partners

USAID EGAD programs do not operate in a vacuum. The Agency works alongside numerous partners, host-country governments, and other donor organizations to pursue comprehensive solutions to economic problems. Therefore, USAID's achievements are rarely the sole result of USAID efforts; they are a reflection of the success of a collaborative multi-donor effort, and particularly of a committed host government and the private sector. Major multilateral donors include the World Bank, the European Commission, and the United Nations Development Program. Major bilateral donors include **Germany**, the **United Kingdom**, **Canada**, **Japan**, and **France**.

3. Future Plans

USAID's newly revised and updated Strategic Plan maintains the current strategic framework of goals,

objectives, and approaches for economic growth and agricultural development. Thus the basic framework that guides operating choices remains the same, given past successes of EGAD programs, along with confirmation from countless studies of the relevance of the broad-based economic growth approach to development. Within this broad framework, USAID interventions are guided by policy analyses, lessons learned, and individual country situations about how to most effectively achieve development results.

USAID's newly revised Strategic Plan changes USAID's approach to performance goals. For both performance-reporting and performance-planning purposes, USAID's performance goals are now the operating unit objectives and targets. Thus planned performance and achievements for the Agency constitute the results that various Agency operating units aim to accomplish.

Recent trends and events in the international economy have highlighted the roles of financial markets and trade in economic performance. USAID is paying particular attention to trade capacity building and to the institutional foundations for financial markets. In **Europe and Eurasia**, USAID is developing new programs that will promote cross-national cooperation and information sharing to help countries deepen and consolidate reforms in the financial sector. USAID continues to place substantial emphasis on agriculture and on microenterprise, in accordance with budgetary directives from the Administration and Congress.

D. Conclusion

Overall, USAID programs under the economic growth and agricultural development goal are meeting expectations. With the development community placing renewed emphasis on poverty reduction, progress in economic growth and agricultural development is more important than ever. The most recent *World Development Report* documents the strong links between economic growth and the income and nonincome dimensions of poverty, even in countries where income is inequitably distributed.¹³

With stable income distribution and broad-based growth, even modest rates of growth in per capita income can reasonably be expected to bring meaningful reductions in poverty, in accord with international targets. But there is evidence that with large income differences, growth has less of an impact on the poor. Poverty will fall faster in countries where distribution of income becomes more

equal. Growth performance improved substantially during the 1990s, particularly for low-income countries, but growth alone may not be enough to alleviate poverty— income inequality may have to be addressed. Policy and institutional reforms, agricultural development, and income generation will continue to be tools that USAID will employ to increase growth and reduce poverty.

Prospects for further progress are good. Actual outcomes will continue to depend mainly on the self-help efforts of governments and countries. USAID will continue to support these efforts with programs that strengthen markets, encourage agricultural development, and promote enhanced access and opportunity for the poor.

E. Performance Table

Annual Performance Tables Economic Growth and Agricultural Development

| | Revised Baseline | Latest | FY2000* Target |
|---|---------------------|-----------------------------|-----------------------------|
| 1. Percent of countries with average annual growth of GDP per capita of at least 1% | 1992-95 | 1996-99 | 1996-98 |
| Sub Saharan Africa | 25 | 63 | 66 |
| Asia/Near East | 76 | 71 | 90 |
| Europe/Eurasia | 32 | 73 | 66 |
| Latin America/Caribbean | 56 | 56 | 90 |
| 2. Percent of countries with average annual growth of GDP per capita sufficient to meet DAC poverty goal | 1992-95 | 1996-99 | 1995-99 |
| Sub Saharan Africa | 8 | 46 | 50 |
| Asia/Near East | 76 | 71 | 80 |
| Europe/Eurasia | 32 | 73 | 70 |
| Latin America/Caribbean | 44 | 38 | 60 |
| 3. Percent of low-income countries with average annual growth in agriculture at least as high as population growth | 1990-95 | 1996-98 | 1996-98 |
| Sub Saharan Africa | 40 | 65 | 50 |
| Asia/Near East | 60 | 90 | 70 |
| Europe/Eurasia | 25 | 50 | 70 |
| Latin America/Caribbean | 50 | 50 | 50 |
| 4. Percent of countries with improved Economic Freedom Index scores | 1990-95 | 1997-98/ 2000 | 1997-98/ 2000 |
| Sub Saharan Africa | 71 | 50 | 50 |
| Asia/Near East | 63 | 29 | 80 |
| Europe/Eurasia | 47 | 80 | 50 |
| Latin America/Caribbean | 63 | 56 | 75 |
| 5. Percent of countries in which foreign direct investment clearly increases compared with the base period | 1990/95 | 1994-95/ 1997-98 | 1994-95/ 1997-98 |
| Sub Saharan Africa | 46 | 61 | 75 |
| Asia/Near East | 71 | 76 | 90 |
| Europe/Eurasia | na | 92 | 75 |
| Latin America/Caribbean | 94 | 88 | 95 |
| 6a. Percent of countries in which trade has increased | 1990-85 | 1995-98 | 1994/98 |
| Sub Saharan Africa | 78 | 83 | 80 |
| Asia/Near East | 100 | 85 | 90 |
| Europe/Eurasia | 44 | 86 | 75 |
| Latin America/Caribbean | 100 | 94 | 90 |
| 6b. Average growth rates for exports | 1990-95 | 1995-98 | 1994/98 |
| Sub Saharan Africa | 4.0 | 4.1 | 6.0 |
| Asia/Near East | 12.7 | 6.2 | 9.0 |
| Europe/Eurasia | -1.9 | 7.6 | na |
| Latin America/Caribbean | 6.1 | 6.2 | 5.0 |

Continued . . .

E. Performance Table (Continued)

| | Revised Baseline | Latest | FY2000* Target |
|--|---------------------|----------------|-----------------------------|
| 6c. Average growth rates for imports | 1990-95 | 1995-98 | 1994/98 |
| Sub-Saharan Africa | 3.5 | 4.7 | 4.0 |
| Asia/Near East | 11.3 | 7 | 8.0 |
| Europe/Eurasia | -0.8 | 9.8 | na |
| Latin America/Caribbean | 10.1 | 6.6 | 8.0 |
| 7. Percent of advanced (middle-income) countries with diminished reliance on concessional foreign aid | 1990/95 | 1994/98 | 1993-94/ 1997-98 |
| Sub-Saharan Africa | 100 | 0 | 50 |
| Asia/Near East | 88 | 75 | 80 |
| Europe/Eurasia | na | 50 | na |
| Latin America/Caribbean | 77 | 77 | 100 |

*FY 2000 targets here refer to actual target figures from the APP 2000. No formulas were documented to recalculate the revised target from the revised baseline based on new USAID-assisted country list.

Notes on FY 2000 Annual Performance Table: Economic Growth and Agricultural Development

1. Percentage of countries with annual per capita income growth rates above 1 percent.

GDP annual growth rates from IMF, *World Economic Outlook*, May 2000; population from World Bank, *WDI 2000*. Per capita GDP based on USAID/Bureau of Policy and Program Coordination (PPC) calculations. Average annual rates for GDP and population growth calculated using geometric mean, based on end points, and are four-year rolling average—the average of four years of growth rates (i.e., five years of GDP data). FY 2000 target as published in FY 2000 APP.

2. Percentage of countries with average annual growth rates of GDP per capita at levels sufficient to meet Development Assistance Committee (DAC) poverty goal. Average annual GDP per capita rates are compared with sustained growth rate of real consumption required to reduce poverty by half by 2015. See annex for required rates by World Bank regions. GDP annual growth rates from IMF, *World Economic Outlook*, May 2000; population data from World Bank, *WDI 2000*. Required growth rates of real per capita consumption: Demery and Walton, 1997 (as reported in World Bank, *WDI 1998*). FY 2000 target as published in FY 2000 APP.

3. Percentage of low-income countries with average annual growth in agriculture at least as high as population growth. Agriculture, value-added in constant local currency, and population from World Bank, *WDI 2000*. Per capita calculations are USAID/PPC. Average annual rates calculated using geometric mean (end points) method. Baseline is 1990–95 (rates for 1991–95), and latest is 1995–98 (rates for 1996–98). Based on data for 40 low-income USAID-assisted countries as defined by the World Bank (US\$755 or less per capita GNP). FY 2000 target as published in FY 2000 APP.

4. Percentage of countries with improved Economic Freedom Index scores. Baseline is comparison of 1997 scores with 1995 scores (or 1996, if 1995 is not available). Latest data and target are 2000 scores compared with the average of 1997 and 1998 scores. *Source:* Heritage Foundation. FY 2000 target as published in FY 2000 APP.

Continued . . .

E. Performance Table (Continued)

5. Percentage of countries in which foreign direct investment clearly increases compared with the baseline period. Foreign direct investment, net inflows. Baseline is comparison of 1995 with 1990. Latest data and target are a comparison between the average for 1997 and 1998 with the average for 1994 and 1995. *Source:* World Bank, *WDI 2000*. FY 2000 target as published in FY 2000 APP.

6a-c. Percentage of countries in which total trade has increased and average annual growth rates of exports and imports. Trade data are in constant US\$, 1995 valuation from World Bank, *WDI 2000*. Table 6a is the percentage of countries with increases in total trade (exports + imports) and tables 6b and 6c are the unweighted average annual growth rates of exports and imports, respectively. Baseline is average annual growth 1990–95, and latest data are 1995–98. Growth rates are based on geometric mean (end points) rate calculation. FY 2000 target as published in FY 2000 APP and is 1998 as compared with 1994.

7. Percentage of advanced (middle-income) countries with diminished reliance on concessional foreign aid. Indicator is aid as a percentage of GNP. Aid is defined as concessional foreign assistance. Baseline is 1994 as compared with 1990. Target is the average percentage of 1997 and 1998 as compared with the average for 1993 and 1994. Advanced developing countries only, defined using World Bank middle-income designation (countries with more than \$760 in per capita GNP in 1998). *Source:* Organization for Economic Cooperation and Development (OECD) DAC as reported in World Bank, *WDI 2000*. FY 2000 target as published in FY 2000 AP.

Notes

¹For instance, the World Economic Forum's annual *Global Competitiveness Report* regularly ranks the United States highest among major industrial countries, as do other such exercises. See the *Global Competitiveness Report 2000*.

²See, for instance, the IMF's semiannual *World Economic Outlook*, May 2000, Table 24, which reports average annual growth rates in real terms for exports of goods and services. Both for 1982–91 and 1992–2001, export growth rates for the United States exceed those for **Japan** and the major **European** economies, typically by significant margins.

³Based on the IMF's *Direction of Trade* statistics, which pertain to merchandise exports. Between 1989–91 and 1997–99, import demand more than doubled in developing countries, compared with a 46 percent increase in imports for industrial countries (excluding the United States).

⁴Based on data from the *Economic Report of the President*, during the 1990s U.S. exports to developing countries increased by 109 percent compared with a 58 percent increase to industrial countries.

⁵Based on data in the IMF's *Direction of Trade*, again focusing on figures for 1989–91 compared with 1997–99.

⁶All from the *Direction of Trade*. For "openness," we consider levels and trends in "economic freedom," as gauged by the Heritage Foundation.

⁷Growth rates in per capita income are for 1996–99. Growth rates consistent with achieving international poverty reduction targets are based on 1998 *World Development Indicators* by the World Bank; namely, 1.9 percent for **Africa**, 1.8 percent for **LAC**, 1.3 percent for **South Asia**, 1.2 percent for **East Asia**, 0.8 percent for **Europe and Eurasia**; and 0.3 percent for the **Middle East and North Africa**.

Agricultural growth is for 1996–98, the latest data available, in countries characterized as low-income by the World Bank based on 1999 per capita income. Progress in economic freedom reflects annual scores published by the Heritage Foundation since 1995—these scores reflect both policy effort and level of institutional development. They are highly correlated with per capita income and other development indicators. We compare scores for 2000 with scores for 1995 (where available) or for the earliest subsequent year. Growth in exports and imports of goods and services is for 1995–98. For direct foreign investment, figures for 1997–98 are compared with those for 1994–95. Aid dependency is judged by looking at trends in the ratio of aid to GNP between 1993–94 and 1997–98, for middle-income countries in developing regions, and for countries judged to be "advanced" in the transition from Communism in **Europe and Eurasia**.

⁸This is the simple (not weighted) average growth rate for 20 countries that were sufficiently stable and functional in the latter half of the 1990s so that USAID programs could reasonably expect to support economic growth. In addition to the countries named in the text, **Guinea, Zimbabwe, Ghana, Tanzania, and Mali** are part of the group, with growth rates ranging from 1.3 percent for **Mali** to 2 percent for **Guinea**. African recipients excluded from the group include **Sierra Leone, Liberia, Somalia, Burundi, Nigeria, and Congo (Kinshasa)**.

⁹Again, this is a simple, unweighted average for 26 countries that include not only formerly Communist countries but also **Ireland, Turkey, and Cyprus.**

¹⁰This is the simple (unweighted) average for 15 countries. **Laos** and **Burma** are excluded as countries where USAID programs could not reasonably be expected to contribute to economic growth, and data are unavailable for **West Bank/Gaza.**

¹¹Again, this is a simple (unweighted) average, covering all 16 USAID recipient countries.

¹²*World Development Indicators.* World Bank. Data are for 1998. Compare this figure with that of the United States, where agriculture is 2 percent of the economy.

¹³See *World Development Report 2000/2001: Attacking Poverty*, Chapter 3, and “Growth IS Good for the Poor,” by David Dollar and Aart Kraay, Development Research Group, World Bank, 2000.



**Strategic Goal 2:
Strengthen Democracy and Good Governance**

2

A. Introduction

Broad-based participation and democratic processes are integral elements of sustainable development: they encourage individuals and societies to take responsibility for their own progress, ensure the protection of human rights, and foster informed civic participation. Sustainable democracies are built on the guarantee of human rights for all people, women as well as men. To achieve the broad goals of democracy, USAID supports programs that strengthen democratic practices and institutions, and that ensure the full participation of women and other groups lacking full access to the political system.

Democracy requires transparent and accountable government; fair and effective judicial systems; open and transparent access to, and use of, information; and citizen participation in the policymaking process. These attributes of democracy ensure that government policy reflects popular will, which contributes to fairer uses of public resources—including access to education, improved health care, and more effective management of natural resources—and to better meeting the needs and concerns of local communities.

The democratic process also builds trust in, and legitimacy for, government, which help prevent political destabilization and, in extreme cases, failed states. The consequences of such political failures often include armed conflict, massive flights of people from their homelands, costly refugee flows, destruction of the environment, and the spread of disease and epidemics.

USAID’s second strategic goal seeks to strengthen democracy and good governance. Four objectives underpin the Agency goal. Each objective is pursued through a defined strategy at the country, regional, and global levels.

A world of democratic nations provides a more stable and secure global arena in which to advance the fundamental values and national interests of the United States.

1. Results Framework



2. What USAID Is Doing

In recent years the post–Cold War optimism engendered by the collapse of Communism and the wave of renewed interest in democracy that it prompted around the world have given way to the sobering realities of democracy building. This trend was highlighted in a speech, “Sustaining Democracy in the Twenty-First Century,” delivered by Secretary of State Madeleine Albright early in the new Millennium.¹ After characterizing democracy as “the hard rock on which America’s world leadership is built” and emphasizing that much has been accomplished, the Secretary noted that many newly democratic countries are troubled by unfulfilled economic expectations, ethnic strife, and leaders focused on “self-enrichment, self-glorification, and self-perpetuation.” Accordingly, she was compelled to wonder “whether the century just past will prove the forerunner to a time of greater freedom and deeper democracy, or whether the democratic tide has already begun to recede.”

Having expressed this concern, the Secretary acknowledged that while “democracy may be conceived by dreamers, it is made real by doers.” As the world’s leading

democracy, she concluded, “our responsibility . . . is to work in partnership with others to help nations in transition move to a higher stage of democratic development.”

As a “doer” who has helped nations with their democratic transitions, USAID’s accomplishments in the past year reflect the crosscurrents embodied in the Secretary’s address. Continuing to focus its efforts on four areas—strengthening the rule of law and respect for human rights, encouraging credible and competitive political processes, promoting the development of politically active civil society, and encouraging more transparent and accountable government institutions—the Agency’s overall democracy and governance results have been significant, although not without setbacks. For example, most notable among the accomplishments are USAID’s contributions to the successful presidential and legislative elections last year in **Nigeria** and **Indonesia**, respectively.

3. Benefits to the American Public

A world of democratic nations provides a more stable and secure global arena in which to advance the fundamental values and national interests of the United States. Democracy, transparent and accountable government, and respect for human rights, including the rights of women and minorities, reflect the fundamental values of the American people. Advancing these values and U.S. national interests helps bring about a more stable, peaceful, and prosperous world.

4. Challenges

As we end the bloodiest of centuries, we recognize that developing a community of democratic nations is a goal that we must continue to pursue. This past decade has witnessed some of the most important events of our age: the end of the Cold War, for example, and the emergence of many countries making a transition to democratic governance. The opportunity for freedom has been accompanied by internal conflict in many places where civil wars have torn asunder weak states. Such countries, ravaged by war, refugees, and internally displaced persons, have created new challenges for the future of promoting democracy.

The number of democratically elected governments continues to grow, but many of these nations have made

Table 2.1.
Change in Freedom House Classification 1998-1999

| Change in Status | | Countries |
|------------------------|--|---|
| Not Free → Partly Free | | Yugoslavia (Serbia/Montenegro) East Timor* |
| Partly Free → Not Free | | Eritrea, Pakistan |
| Free → Partly Free | | Malawi, Honduras, Nicaragua |

* not classified as USAID-assisted for this report

incomplete democratic transitions. They demonstrate limited competition within their political systems, and they lack democratic institutions. USAID is responding to these and other challenges to achieve its goal of democracy and good governance.

B. Global Trends

This section highlights democratic trends by region, drawing selectively on the country-level indicators contained in USAID’s Strategic Plan. These include overall Freedom House rankings—“free,” “partly free,” and “not free”—and changes in Freedom House scores on civil liberties and political rights.

Freedom House Rankings

At the end of 1999, 21 out of 87 USAID-assisted countries were classified as “free” by Freedom House. Just under half, 42 countries, were considered “partly free,” while 23 were “not free.” During the year, the number of “free” countries decreased, while “partly free” and “not free” numbers increased (see table 2.1).

Long-term comparisons show more positive trends. From 1995, the Agency performance baseline period, through the end of 1999, 36 USAID-presence countries (41 percent) became freer, while 14 became less free, according to increased combined Freedom House scores for political rights and civil liberties.² For 64 countries reporting against USAID’s democracy and good governance strategic goal, 24 showed improvements in Freedom House scores while 12 declined during the same four-year period.

Africa presents a picture of mixed results in the democracy goal area. In spite of the desperate conditions in some of the region, almost two thirds of African countries have

Table 2.2. Democracy and Governance Programs (Primary Framework Links Only)

| <i>Program Concentration</i> | <i>No. of Operating Units</i> | <i>No. of Strategic Objectives</i> |
|-------------------------------------|-------------------------------|------------------------------------|
| Rule of Law/Human Rights | 20 | 21 |
| Politically Active Civil Society | 37 | 40 |
| Accountable Government Institutions | 30 | 36 |
| Credible Political Processes | 10 | 10 |
| Totals | | 107 |

made commitments to decentralize political power and allow local government units more control over service provision for their citizens.³ Both external and internal analysts agree that small improvements in political rights and/or civil liberties occurred in **Burundi, Congo, Nigeria, and Tanzania**. On the negative side, **Eritrea** and **Malawi**'s Freedom House status declined. In **Benin, Ethiopia, Uganda, and Zimbabwe**, the overall Freedom House status remained unchanged, but their combined Freedom House scores for political rights and civil liberties declined.

Two countries, **Ethiopia** and **Uganda**, experienced reversals in political rights and civil liberties in 1999. During the year, Ethiopia's political life was overshadowed by its ongoing border war with Eritrea. While Ethiopia remained partly free, its scores declined from the previous year, owing to new "limitations on opposition political parties and civic organizations to undertake activities and disseminate information."⁴ Uganda's political rights and civil liberties ratings declined in 1999 because of increased government intimidation of the press and tightened political controls in the run-up to a constitutional referendum on whether to lift restrictions on political parties.

In contrast, political rights and civil liberties improved in **Tanzania** and **Nigeria** during 1999. Tanzanian politics was marked by the death of retired former president Julius Nyerere, who led the country for most of the time that it has been independent. Tanzania's political rights rating improved because of a negotiated agreement on **Zanzibar**'s political status. Nigeria experienced great strides in democratic governance with the May 1999 election of Olusegun Obasanjo as the new president. His early efforts to curtail the power of the military, together with reform and professionalization of the armed forces, were welcome signs of a dramatic shift in that nation's recent political history.

Changes in **Europe and Eurasia** reflect slow progress in strengthening political institutions and uneven recovery

from the large initial shocks of countries' democratic transitions. On average, Freedom House scores improved slightly since the 1995 baseline period, from 4.0 to 3.85 for civil liberties and from 3.8 to 3.5 for political rights.⁵ However, during 1999 only **Slovakia** and **Yugoslavia** showed improvements in Freedom House civil liberties or political rights scores. On the negative side, **Russia** experienced a decline in civil liberties and political rights during the year.

During 1999 the **Asia and the Near East** region experienced positive changes in Freedom House scores. **Indonesia, Israel, and East Timor** all showed improved combined scores, with East Timor being upgraded to "partly free" status. Among these countries, Indonesia stands out, owing to the relatively free parliamentary elections held in June. In contrast, **Bangladesh** had a slight decline in its combined score from the previous year, owing to disagreements among political parties that escalated into often violent strikes. **Pakistan's** score declined significantly primarily because of the military coup in October of last year.

As expressed in the Freedom House ratings, during the year, USAID-presence countries in the **Latin America and Caribbean (LAC)** region experienced some progress, but more declines. **Panama**, for example, experienced gains in combined Freedom House scores, while scores for **Colombia, Honduras, and Nicaragua** declined. Colombia's change was due to the continued occupation of more than 40 percent of the country by guerilla forces.

C. Agency Interventions

This year's discussion of USAID program performance draws on self-assessments of performance by Missions and other operating units in terms of the Agency's four democracy and governance objectives. It provides examples of results achieved through USAID initiatives,

discusses programs that failed to meet expectations, and reveals plans for further progress. It also discusses USAID collaboration with other donors and development partners.

1. Program Objectives/Approaches

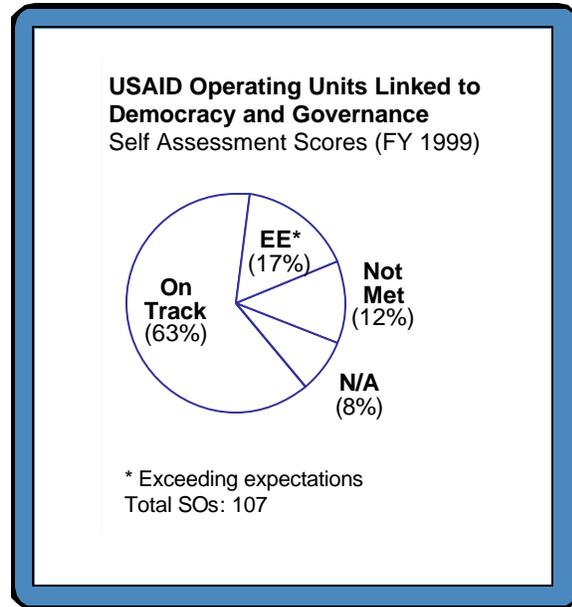
Table 2.2 shows the number of USAID operating units that pursue each major area of program concentration as a primary purpose within the democracy and governance goal. Many of the operating units have programs in more than one area.

For this reporting period, each operating unit categorized its programs under one of the four democracy and governance objectives. The Agency has a total of 107 democracy and governance objectives carried out in 75 operating units around the world.

In 1999, the unique role played by USAID democracy and governance programs was highlighted by the fact that 85 percent of all operating units—more than in any other goal area—had linked their strategies to this Agency goal. In addition, 36 USAID Missions linked their democracy strategies to the Department of State’s Mission policy planning document, thus indicating that increased coordination and collaboration of democracy support are taking place in the field.

Self-Assessment of Performance by Missions And Other Operating Units

During 1999, 80 percent of Agency operating units met or exceeded targets in their democracy and governance strategic objectives; however, in 11 countries, accomplishments failed to meet expectations. In **Uzbekistan** and **Kazakhstan**, government repression and unfair presidential and parliamentary elections undermined strategic objective efforts to increase citizen participation. Similarly, in **Slovakia** and **Turkmenistan**, efforts to promote increased citizen participation were undermined by negative popular perceptions of democratic reforms in the former and a lack of government acceptance of the nongovernmental organization (NGO) sector in the latter. In **Armenia**, public perceptions of corruption, citizen disengagement from the political process, and ongoing political turmoil created an environment in which there was little chance of achieving the desired democracy program impact. In **Macedonia**, the combination of spillover effects of the Kosovo crisis, low levels of civic



awareness, and an adverse political culture negatively affected efforts in areas critical to achieving expected progress.

In **Tanzania**, implementation of its program to promote civil society–government partnerships fell behind because of personnel constraints and weakened citizen interest in such activities in the aftermath of the bombing of the U.S. Embassy. In **Liberia**, the Mission’s democracy activities were severely curtailed as a result of security incidents, human rights violations, corruption, and the government’s assistance to rebels in **Sierra Leone**. Finally, in **Haiti** and **Nicaragua**, efforts to promote political participation and inclusive governance fell short of desired targets because of an overall deterioration in democratic institutions and processes in the former and inadequate government support and the slow recovery from Hurricane Mitch in the latter.

a. USAID Objective: “The Development of Politically Active Civil Society Promoted”

Of the 75 USAID operating units with democracy and governance programs, 38 percent have a primary focus on promoting a politically active civil society. Regionally, this objective has been critical to the **Europe and Eurasia** countries, where 17 of the 22 operating units are pursuing it to accelerate countries’ democratic transitions. Elsewhere, 13 operating units in **Africa**, 3 in **Latin America and the Caribbean**, 3 in **Asia and the Near East**, as well as 2 in the Global Bureau, report carrying out civil society programs.

USAID aims to effect change by facilitating the development and strengthening of the various elements of civil society. Major areas of program concentration include improved legal frameworks to protect and promote civil society, increased citizen participation in the policy process and oversight of public institutions, increased institutional and financial viability of civil society organizations, enhanced free flow of information, and strengthened democratic political culture. Examples of USAID activities and accomplishments in these areas are described below.

Examples of USAID Program Results

Increased Citizen Participation in the Policy Process and Oversight of Public Institutions

The enabling environment for civil society organizations has been traditionally weak in **Tanzania**. During the past three years, USAID has worked with other donors to improve the regulatory framework for NGOs and to broaden access by civil society to policy discussions and decision making. In a landmark achievement in 1999, the government and local NGOs finally approved a policy paper that will provide the foundation for increased civic involvement in policymaking and governance in the future.

STRENGTHENED DEMOCRATIC POLITICAL CULTURE

While the fragile political and economic situation in **Slovakia** during the past year has limited the impact of USAID's democracy and governance program, meaningful results have still been achieved. According to the Mission, one of its most significant activities was to develop a national civic-education training methodology aimed at promoting democratic attitudes and behaviors. In 1999, as a result of these efforts, the Ministry of Education approved the inclusion of civic-education training as part of the recertification program for teachers, and now several universities and training centers include this methodology in their programs.⁶

Program(s) Failing to Meet Expectations

The consolidation of democracy takes many years, and civil society efforts are often subject to significant setbacks during times of political instability. For example, the bombing of the U.S. Embassy in **Tanzania** weakened citizen interest in some areas and transferred attention away from civil society activities. This helped limit the potential effects of Mission civil society programming. This experience indicates that civil society efforts require a long-term and focused commitment by USAID and other donors, perhaps more modest expectations of results, and

adequate staff and other resources. In Tanzania's case, USAID has responded by filling key staff vacancies and strengthening Mission democracy and governance program functions.⁷

b. USAID Objective: “More Transparent and Accountable Government Institutions Encouraged”

Of the 75 operating units promoting democracy and governance, 31 percent have programs with a primary focus on improving capacities of government institutions. Regionally, this objective has been critical to the **Europe and Eurasia** countries, where 12 of 22 operating units are pursuing it to accelerate countries' democratic transitions. Elsewhere, six operating units in **Africa**, seven in **Latin America and the Caribbean**, four in **Asia and the Near East**, and one in the Global Bureau carry out programs to strengthen government institutions.

While many citizens of developing countries recognize the intrinsic value of democracy, they are also concerned with a government's ability to function. In general, governance issues pertain to the ability of government to develop an efficient and effective public management process. Because citizens lose confidence in a government that is unable to deliver basic services, the degree to which it is able to carry out its functions at any level is often a key determinant of a country's ability to sustain democratic reform.

USAID works to effect change by facilitating the development and strengthening of government institutions. Major areas of program concentration include decentralizing government functions and decision-making processes, strengthening legislatures, improving government integrity, promoting more effective policy implementation, and improving civilian-military relations. An example of USAID activities and accomplishments in these areas is described below.

Examples of USAID Program Results

GOVERNMENT INTEGRITY

Corruption has long been a major problem in **Tanzania**; therefore, USAID has focused its democracy and governance resources on promoting the development of a national anticorruption strategy for the government. In response, during the past year, the government created a new Department for Good Governance within the

President's Office, which presented and gained cabinet approval for a National Anticorruption Strategy and Action Plan. USAID provided technical assistance to prepare the new strategy and plans to fund new activities under it in the future. During 1999, moreover, related USAID-supported anticorruption efforts were also bearing fruit; for example, as a result of work by the newly established Department for Good Governance, two high-ranking government officials and an influential representative of the private sector were charged and jailed for corruption.⁸

Program(s) Failing to Meet Expectations

All democracy and governance activities supported by foreign governments are politically sensitive and are thus sometimes difficult to manage. USAID's effort to strengthen the legislature in **Egypt** did not meet expectations in part because of government concerns that project staff would have undue influence on legislature proceedings. After protracted negotiations with government officials, the Mission agreed to take a new implementation approach and extended the legislative strengthening activity through 2001.⁹

c. USAID Objective: "Rule of Law and Respect For Human Rights of Women, As Well as Men, Strengthened"

Of the 75 operating units with democracy and governance programs, just over 21 percent have a primary focus on strengthening the rule of law and respect for human rights. Operating units in all regions, including six in **Latin America and the Caribbean**, seven in **Europe and Eurasia**, four in **Asia and the Near East**, one in **Africa**, and two in the Global Bureau carry out rule of law and human rights programs.

A well-developed justice system serves as the underpinning of a democratic society and modern economy. USAID works to improve respect for human rights and strengthen the rule of law in order to help resolve conflicts and foster social interaction in accord with legal norms and societal values. The Agency also provides services in accord with societal demands and expectations and helps curb the arbitrary exercise and abuse of power by other branches of government, elites, and privileged groups. Major approaches used by operating units to support this objective include strengthening justice-sector institutions, improving legal frameworks and codifying human rights, and increasing citizens' access to justice. Examples of

USAID activities and accomplishments in these areas are described below.

Examples of USAID Program Results

STRENGTHENING JUSTICE-SECTOR INSTITUTIONS

In **Malawi**, the Mission funded a comprehensive assessment of the courts' administrative and management systems. Based on broad consultations, including the full cooperation of the judiciary, the assessment made comprehensive recommendations for improving these court systems. By the end of 1999, the assessment's key recommendations had been accepted by the judiciary and were placed on a priority list for implementation. As a result, a five-year schedule of activities has been established to overhaul and streamline court management and administration.¹⁰

INCREASING CITIZENS' ACCESS TO JUSTICE

In **Bangladesh** and **Tanzania**, Mission-funded activities have helped increase citizen access to justice through alternative dispute resolution programs. In Bangladesh, more than 21,000 new cases were processed in mostly rural areas.¹¹ In Tanzania, in conjunction with the government's introduction of alternative dispute resolution procedures in all of the country's courts down to the district level, USAID provided training for 276 judges and magistrates. This training and the increased use of alternative dispute resolution has helped expedite case processing, reduce costs, and build public confidence in the legal system.¹²

Program(s) Failing to Meet Expectations

Nicaragua's overall progress in its democratic transition did not meet Mission expectations in 1999. USAID and other donors' efforts were blocked by the combined effects of poor government performance and the slow recovery from Hurricane Mitch. For example, recent changes in the membership of the Justice Commission of the National Assembly have undercut political will in support of criminal procedure reform, making it necessary to re-create a broad-based consensus in favor of such efforts.¹³

In **Armenia**, progress on the Mission's rule-of-law programs was slower than expected for most of 1999. For example, even though legislative changes strengthened the structural independence of the judiciary, informal dependence on historically strong prosecutors continued. Similarly, political turmoil in the country has helped delay expected constitutional reforms.¹⁴

c. USAID Objective: “Credible and Competitive Political Processes Encouraged”

Ten percent of USAID’s 75 Missions have programs in this objective area. Although no operating units in **Europe and Eurasia** carry out programs in this area, three operating units in each of the Agency’s other regions have programs focused on enhancing political processes.

Although other elements of democracy can develop before competitive elections are held, a country cannot be truly democratic until its citizens have the opportunity to freely and fairly choose their representatives. However, free and fair elections are not the be-all and end-all of competitive political processes. Other major political institutions, such as political parties, also have to be developed. Accordingly, USAID works to bring about credible and competitive political processes through support for electoral reform, voter education programs, and strengthening political parties. Examples of USAID activities and accomplishments in these areas are described below.

Examples of USAID Program Results

IMPARTIAL ELECTORAL FRAMEWORKS

USAID’s support to civil society organizations in **Benin** helped introduce key electoral reforms, including amending the electoral code and helping the autonomous national electoral commission gain permanent status. These efforts helped reduce electoral fraud, contributing significantly to the country’s successful legislative election in 1999.¹⁵

CREDIBLE ELECTORAL ADMINISTRATION

In support of the legislative and presidential elections that marked the transition from military to civilian rule in **Nigeria**, USAID-funded contractors provided analytical reports to the Independent National Electoral Commission. Commission officials said that these reports helped them correct some of the worst technical deficiencies in their system of electoral administration. In addition, the Mission’s election assistance program became the platform on which women were mobilized to vote and women leaders were drawn to run for office. One USAID-assisted NGO network supported 24 women to run for local council positions, and 16 of them won election.¹⁶

EFFECTIVE OVERSIGHT OF ELECTORAL PROCESSES

In **Indonesia**, USAID assistance helped the government to hold the most free and fair legislative election since 1955. Mission efforts included a massive election-monitoring program, which recruited more than 600,000 nonpartisan volunteers who were trained and deployed to 320,000 polling stations. The first nationally representative statistical sample of the election results objectively and impartially confirmed the voting results, thus disproving self-interested and exaggerated claims of fraud.¹⁷

INFORMED AND ACTIVE CITIZENS

Also in **Nigeria**, USAID supported a nationwide voter education program in anticipation of the critically important national elections held in 1999. Among this activity’s achievements were 184 radio and television programs, which reached an estimated 12 million people. As a result, voters were reportedly often more aware of electoral procedures than many poll personnel. Moreover, a post-elections national survey found that these voter education efforts had enhanced citizen participation in the elections, as well as public confidence in the results.¹⁸

A USAID-supported media and operations center became the hub for election communication and information throughout **Indonesia** and internationally, thereby helping ensure transparency in the 1999 elections. More than 150 organizations from both electronic and print media relied on this center to get immediate results of the election process. This helped overcome possible threats to the election’s legitimacy that otherwise often threatened past elections. In addition, Mission-funded voter awareness and education programs introduced democratic concepts and voting practices to 100 million (out of 110 million) eligible Indonesian voters in 26 provinces.¹⁹

2. Collaboration With Other Donors and Development Partners

Both bilateral and multilateral donors have developed greater interest in the field of democracy and governance, in part because of specific transnational issues that have affected the wider agendas of globalization and security. Among the areas where greatest donor collaboration is evident are anticorruption and rule-of-law efforts, followed by increased interest in working on citizen security and governance issues.

USAID collaborates with a multitude of other donors in the planning, implementation, management, and evaluation of democracy and governance programs around the world. In particular, for those countries featured in this chapter, the Agency works most frequently with the European Union, the World Bank, the United Nations Development Program, and the **United Kingdom**. Other significant partnerships with donors during 1999 included those with the governments of **Sweden, Denmark, Germany, and Canada**.

3. Future Plans

In its Annual Performance Report for 1999, USAID made a commitment to improve its ability to assess democracy and governance performance by developing better qualitative ways to measure impact at the program level. This commitment corresponded with long-lived concerns that by relying primarily on quantitative measures the Agency was failing to capture important accomplishments in its democracy and governance programming. Accordingly, USAID's Center for Democracy and Governance and Bureau for Policy and Program Coordination set about developing a new approach to determining how its democracy and governance programs are affecting political change in assisted countries. The new approach links information on program results to larger-scale political change through a process of "impact tracing," which examines relationships between activities and significant individual, institutional, and systemic effects.

This approach was applied by study teams in three countries – **Bolivia, Bulgaria, and South Africa** – on a pilot basis, in accordance with carefully developed selection criteria and a uniform research protocol. USAID expects to refine the protocol and undertake additional case studies to validate the approach and assure that it can be used consistently as a means to effectively determine the impact of Agency programs and satisfy GPRA reporting requirements. There are also plans to share the new approach with field staff in the hope that they will consider using it to more fully explore their own democracy and governance programs' impact at the country level.

While final case study reports are still being prepared on the pilot studies, the examples below capture some of the teams' findings. The teams found ample evidence that USAID democracy and governance programming does indeed have an impact on individual, institutional, and

systemic change and that such changes can and do have country-level implications.

a. USAID Objective: "The Development of Politically Active Civil Society Promoted"

USAID Impact on Civil Society in Bulgaria: Promoting Independence, Pluralism, and Professionalism in Broadcast Media

Beginning in 1997, USAID provided a crucial assist to the development of a pluralist, independent media in **Bulgaria** by supporting the establishment of media associations, including the Free Speech Civic Forum, the Association of Bulgarian Broadcasters (radio), and the Bulgarian Media Coalition (an umbrella organization of 11 media NGOs). The associations are instrumental in the pursuit of multiple goals: reforming the legal and regulatory framework for broadcast media, improving the free flow of information, and strengthening professionalism. They have drafted reform legislation to improve the protection of independent media and helped pass amendments to eliminate previous constitutional violations of the right to privacy. With their support, an access-to-information law was adopted that significantly increases public transparency. Also as a result of their combined efforts, the country's first independent national television station was licensed recently.

Individual-level impact: Eighty percent of Bulgarians get their news from national television; they now have an alternative to state-owned television.

Institutional-level impact: The independent national television station injects the kind of healthy media competition needed to promote improved reporting and higher journalistic standards. Moreover, the professional media organizations, themselves, constitute an indigenous, sustainable element of Bulgaria's fragile third sector. Independent media have been an active partner with USAID-supported policy NGOs in a national anticorruption campaign.

Systemic impact: Independent, pluralist, and professional media affect every aspect of system transition. The new television station expands and improves the quality of information vital to both a robust civil society and transparent, accountable government.

b. USAID Objective: “More Transparent and Accountable Government Institutions Encouraged”

USAID Impact on Local Government Reform in South Africa: Developing a Policy Framework for Effective and Democratic Local Governance

For the government of **South Africa**, reforming local government was seen early on as one of the most important elements of the country’s transition from apartheid to democracy. Starting with the Local Government Transition Act of 1993, over the past six years, a series of key policy papers and laws have literally established a framework for an entirely new system of local governance. USAID has supported these efforts from the outset; most notably, by assisting in the development of the White Paper on Local Government—the official policy statement setting forth the government’s vision and institutional structure for the country’s new local government system.

Individual-level impact: Through USAID-supported study missions to U.S. cities and a visit to South Africa by a local government expert, the key individuals involved in developing the White Paper were exposed to ideas and approaches that influenced their thinking on critically important issues and questions. For example, the local government expert’s input on the advantages of municipalities with large, flexible boundaries and the importance of regional collaboration resonated to such an extent with White Paper developers that these “unicity” concepts were incorporated in the draft that was ultimately adopted.

Institutional-level impact: These concepts on metropolitan governments, in turn, have been incorporated in the subsequent legislation to implement the White Paper’s provisions. The 1998 Municipal Structures Act, which defines the different types of municipalities, legal procedures for their establishment, and their powers and functions, is an example. The Act, for instance, establishes a specific category of municipalities in the new local government system, organized under the unicity model suggested by the local government expert.

Systemic impact: When the new system of local government is finally established in 2001, the unicity concept will be applied to at least six major cities situated throughout South Africa. Their large, flexible boundaries are intended to allow local governments to broadly define their tax bases in order to respond to the needs of previously disadvantaged communities, in particular. As such, they are looked on as a pivotal part of South Africa’s efforts to

address apartheid’s legacy of pervasive inequities. In that these cities include about 40 percent of the populace and are estimated to account for 70 percent of the country’s gross domestic product, what happens in them is obviously of critical importance to the country’s overall progress.

USAID plans in the next few years will also include:

- Further integrating Agency efforts into our embassies’ strategic planning and increasing inter-agency collaboration. This reflects the importance of democracy and governance as a high priority foreign policy objective and USAID’s continuing role as the U.S. Government’s primary implementing agency for democracy programs. For example, along with the Department of Justice, the Center for Democracy and Governance has been tasked to implement a presidential decision directive (PDD 71) on strengthening criminal justice systems in support of peace operations.
- Increased efforts to fight corruption, prompted in part by the First Global Forum on Fighting Corruption held in February 1999. In collaboration with the Department of State, USAID will create and refine regional strategies to fight corruption. In addition, the Agency anticipates increased program activity in connection with the next global forum on fighting corruption, scheduled for May 2001.
- Continued efforts to strengthen civil society to advocate on behalf of political reform. The strength of civil society in achieving political change can be seen recently in **Yugoslavia** and the **Ivory Coast**. USAID will place greater emphasis on building and broadening coalitions to define common reform agendas and draw in sectors of civil society that frequently have not been involved in such alliances. Thus, more attention will be directed to encouraging the participation of labor unions and professional associations in reform coalitions.
- Operating units’ adjusting their programs and strategies in response to changes in democratic governance. In most cases, it is anticipated that democratic transitions will proceed positively, but will require either small shifts in program focus, larger shifts due to new opportunities within the country, or increased links to other goals. However, some programs – in **Ethiopia**, for example – could be cut back or closed, due to shifts in USAID presence or lack of political will on the part of the host government. In still other countries, such as **Nigeria** and **Russia**, the future of democratic

development remains uncertain. In these cases the Agency will be closely monitoring the situation in order to respond appropriately.

D. Conclusion

Overall, USAID programs under the democracy and governance goal are meeting expectations. In spite of limited resources allocated to democracy and governance programming, USAID has continued to maintain a leadership position in this critically important sector. Prospects for further progress are good, although it must be remembered that democratic transitions and consolidations are fluid and thus remain difficult to predict with certainty.

The challenge in coming years will be to sustain the gains of the past decade. In response, USAID will fine-tune its efforts to support national capacity to govern and to help civil society develop and promote broad-based initiatives for increased openness and improved human rights. Such efforts to encourage democratic governance will also enhance other USAID initiatives that seek to alleviate poverty, improve economic growth, and protect the environment. Indeed, if any trend is underscored by USAID's democracy and governance work, it is precisely its cross-cutting nature and capacity to advance all types of development activities.

E. Performance Table

Annual Performance Tables Strengthen Democracy and Good Governance

| | Revised Baseline | Revised Target | Actual | Latest Actual |
|--|---------------------|-------------------|----------------|------------------|
| 1. Number of countries classified as free/partly free/ and not free | 1995-96 | 1998-99 | 1998-99 | 1999-00 |
| USAID-Assisted | | | | |
| Sub-Saharan Africa | 5/11/10 | 6/14/6 | 5/14/7 | 4/14/8 |
| Asia/Near East | 2/8/7* | 3/6/8 | 4/7/7 | 4/6/8 |
| Europe/Eurasia | 8/12/7 | 9/11/7 | 9/12/6 | 9/13/5 |
| Latin American/Caribbean | 4/12/0 | 4/12/0 | 9/7/0 | 7/9/0 |
| 2. Political Rights scores (unweighted average) | 1995-96 | 1998-99 | 1998-99 | 1999-00 |
| USAID-Assisted | | | | |
| Sub-Saharan Africa | 4.69 | 4.32 | 4.42 | 4.42 |
| Asia/Near East | 4.53 | 4.42 | 4.33 | 4.44 |
| Europe/Eurasia | 3.81 | 3.76 | 3.59 | 3.52 |
| Latin American/Caribbean | 3.25 | 2.81 | 2.63 | 2.81 |
| 3. Civil Liberties scores (unweighted average) | 1995-96 | 1998-99 | 1998-99 | 1999-00 |
| USAID-Assisted | | | | |
| Sub-Saharan Africa | 4.73 | 4.10 | 4.27 | 4.38 |
| Asia/Near East | 4.94 | 4.83 | 4.72 | 4.56 |
| Europe/Eurasia | 4.00 | 3.95 | 3.85 | 3.85 |
| Latin American/Caribbean | 3.56 | 3.10 | 3.25 | 3.25 |

* no data for West Bank/Gaza 1995-96

Notes on FY 2000 Annual Performance Table: Strengthen Democracy and Good Governance

1. Freedom classifications are “free,” “partly free,” and “not free.” 2000 data are for countries with democracy and governance programs. Revised numbers include all USAID-assisted countries. For 1995–96, no data are available for West Bank/Gaza. *Source:* Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the heading. Revised targets are based on original increase/decrease in number of free/partly free/not free for each region applied against revised baseline.

2. Political rights scores are unweighted average of USAID-assisted countries. Scale of 1 to 7, where 1 is the highest degree of political rights and 7 is the lowest degree of political rights. For 1995–96, no data were available for West Bank/Gaza. *Source:* Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the heading. Revised targets are based on original targeted percent decrease in political rights score applied against revised baseline score.

3. Civil liberties scores are unweighted average of USAID-assisted countries. Scale of 1 to 7, where 1 is the highest degree of civil liberties and 7 is the lowest degree of civil liberties. For 1995–96, no data were available for West Bank/Gaza. *Source:* Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the heading. Revised targets are based on original targeted percent decrease in civil liberties score applied against revised baseline score.

Notes

¹Speech delivered January 18, 2000, at the Johns Hopkins University School of Advanced International Studies, Washington, D.C.

²Freedom House Survey Team Staff, *Freedom in the World: The Annual Survey of Political Rights and Civil Liberties, 1999–2000* (Internet: www.freedomhouse.org/survey99/method/, “Survey Methodology,” 2000), pp. 7–8.

³USAID Bureau for Africa, “Making Progress in Africa: Challenges Old and New,” p. .5.

⁴Freedom House Survey Team Staff.

⁵In the Freedom House methodology, lower scores indicate improvement.

^{6-19th.} Unless otherwise specified, the data is from FY 2002 R4s.

Strategic Goal 3: Build Human Capacity Through Education and Training

3

A. Introduction

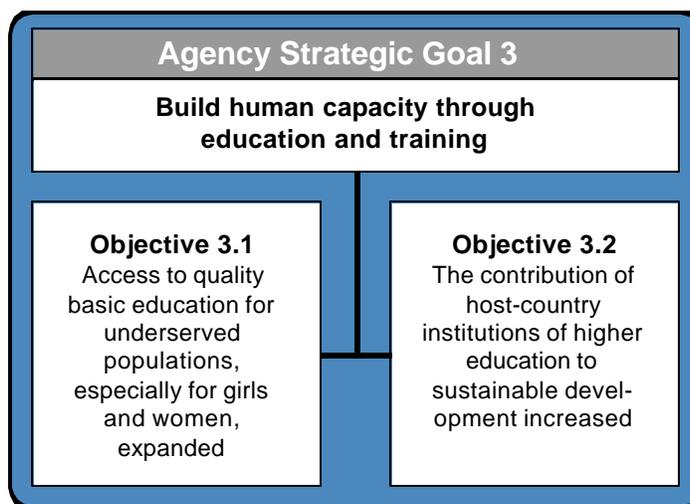
Education helps people function more effectively in many aspects of their lives. The increased human capacity gained through education is essential for sustained social and economic progress. USAID's third strategic goal is to help host countries and their citizens build human capacity through education and training. The goal has two objectives: basic education and higher education.

Basic education—which provides literacy and numeracy, along with problem-solving and other core skills—is especially critical to development.¹ Investments in expanded and improved basic education have been linked to faster and more equitable economic growth, progress in reducing poverty, lower birth rates, and stronger support for democracy and civil liberties. In addition, expanded and improved basic education of girls and women contributes to enhanced family health, lower fertility, and the enhanced status of women. Research demonstrates that where primary school completion rates are low, investments to broaden access and improve educational quality at the primary level yield especially high returns.

Colleges and universities produce the educated leaders, skilled professionals, and trained workforces essential to the development of politically and economically sustainable societies, from the teachers who provide quality basic education to the decision makers and practitioners essential to sustained growth and progress in all sectors. Institutions of higher education² in developing and transitional countries hold the potential to contribute more fully to the resolution of national and local problems through teaching, research, and community service.

Developing countries that ensure equitable access to basic education achieve stronger growth, lower income equality, and, consequently, faster progress in reducing poverty.

1. Results Framework



2. What USAID Is Doing and Why

To help develop human capacity in USAID-assisted countries, the Agency works to expand access to quality basic education for underserved populations, especially girls and women; and to enhance the contribution of host-country colleges and universities to the process of development.

To achieve the first objective, USAID strives to improve host-country policies and institutions that affect basic education, support the adoption of improved educational practices, and increase community participation in educational decision making. To realize the second objective, the Agency encourages the formation of effective partnerships between U.S. and host-country institutions of higher education. In certain countries, USAID also supports improvements in the overall capacity and performance of colleges and universities.

USAID supports basic education reform because broader access to better-quality basic education contributes to progress in virtually all areas of development. For example, a worker with a good basic education works more productively, adopts new techniques more readily, and adapts to changing economic conditions more easily. At the individual level, the results are higher household income

**Table 3.1. Regional Trends in Net Primary Enrollment Ratios:
USAID-Assisted Countries with Contributing Programs in Basic Education**

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|------------------------------------|------|------|------|------|------|------|------|------|
| Sub-Saharan Africa: | | | | | | | | |
| Unweighted | 55.1 | 56.3 | 57.4 | 59.5 | 65.0 | 66.2 | 67.6 | 68.6 |
| Weighted | 50.9 | 49.1 | 48.3 | 51.1 | 54.9 | 56.8 | 58.6 | 59.9 |
| Asia and Near East: | | | | | | | | |
| Unweighted | 74.0 | 74.2 | 76.1 | 78.8 | 81.2 | 83.5 | 84.8 | 85.9 |
| Weighted | 79.7 | 79.6 | 81.0 | 83.5 | 85.5 | 87.9 | 88.9 | 89.7 |
| Latin America and Caribbean | | | | | | | | |
| Unweighted | 82.2 | 82.8 | 83.9 | 85.0 | 85.4 | 85.6 | 85.8 | 86.4 |
| Weighted | 82.9 | 82.8 | 83.1 | 83.5 | 84.5 | 85.4 | 86.1 | 86.7 |

Note: The countries used to compute the averages for each region are those identified in the Performance Table (Table B3, Annex B) of this chapter. Regional weighted averages are calculated using each country's population of children aged 0–14 years as weights. These population figures are drawn from the World Bank's 2000 World Development Indicators CD-ROM.

and more stable employment. At the national level, developing countries that ensure equitable access to basic education achieve stronger economic growth, lower income inequality, and, consequently, faster progress in reducing poverty.

Strong, high-quality colleges and universities also contribute to many aspects of development. Developing and transition countries alike need effective institutions of higher education to provide advanced training to the new generation of business executives, technical specialists, and political leaders. Such institutions also help link host countries to global sources of science and technology in all areas and carry out research on problems of local and national importance. However, colleges and universities in many countries fall short of their potential in these roles, lacking the faculty skills and institutional capacity to meet local and national development needs. To help host-country institutions more fully realize their potential, USAID promotes partnerships with U.S. universities, colleges, and community colleges, widely acknowledged as world leaders in their fields.

3. Benefits to the American Public

Host-country progress in both basic and higher education benefits the United States by contributing to the various dimensions of development cited above. A country that

achieves stronger and more sustainable economic growth by expanding and improving basic education becomes a more valuable trading partner with the United States. The same is true of a country that grows faster because its universities provide better access to valuable technology developed abroad. Similarly, lower fertility helps reduce world population growth, whether achieved by ensuring better basic education for girls or by enlisting local colleges and universities in the fight against infectious diseases, infant and child mortality, and unplanned pregnancies.

4. Challenges

In recent decades, most developing nations have made substantial progress in raising primary and secondary enrollment rates and achieving basic literacy; however, many have a long way to go in achieving universal primary education. Moreover, the poor quality of education in these countries contributes to high rates of grade repetition and school dropout and conversely low levels of student learning. Limited access and poor quality affect girls more severely than boys, leading to significant gender gaps in primary and secondary school enrollment and completion.

B. Global Trends

This section summarizes progress toward full primary enrollment and reduced educational gender gaps among

countries with USAID basic education programs. The analysis draws on country-level indicators contained in USAID’s Strategic Plan, including net enrollment ratios and net gender gap ratios, both at the primary school level.

Country-level changes reflect the combined efforts of national and local governments, NGOs, local communities (including parents), and multilateral and bilateral donors (including USAID). Some Agency Missions consider changes in national enrollment ratios to be within their manageable interests; resource issues limit the manageable interests of other Missions to changes below the national level.

Regional Trends in Net Primary Enrollment Ratios

Table 3.1 shows that in all regions, USAID-assisted countries with basic education programs achieved progress between 1990 and 1997 toward the Agency’s development performance benchmark of full primary enrollment. In this context, the net enrollment ratio—which measures enrollment of school-aged children only—is the most relevant indicator.³ The regional figures are unweighted and population-weighted averages of net primary enrollment ratios among USAID-assisted countries with basic education programs. Progress toward full primary enrollment among these countries supports progress toward the broader target of universal primary enrollment in all countries by the year 2015, one of the 21st-century targets for basic education established by the Development Assistance Committee (DAC). This target was reaffirmed in the World Education Conference in Dakar, Senegal, in April 2000.

Of 11 USAID-assisted countries in **sub-Saharan Africa** with ongoing basic education programs, the United Nations Educational, Scientific, and Cultural Organization (UNESCO) reported net enrollment data for 8 (**Benin, Ethiopia, Guinea, Malawi, Mali, Namibia, South Africa, and Zambia**). The unweighted average of net enrollment ratios for these eight countries rose from 55 percent in 1990 to nearly 69 percent in 1997, while the population-weighted average rose from 51 percent to 60 percent during the same period. Excluding South Africa and Namibia—two middle-income countries that have achieved near-universal primary enrollment—reduces the regional average, but more clearly highlights progress among the remaining six low-income countries: their weighted average net enrollment ratio rose from 34 percent in 1990 to just under 48 percent in 1997.

In the two countries in **Asia and the Near East** with ongoing USAID basic education programs (**Egypt** and

Morocco), the weighted average net enrollment ratio rose from 80 percent in 1990 to nearly 90 percent in 1997. Morocco, a low-income country, recorded faster progress, increasing its net enrollment ratio from 58.9 percent to 76.6 percent during 1990–97. **Egypt**, a lower-middle-income country, raised net enrollments from 89 percent to 95.2 percent during the same period.

Finally, net enrollment data are available for six of the seven USAID basic education countries in **Latin America** and the **Caribbean** (**El Salvador, Guatemala, Honduras, Jamaica, Nicaragua, and Peru**). The weighted average for these six countries increased from 82.9 percent in 1990 to 86.7 percent in 1997. Except for Guatemala, almost all children in these six countries have access to primary schooling; the shortfall from 100 percent net enrollment largely reflects dropout from upper primary grades. USAID basic education programs in these countries concentrate on “second generation” issues of quality, equity, and system efficiency. In contrast, access to primary schooling remains far from universal in **Guatemala** and **Haiti**. Guatemala’s net enrollment ratio increased from 64.7 percent in 1990 to 73.8 percent in 1997. No net enrollment data are available for Haiti: the last reported gross enrollment ratio, 47.8 percent, applies to 1990.

The enrollment and gender parity tables omit **Europe and Eurasia**, where USAID currently has no strategic objectives in basic education.

Trends in Net Gender Parity Gap at Primary School Level

Table 3.2 summarizes progress in reducing gender gaps in primary enrollments among USAID-assisted countries with basic education programs. Reduced primary gender gaps among USAID-assisted countries contribute to progress toward the DAC target of “virtually eliminating” gender gaps in primary and secondary enrollments by 2005. However, whereas the DAC proposes eliminating gender gaps at both the primary *and* secondary levels, USAID’s target refers only to gender parity at the primary level, the level on which almost all USAID basic education programs concentrate.

To reflect progress toward gender parity in primary enrollments, table 3.2 reports regional averages in the net primary gender parity gap among USAID-assisted countries with basic education programs. The net primary gender parity gap is a measure of inequality between the net primary enrollment ratios for girls and boys.^{4,5}

**Table 3.2. Regional Trends in the Gender Gap in Primary Schooling:
USAID-Assisted Countries with Contributing Programs in Basic Education**

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|------------------------------------|------|------|------|------|------|------|------|------|
| Sub-Saharan Africa: | | | | | | | | |
| Unweighted | 23.8 | 21.8 | 22.1 | 22.3 | 20.7 | 20.5 | 20.5 | 20.2 |
| Weighted | 18.9 | 15.8 | 17.8 | 21.9 | 22.5 | 23.5 | 23.7 | 23.6 |
| Asia and Near East: | | | | | | | | |
| Unweighted | 22.0 | 21.5 | 20.3 | 19.6 | 18.0 | 17.1 | 16.0 | 15.4 |
| Weighted | 19.0 | 18.6 | 17.5 | 17.1 | 15.5 | 14.7 | 13.8 | 12.9 |
| Latin America and Caribbean | | | | | | | | |
| Unweighted | 4.6 | 4.2 | 4.2 | 3.4 | 3.3 | 3.1 | 2.8 | 2.8 |
| Weighted | 5.3 | 4.5 | 4.4 | 4.0 | 4.0 | 3.2 | 3.2 | 3.1 |

Note: The figures shown in the table are regional averages of net gender parity gaps in primary schooling, as defined in the text and in the footnote to the Performance Table. The countries used to compute the averages for each region are those identified in the Performance Table of this chapter. Regional weighted averages are calculated using each country's population of children aged 0–14 years as weights. These population figures are drawn from the World Bank's 2000 *World Development Indicators* CD-ROM.

Gender gap measures help draw attention to the severe barriers to educational participation confronted by girls in many developing countries, especially in **sub-Saharan Africa** and **Asia and the Near East**. However, the fundamental issue is to improve girls' educational participation in its own right, rather than simply in relation to boys' participation. Fully understanding educational gender issues in a particular country requires attention to trends in gross *and* net enrollment ratios for both girls *and* boys, along with much additional information on the factors behind these trends.

Table 3.2 shows that from 1990 to 1997, the unweighted average of net gender parity gaps among USAID countries with basic education programs declined in all regions; the population-weighted average declined in **Asia and the Near East** and in **Latin America and the Caribbean**, while rising somewhat in **sub-Saharan Africa**. Closer examination of trends in individual countries shows a widespread trend toward increased gender parity at the primary level.

Among the eight countries in **sub-Saharan Africa** with the necessary data (**Benin, Ethiopia, Guinea, Malawi, Mali, Namibia, South Africa, and Zambia**), the gender parity gap declined in six. The gap widened in **Ethiopia**, reflecting a small increase in the net enrollment ratio for girls and a large increase for boys. Meanwhile, **South Africa** reported net enrollment of 99.9 percent

for both girls and boys, and thus no gender gap, throughout the period. The unweighted average gender parity gap among the eight countries fell from 23.8 percent to 20.2 percent, while the weighted average rose from 18.9 percent to 23.6 percent. The difference between the trends in the weighted and unweighted averages almost wholly reflects increased primary enrollments among boys in Ethiopia, whose large population gives it a large weight in the weighted average.

A similar, but more uniform trend toward gender parity was seen in **Asia and the Near East**. Both of USAID's basic education countries (**Egypt** and **Morocco**) recorded a significant reduction in the net gender parity gap. The weighted average gap for the two countries dropped from 19 percent to 12.9 percent from 1990 to 1997.

In most countries in **Latin America and the Caribbean**, gender gaps in primary enrollment tend to be small, and girls' school participation often exceeds that of boys. An important exception is **Guatemala**, where many rural indigenous girls lack adequate access to school and face additional barriers to completing school. Primary net enrollment ratios for both boys and girls in Guatemala gradually increased during the period in question, leaving the gender parity gap roughly constant. The weighted average gap for the six countries with the necessary data (**El Salvador, Guatemala, Honduras, Jamaica, Nicaragua, and Peru**) fell from 5.3 percent to 3.1 percent.

Figure 3.1 provides an alternative perspective on access to primary schooling by gender. The chart shows separate trend lines for average net enrollment ratios for girls and boys among countries with USAID basic education programs.

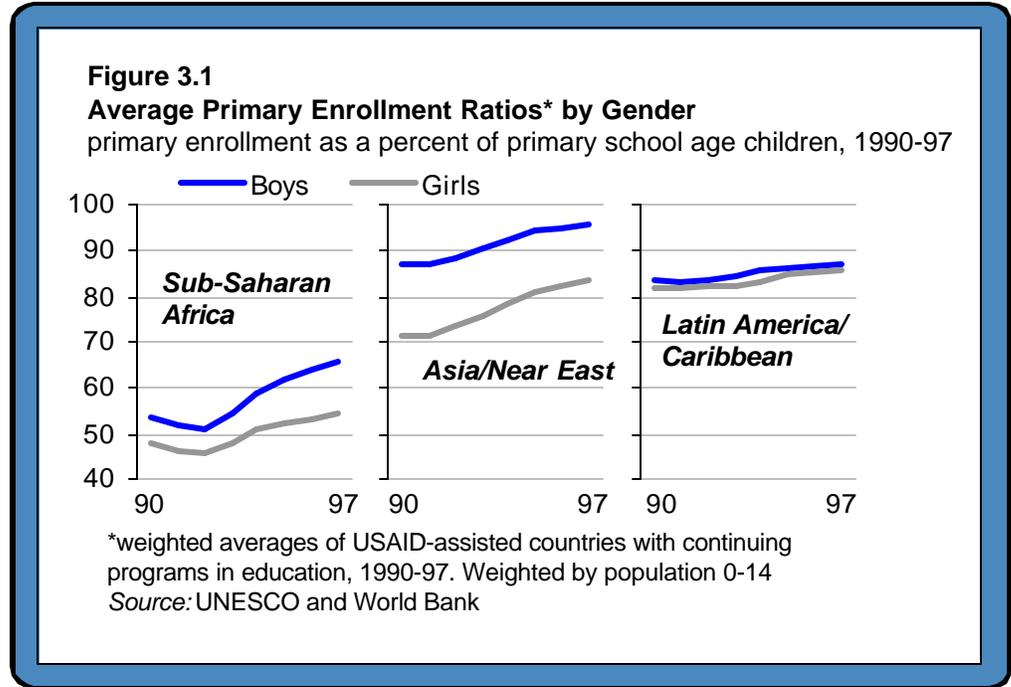
The basic education indicators shown in tables 3.1 and 3.2 direct attention to access and gender equity at the primary school level. These remain key issues for many of the countries where the Agency concentrates its development efforts. Readers should bear in mind that national enrollment statistics are subject to various sources of error and bias. The overall severity of these errors varies widely, but tends to be greater for poorer countries. As a result, the benchmarks computed from these national statistics should be interpreted with caution.

Country-Level Indicators Of Educational Quality: The Missing Link

Despite widespread improvements in access to basic education, educational quality remains very low in many developing countries. As a result, many children who enter primary school fail to learn at an adequate pace, suffer extensive grade repetition, and eventually drop out of school before acquiring even the most basic skills. Most USAID basic education programs strongly emphasize the need to improve educational quality at the primary level. USAID would like to add one or more indicators to help track changes in educational quality, but data for even indirect measures of quality, such as completion rates, are available for few countries. The Agency will continue to urge host countries to track completion rates, as well as encourage the use of more direct indicators of education quality, such as measures of student learning.

Higher Education

USAID does not target or report development performance benchmarks in higher education. Internationally available data on higher education—such as enrollment



ratios in tertiary education or numbers of graduates in particular specialties—shed little light on USAID’s central concern in higher education: the contribution of host-country institutions to development. The next section provides examples of some of USAID’s efforts involving higher education.

C. Agency Interventions

This section discusses the performance of USAID programs under the human capacity development (HCD) goal, drawing on the self-assessments of performance by Missions and other operating units. It highlights the two HCD objectives and describes the approaches used by the Agency to accomplish these objectives. It provides examples of results achieved through USAID efforts undertaken around the globe, discusses programs that failed to meet expectations, and reveals plans for further progress. Finally, this section discusses USAID collaboration with other donors and development partners.

1. Program Objectives/Approaches

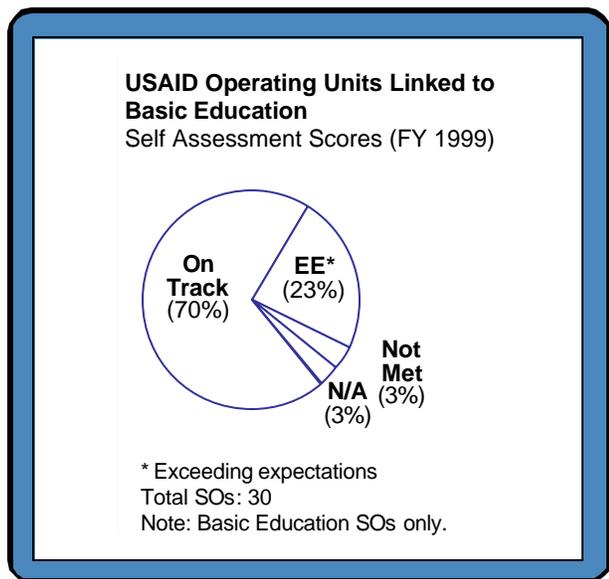
USAID supports human capacity development around the world through programs directed at two broad objectives:

- Access to quality basic education for underserved populations, especially for girls and women, expanded
- The contribution of host-country institutions of higher education to sustainable development increased

a. USAID Objective: “Access to Quality Basic Education for Underserved Populations, Especially for Girls and Women, Expanded”

Self-Assessment of Performance by Missions and Other Operating Units

USAID Missions and other operating units reported a total of 23 strategic objectives in basic education: 10 country programs plus a regional program in **sub-Saharan Africa**; 2 country programs in **Asia and the Near East**; 7 country programs plus a regional program in **Latin America and the Caribbean**; and the Global Bureau Centers for Human Capacity Development (G/HCD) and for Women in Development (G/WID). Figure



3.2 summarizes these self-assessments of program performance.

Of these 23 strategic objectives in basic education, the responsible operating units judged 18 to have been “on target” in terms of overall performance. The remaining five strategic objectives were judged to have “exceeded expectations”; this group includes **Namibia, Jamaica, Nicaragua**, and regional programs in **Africa** and in **Latin America and the Caribbean**.

Program(s) Failing to Meet Expectations

All USAID programs under the basic education objective met or exceeded expectations.

Country Focus of USAID Basic Education Programs

As a general matter, USAID allocates its basic education funding among host countries on the basis of their educational needs and their commitment to reform. More specifically, the Agency concentrates on countries with major inadequacies in access or quality at the primary level, but whose governments demonstrate a clear willingness to do what is necessary to reduce or eliminate those inadequacies. In this context, USAID pays special attention to educational barriers affecting girls. Judgments based on educational criteria must then be weighed against similar judgments regarding support for program efforts in other goal areas, the overall country assistance budget, the availability of funds for basic education versus other goals for the Agency overall and in each region, and many other factors. The basic education countries identified in this chapter’s section on country progress reflect the outcome of these judgments.

Basic Education Program Clusters

1. *Basic education for children.* The great majority of USAID’s funding and program efforts in basic education support expanded and improved *basic education for children*. In principle, this category spans efforts in preprimary education and other early childhood development programs, primary education, and secondary education. The common thread among these elements is a concern that all children—girls and boys alike—gain the core skills that they will need to function effectively in all aspects of later life: literacy, numeracy, and habits of critical thinking. In practice, USAID strongly concentrates on ensuring equitable access and improved quality in *primary* education. The Agency’s focus on primary education reflects the following:

- The especially high returns to improved and more accessible primary schooling in most developing countries, especially in the poor countries where most of our basic education programs operate
- The wide-ranging impacts of primary education in terms of faster economic growth, reduced income inequality, increased child survival and family health, reduced fertility, improvement in the status of women, and increased support for democracy and civil liberties
- The recognition that better and more accessible primary schooling is essential to ensure broad educational opportunity at all levels—especially for girls, the children of the poor, and children of other disadvantaged groups
- International agreements supported by the United States that recognize improved and more accessible primary schooling as the proximate step toward achieving education for all

Of the 19 USAID country programs working on basic education for children in FY 2000, all concentrated mainly or exclusively on improving basic education at the primary level, based on the indicators chosen by the Missions to capture the impact of their programs.

Although conditions in most USAID-assisted countries confirm the need to concentrate on primary education, changes in those conditions can cause a shift in program focus. For example, in **El Salvador**, USAID is currently developing a program to improve the quality and availability of preschool care for young children in rural areas by developing curricula and training programs for caregivers in both public and private settings. This shift reflects a judgment that the reform process in primary education has developed sufficient momentum and acceptance that further steps should be left to the national government, allowing USAID to turn its attention to the next step: ensuring that rural children are mentally, emotionally, and physically ready to learn by the time they enter primary school.

2. Adult literacy. In addition to USAID's support for basic education for children, a few Missions support efforts aimed at promoting literacy among adults and adolescents who have missed out on a primary education. In FY 2000, only the Missions in **Nigeria** and **Guatemala** sought funding for adult literacy programs; these appropriations totaled \$3 million, compared with the Agency total of \$117 million in support for basic education for children

Basic Education Program Approaches

USAID uses four broad approaches to achieve results within basic education. In keeping with the Agency's overall focus, these approaches are mainly aimed at the primary level, but could be adapted to efforts aimed at other levels of basic education.

1. Policy reform efforts encourage the host government to adopt and implement policies that promote access to basic education and improve educational quality at that level. These efforts often include technical assistance in identifying appropriate policies, based on international experience. Missions also work to build support for educational policy reform among local communities, the private sector, and civil society.

USAID policy work in basic education rests on a broad consensus about the following overall policies needed to ensure equitable access to a basic education of adequate quality:

- Adequate support for education in national, provincial, or local budgets
- Use of available public funds to subsidize primary and sometimes lower-secondary schooling, with households shouldering more of the costs of higher levels of education
- Equity in allocating funds between urban and rural areas
- Adequate support for textbooks, learning materials, and other nonsalary elements in the educational budget

USAID's efforts to promote educational policy reform vary widely, according to country circumstances. In **sub-Saharan Africa**, USAID has relied heavily on nonproject budgetary assistance to host governments, with disbursements tied to adoption of policy changes negotiated between USAID and the host government. This approach has the advantage of strengthening the position of reform advocates within the host government, but it requires considerable budgetary flexibility and careful monitoring of compliance. Another important approach, used by Missions in *all regions*, involves promoting public awareness of the need for educational reform, through sponsorship of workshops and conferences and through direct support for organizations lobbying for educational reform. Finally, USAID's access to grant funds often places

Table 3.3. Changes in Total Primary Enrollment/Access Targeted by USAID Basic Education Programs

| Country | Enrollment Rates | Children in Age Group | Value of Measure, Latest Available Year | Value of Measure, Previous Year | Change in Measure | Implied Change in Number Enrolled/Affected | Used in Implied Total? |
|--|---|-----------------------|---|---------------------------------|-------------------|--|------------------------|
| Benin | GER | 1,070,309 | 77.0% | 76.0% | 1.0% | 10,703 | yes |
| Ethiopia | GER – national | 14,722,762 | 45.8% | 42.0% | 3.8% | 559,465 | |
| | GER – Tigray | 728,127 | 58.4% | 56.1% | 2.3% | 16,747 | yes |
| | GER – SNNPR | 2,846,885 | 49.2% | 47.9% | 1.3% | 37,010 | yes |
| Guinea | GER | 1,300,571 | 53.5% | 51.0% | 2.5% | 32,514 | yes |
| Mali | GER | 1,775,273 | 53.9% | 50.0% | 3.9% | 69,236 | yes |
| | Gross access rate | 295,878 | 52.9% | 47.1% | 5.8% | 17,161 | |
| Uganda | GER | 4,377,695 | 131.0% | 115.0% | 16.0% | 700,431 | yes |
| | NER | 4,377,695 | 93.0% | 85.0% | 8.0% | 350,216 | |
| El Salvador | Rural children aged 7–10 attending school | N/A | 82.4% | 80.7% | 1.7% | N/A | |
| Implied total change in enrollment during previous year: | | | | | | 866,641 | |
| GER = gross enrollment ratio; NER = net enrollment ratio. See section B for definitions. | | | | | | | |

the Agency in a key position to help leverage much larger flows of concessional lending by other donors.

Among the four broad program approaches, educational policy reform is often the most difficult and usually takes longer to achieve. Nevertheless, experience shows that without reforming the underlying policies, sustainable educational progress may be impossible to achieve.

2. *Institutional development* involves efforts to help the host country build the institutional capacity to plan for, provide, and assess basic education services. Improving basic education requires, along with appropriate policies, that the host government effectively manage the financial and human resources devoted to that purpose. Doing so involves myriad decisions on such issues as the siting of new schools, trade-offs among student–teacher ratios, teacher pay scales, funding of teacher training, funding of student testing, funding of textbooks and materials, and more. To help build institutional capacity, USAID funds training for educational officials, provides management information systems, and sponsors regional partnerships to

share information and increase awareness of international best practices.

3. *Improving educational practices at the classroom level* involves promoting the adoption of effective teaching methods, learning materials, and educational technologies. In this area especially, USAID supports applied research and pilot studies to identify educational practices that improve learning. Under this approach, Missions provide funding for in-country teacher training, along with technical assistance to strengthen the capacity of local teacher training institutions. In particular, USAID promotes the adoption of teaching methods that involve students in the learning process (traditional methods often rely on rote).

The Agency also promotes improvements in curriculum content, both to increase the relevance of student skills to the demands of the workplace and to adjust the pace and sequence of teaching to what children learn at different ages. This includes supporting the development of new textbooks and learning materials and helping build domestic capacity to carry out these tasks. Also, Missions help host countries develop cost-effective methods of

Table 3.4. Changes in Girls' Primary Enrollment/Access Targeted by USAID Basic Education Programs

| Country | Enrollment Rates | Girls in Age Group | Value of Measure, Latest Available Year | Value of Measure, Previous Year | Change in Measure | Implied Change in Number Enrolled/Affected | Used in Implied Total? |
|--------------------|--|--------------------|---|---------------------------------|-------------------|--|------------------------|
| Benin | GER – girls | 550,230 | 61.0% | 60.0% | 1.0% | 5,502 | yes |
| Ethiopia | GER – girls, national | 7,361,381 | 45.8% | 31.0% | 14.8% | 1,089,484 | |
| | GER – girls, Tigray | 359,264 | 53.8% | 50.2% | 3.6% | 12,934 | yes |
| | GER – girls, SNNPR | 1,378,746 | 33.5% | 31.0% | 2.5% | 34,469 | yes |
| Guinea | GER – girls | 650,285 | 40.0% | 36.9% | 3.1% | 20,159 | yes |
| Mali | GER – girls | 879,887 | 44.4% | 40.3% | 4.1% | 36,075 | yes |
| | Gross access rate – girls | 146,648 | 45.7% | 41.0% | 4.7% | 6,892 | |
| Egypt | School enrollment of girls in Upper Egypt | N/A | 69.8% | 68.7% | 1.1% | N/A | |
| | Cumulative number of girls benefiting from USAID support through formal and nonformal programs | | 41,489 | 34,282 | 7,207 | 7,207 | |
| Morocco | Girls' enrollment ratio in pilot schools – 1st grade | N/A | 42.0% | 47.0% | -5.0% | N/A | |
| | Girls' enrollment ratio in pilot schools – 6th grade | N/A | 34.0% | 31.0% | 3.0% | N/A | |
| El Salvador | NER – girls, rural areas | N/A | 83.5% | 81.4% | 2.1% | N/A | |
| Guatemala | GER – girls, Quiche | N/A | 79.1% | 64.7% | 14.4% | N/A | |
| | Rural primary gender equity ratio in Quiche, based on gross enrollment ratios | N/A | 78.1% | 75.1% | 3.0% | N/A | |

Implied total change in girls' enrollment during previous year: 88,980

GER = gross enrollment ratio; NER = net enrollment ratio. See section B for definitions.
Gross access rate = GER in first grade.

student assessment and encourage them to use appropriate kinds of tests for different purposes.

4. *Promoting community participation* entails trying to enhance the strength and effectiveness of local communities' role in the process of educational decision making. The aim is to make the educational system more responsive to its ultimate customers—parents seeking a decent education for their children.

Choices among these four broad approaches (and the larger task of designing an assistance strategy for basic education) require a careful assessment of host-country conditions: the government's willingness to carry out needed reforms, the potential role of civil society in providing effective support for reforms, the current status of system-level and student-level indicators, existing basic education policies and institutions, the priorities and capacities of other donors, and other conditions. Some of

Table 3.5. Representative Indicators of Improvement in Educational Quality Targeted by USAID Basic Education Programs

| Country | | Rate or Value of Indicator | | |
|-----------------|--|----------------------------|---------------|--------|
| | | Most Recent Year | Previous Year | Change |
| Benin | Primary school repetition rate | 26.0% | 26.0% | 0.0% |
| | Pass rate on primary school leaving exam | 69.0% | 67.0% | 2.0% |
| Ethiopia | Percentage of program-assisted schools with repetition rates less than 11% among 4th-grade girls: Tigray | 68.0% | 67.0% | 1.0% |
| | Percentage of program-assisted schools with repetition rates less than 11% among 4th-grade girls: SNNPR | 52.2% | 52.3% | -0.1% |
| Ghana | Teachers in targeted schools using pupil-focused teaching practices | 37% | 15% | 25% |
| | Number of targeted schools pursuing community school improvement programs | | | |
| Uganda | Completion rate, grade 4 | 116% | 106% | 10% |
| | Completion rate, grade 7 | 61% | 53% | 8% |
| Egypt | Pass rate among girls in USAID-supported schools | 98% | 100% | -2% |
| Morocco | Girls' 6th-grade completion rate, USAID-assisted schools | 53% | 26% | 27% |
| Haiti | 3rd-grade pass rate in USAID-supported schools | 76% | 71% | 5% |
| | Girls' 3rd-grade pass rate in USAID-supported schools | 76% | 68% | 8% |
| Honduras | Pass rate among students in USAID-assisted alternative education program | 66.4% | 65.0% | 1.4% |

these conditions can be assessed from available objective data. Others may require special data-gathering efforts or on-the-ground familiarity with political and bureaucratic realities. In many countries, Missions have adopted an integrated approach to basic education reform, combining program elements drawn from two or more of these approaches to address both access and quality problems.

Examples of Basic Education Program Results

In **Benin**, the Mission has adopted an integrated approach to increase primary enrollments, particularly among girls, and to improve educational quality through better educational materials and methods of instruction. The program has five interdependent key objectives: 1) improved key pedagogical systems and inputs, initially targeted toward 250 experimental schools, with gradual adoption by the remaining 4,000 primary schools; 2)

increased equality of access; 3) government maintenance of adequate financing for primary education; 4) increased community and government participation in schools; and 5) improved institutional capacity for educational planning, management, and accountability. With strong support from the central government, this holistic approach has produced dramatic results. The overall enrollment rate exceeded its target by four percentage points, while the improved quality of primary instruction and the availability of new textbooks and workbooks for students helped raise the pass rate in the experimental schools to 82 percent, compared with 70 percent using the old curriculum.

In **Ethiopia**, the Mission has also used an integrated approach to help raise both enrollment and retention rates of students in targeted regions, Tigray and the Southern Nations, Nationalities, and Peoples Region (SNNPR). Between 1995 and 1999, enrollments have increased from two of every five school-aged children to three in five in

Table 3.6. Representative Indicators of Decentralization and Parental/Community Support Targeted by USAID Basic Education Programs

| Country | | Rate or Value of Indicator | | |
|---------|--|----------------------------|---------------|--------|
| | | Most Recent Year | Previous Year | Change |
| Ghana | Number of targeted schools pursuing community school improvement programs | 40 | 18 | 26 |
| | Percentage of communities active in decision making in targeted schools | 87% | 11% | 76% |
| Guinea | Primary schools in targeted regions with active parental/community support | 203 | 65 | 138 |
| Malawi | Percentage of schools with functional school management committees | 77.6% | 13.2% | 64.4% |

Tigray and to one in two in SPNNR. The latter region recorded a 15 percent increase in enrollment in 1999 alone.

In **Peru**, the Mission has worked closely with a national advocacy group, the National Network for Girls' Education in Peru. The Mission supported the Network in disseminating an agenda that identified the impediments to expanding girls' access and in working with the government to develop policies and programs to address those impediments. The Mission has supported the establishment of local networks to promote quality education for rural girls in four provinces in Peru where girls suffer particularly high rates of dropout from primary school. As a result, opportunities for basic education in those areas have expanded, with the share of girls enrolled at the appropriate grade in primary school rising from 20 percent in 1996 to 27 percent in 1999. This case illustrates the need for broad participation by stakeholders at all levels to push the educational reform process forward.

In **Malawi** and **Mali**, USAID has supported the establishment of community schools to help increase community participation in educational decision making, with the ultimate goal of increasing access and improving quality in primary schooling. In Malawi, local surveys and training of communities have helped identify local constraints to educational quality; action plans to address those constraints were then developed and implemented. In Mali, the Mission has provided communities with training in governance to increase their capacity to manage primary schools.

In **Morocco**, USAID is helping the GOM and the Ministry of Education, under the new National Charter of Education and Training, to shift the manner in which the curriculum is designed. For the first time, the GOP allows 30% of the curriculum of each region and its provinces to be decided locally. Once this decentralized methodology for curriculum development is tested and finalized, the localized curricula will be made available through education technology. USAID in Morocco has successfully promoted information technology and multi-media centers within teacher training colleges. Faculty, students preparing to become teachers, and teachers in in-service training have made use of the multi-media centers.

In **South Africa**, the Mission has supported the efforts of local NGOs in improving classroom teaching. The same NGOs have also helped build management capacity in district education offices so that those offices can provide effective support to schools and be held accountable for the quality of schooling.

In **Guatemala**, USAID is supporting intercultural and bilingual primary education to achieve increased access for indigenous children in Quiche Province. Enrollment rates in the province have increased sharply among both boys and girls.

In the area of adolescent and adult literacy, USAID has developed the EDUCATODOS program in **Honduras** to provide access to basic education for out-of-school youth and young adults. The program has exceeded its targets in expanding access among these groups. Elsewhere,

women’s literacy programs delivered through NGOs (e.g., in **Nepal**) and through private-sector associations (e.g., in **Guatemala**) have helped provide an alternative means to expand access to basic education among disadvantaged groups.

Basic Education Midlevel Results Indicators

Tables 3.3 through 3.6 summarize some of the indicators that USAID Missions are using to measure the impact of their basic education programs; the tables cluster these indicators according to the kinds of results that Missions are trying to achieve. For certain dimensions of progress in basic education, country-level indicators can be aggregated across programs into “midlevel” results indicators, which provide a rough idea of the Agency’s overall impact. In particular, changes in overall and gender-specific enrollment typically lend themselves to adding up among country programs, as shown in tables 3.3 and 3.4.

For other, equally important dimensions of educational development, differences in the data available to measure progress prevent meaningful aggregation. Thus improvements in educational quality, increased system efficiency, and increased support and involvement of parents and local communities in basic education usually resist aggregation, despite being at the center of several of USAID’s basic education programs. For this reason, tables 3.5 and 3.6 are limited to listing representative indicators of results in these areas to help illustrate the range and extent of results that Missions are targeting.

Changes in overall primary enrollment. Table 3.3 summarizes changes in overall primary school enrollment implied by Mission-reported changes in enrollment ratios during the last year for which data are available. In each case, the change in enrollment ratio is multiplied by an estimate of the number of children of primary school age within the target area to produce an estimate of the change in the number of children enrolled in primary school implied by the reported change in the enrollment ratio. These estimates are added to produce the estimated total number of children affected (shown at the bottom of the table). Almost all the countries shown in this table are in **sub-Saharan Africa**, where Missions are working to expand access to primary schooling. In the case of **Ethiopia**, only the reported increases in enrollments for the two regions where USAID concentrates its basic education efforts are used in computing the aggregate enrollment figure.

It must be emphasized that the figures in the “implied-change” column of table 3.3 are estimates only, shown to illustrate the aggregate impact of USAID programs. In

contrast, most of these Missions are actually targeting changes in enrollment *ratios*, rather than specific numbers of children affected. With these caveats in mind, the table implies a one-year increase of between 800,000 and 900,000 boys and girls enrolled in primary school in the five countries included in the total, as the result of increased enrollment ratios targeted by USAID Missions. To the extent that these one-year increases reflect *permanent* improvements in access to primary schooling resulting from USAID basic education programs, the number of children ultimately affected by those programs will be much greater.

USAID-supported improvements in access to primary education contribute to progress toward the DAC target of universal primary education, discussed at the beginning of this chapter.

Changes in primary enrollment by girls. Table 3.4 provides a similar aggregation of Mission-reported program results based on targeted changes in girls’ enrollment in primary school. Two factors make it difficult to compare the results shown in this table with those shown in table 3.3: first, many of the programs targeting girls outside of **sub-Saharan Africa** concentrate on subnational areas, for which estimates of the number of school-age children were not yet available. Even more important, from a quantitative standpoint, is the fact that USAID/**Uganda** does not target or report primary enrollment on a gender-disaggregated basis; as a result, we cannot know how many of the newly enrolled Ugandan children shown in the previous table are girls. For the remaining four countries, the estimated increase in girls’ primary enrollments during the past year—roughly 89,000—is just over half of the combined increase for boys and girls for those countries.

Improvements in educational quality at the primary level. Table 3.5 summarizes a third set of Mission-reported results indicators, all intended to measure gains in educational quality. These include reduced grade repetition, increased pass rates at the end of particular grades or on school-leaving exams, improved classroom practices, and an increased share of children completing particular grades. The last measure is used on the assumption that parents will keep their children in school only as long as they perceive that the school is providing an education worth postponing children’s entry into the labor force. Many of the quality indicators shown in the table apply specifically to schooling for girls.

The table underrepresents USAID’s emphasis on educational quality, which is a central concern in almost all of the Agency’s basic education programs. In particular, educational quality is the principal focus of most USAID basic education programs in **Latin America and the Carib-**

bean, where access to primary schooling tends to be less pressing an issue than in **Africa** and **Asia and the Near East**. The relative prominence of enrollment indicators mainly reflects the greater “countability” of enrollment. In contrast, data on student learning—the best measure of educational quality—are nonexistent or highly unreliable in most developing countries. As a result, improvements in quality are harder to capture with available objective data, so fewer Missions include such measures in their results reporting, even when paying careful attention to quality issues in the field. Identifying additional, widely applicable measures of educational quality and promoting more widespread collection and reporting of these measures by Missions are important issues for USAID.

Decentralization and parental/community support. Several USAID Missions promote the decentralization of basic education systems, along with a stronger role for local communities and greater support and involvement by parents in the educational process. Table 3.6 shows a number of the indicators that Missions use to report these efforts. As with educational quality, this table probably understates the priority that USAID places on this issue, because many aspects of decentralization are qualitative and difficult to measure objectively.

b. USAID Objective: “The Contribution of Host-Country Institutions of Higher Education to Sustainable Development Increased”

Higher-Education Program Approaches

USAID’s efforts to strengthen the development contribution of host-country institutions of higher education follow two broad approaches:

- Higher education as means: support for a wide range of partnerships between host-country and U.S. institutions of higher education, aimed at achieving development results across the full range of USAID’s Strategic Plan
- Higher education as end: a narrower set of efforts aimed specifically at strengthening the overall performance and capabilities of host-country institutions

Although distinguishing between these two approaches helps in articulating USAID’s work in higher education, in practice the two approaches overlap in important ways. Thus in supporting partnerships involving host-country

institutions, USAID usually seeks to achieve sustained improvements in their capacity to deliver results, especially results related to the immediate aim of the partnership (e.g., developing improved crop varieties, developing new curricula in public administration or agroforestry, and training human rights lawyers). Conversely, most USAID efforts to strengthen a particular institution of higher education choose that institution on the basis of its potential to contribute to USAID’s development goals (e.g., a business school, a law school, or a department of agricultural science or environmental studies).

Examples of Higher- Education Program Results

USAID support for higher education contributes to results in all of the Agency’s strategic goals and objectives. The varied nature of those results, together with the fact that they are often viewed as a means to achieve other development ends, makes it difficult to aggregate those results into meaningful measures of impact at the Agency level. This is especially true of partnerships involving higher education. The Center for Human Capacity Development in USAID’s Global Bureau administers a number of programs that link U.S. institutions of higher education with host-country counterparts and tracks measures of the impact of these partnerships. Since 1998 the **Africa** Bureau has provided support for sustainable partnerships with African universities under the Education for Development and Democracy Initiative; impact measures, including greater financial self-reliance and stronger emphasis on community service, have been identified, but the necessary data not yet collected. Finally, the Bureau for **Europe and Eurasia** has invested in helping colleges and universities in the region become effective sources of training in business, law, and other fields critical to the transition to democratic governance and a market economy. Much of this investment has been reported under budget codes for economic growth, democracy and governance, etc., based on the kind of training involved. Further information on these efforts is contained in the Agency’s Budget Justification, together with the annual results reports of these Bureaus and their respective operating units.

Summarizing Agency impact is somewhat easier in the case of efforts aimed specifically at institutional strengthening, because of their smaller number:

In **Egypt**, USAID has awarded 53 linkage grants to support cooperative research by U.S. and Egyptian universities to help solve problems facing Egyptian business and industry, 79 percent involving the private sector. Businesses benefiting from the research have

committed to covering the local currency costs of the research performed on their behalf and a mission. In addition to the benefits to local industry and Egyptian economic growth, the linkage grants program has helped promote the importance of applied research, something of a new idea in Egyptian higher education.

In **South Africa**, USAID has provided grants to U.S. colleges and universities to work with historically disadvantaged institutions (HDIs) in areas such as financial management and internal control; supported eight HDIs in upgrading their curricula in selected areas; and placed scholars in the HDIs through the International Foundation for Education and Self-Help. An evaluation (1999) concluded that these scholars have made significant contributions to strengthening the host HDIs in research, management, curriculum, and student development.

In **Bulgaria**, U.S. support for the American University of Bulgaria (AUBG) has produced a university that has become a regional center for training young people to move into leadership positions. AUBG launched a new leadership program in 1999 targeting Kosovars and ethnic Albanians. This program provided an important opportunity for the Kosovars to complete their education in a secure multiethnic and multicultural environment.

In **Eritrea**, USAID has financed short-term and long-term training of civil servants in various agencies of the Eritrean government—including the faculty and staff of the University of Asmara—through the Eritrean Technical Assistance Project (TAP) and the Civil Society/Microenterprise Project. Among other elements, the program has included a linkage program between the University of Asmara and the University of North Carolina at Chapel Hill in the fields of law, journalism, and social sciences.

Program(s) Failing to Meet Expectations

Eritrea. Implementation of the program just mentioned has been essentially suspended this year, pending a redesign and reorientation of the program. Although this strategic objective has failed to meet expectations overall, the portion focused on higher education appears to have been an exception: the Mission reports that the redesigned program will place stronger emphasis on human capacity development. In the meantime, the University of Asmara has worked with the Mission to put into place agreements with U.S. universities in the fields of law, health, business, and the social sciences.

2. Collaboration With Other Donors

USAID works with a broad range of other donors and development partners to help countries overcome problems of educational access and quality and to realize more fully the potential contribution of education to sustainable economic and social development. USAID has participated actively in both regional and bilateral donor groups working to ensure a quality basic education for all. In **Latin America**, under the auspices of the Summit of the Americas, USAID is a central force behind the Partnership for Educational Revitalization in the Americas (PERA). USAID assisted PERA's creation of the Task Force on Educational Reform in Central America, a new commission of eminent public- and private-sector leaders from the region. In 1999 this group issued a report that identified the shortcomings of schools and reforms in the regions; **Honduras** and **Guatemala** are already implementing some of the proposed reforms.

In **Africa**, USAID played a central role in organizing the Association for the Development of Education in Africa (ADEA). Initially formed to facilitate information exchange and collaboration among donors working in the education sector, ADEA has evolved into a structure that reinforces the leadership capacities in African education ministries, encourages appropriate policies and programs, and helps build consensus between ministries and funding agencies on approaches to major education issues in the region. The association includes varying levels of participation by 50 multilateral, bilateral, and private development organizations.

Other major donors in basic education include the following:

- The World Bank, the largest source of funding for basic education and the sponsor of much applied research on the topic. USAID has coordinated program efforts in basic education with the World Bank in a number of countries in **sub-Saharan Africa** and elsewhere. USAID has also worked with the World Bank in the areas of radio education and adult literacy.
- The Inter-American Development Bank (IDB), the leading multilateral donor in education in **Latin America and the Caribbean**. USAID and the IDB cooperate on basic education programs throughout the region and have worked closely to restore education to victims of Hurricane Mitch.

- UNESCO, an innovator in early childhood education and the lead international agency for collecting and publishing national education statistics. USAID has worked closely with UNESCO in attempting to improve the quality and availability of these statistics.
- The United Nations Children's Fund (UNICEF), which supports education initiatives to help children in crisis countries.

As noted earlier in this chapter, USAID reliance on grant funding allows the Agency to undertake pilot projects that are then replicated on a much larger scale via concessional loans from the World Bank and from regional development banks such as the IDB.

3. Future Plans

The set of program approaches outlined in this chapter continues to provide an adequate framework for programming. Within that broad framework, Missions will continue to refine their tactics to ensure that USAID resources are deployed as effectively as possible. In particular, Missions will continue seeking opportunities to reinforce emerging government interest in educational reform. They will also take steps to ensure that educational reform receives adequate attention in public policy discussion. They will seek ways to resolve the technical, social, and political problems that impede the improvement of basic education systems in host countries. USAID/Washington's Global and regional bureaus will provide continuing technical support for Mission efforts. Greater specificity would be misleading, because effective strategies for educational development must be designed on a country-by-country basis in response to country-specific constraints.

In FY 2001, USAID will play a role in two initiatives recently announced by the Administration:

- *Elimination of Abusive Child Labor.* USAID has begun an effort to use formal and nonformal education to help prevent children from becoming enmeshed in abusive labor situations and to provide alternatives for children already working under abusive conditions. USAID is currently pursuing pilot projects in several countries to identify those children most at risk and to design and implement effective strategies for keeping them in school or returning them to school. For example, USAID/**Brazil** recently launched a pilot program targeting children working in the urban informal sector, especially in child prostitution, domestic service, and garbage picking.

USAID/**Bangladesh** has begun a similar effort aimed at street children, child prostitutes, and children working in commercial agriculture and manufacturing. USAID/**India** is working with U.S. and Indian NGOs to identify the most vulnerable groups of children in different parts of the country and to develop effective strategies for helping them. In these efforts, USAID is cooperating with the U.S. Department of Labor, as well as with the International Labor Organization (ILO) through its International Program on the Elimination of Child Labor.

- *Global Food for Education Initiative.* Under the Global Food for Education Initiative announced by President Clinton at the Okinawa Summit in July 2000, the United States is using surplus agricultural commodities to help strengthen education in poor countries, mainly through school feeding programs. As part of this process, USAID reviews all proposals for using the commodities to ensure that educational, nutritional, and food aid issues are all properly integrated. USAID is actively exploring possibilities for additional funding and legislative authorities that would enable it to play a more active role in the initiative.

D. Conclusion

Overall, USAID programs under the human capacity development goal are meeting expectations.

Prospects for further progress are good. Education contributes to virtually all aspects of development. USAID concentrates its efforts at the two ends of the educational spectrum:

- The Agency encourages host countries to ensure that *all* children gain a solid basic education, enabling those children to enter adulthood with the basic skills needed to earn a living, provide a healthy environment for their own children, and participate in social and political life.
- USAID works with host-country colleges and universities to help increase their contribution to the development of their own societies.

Despite the many differences between these two objectives, each offers an important means to strengthen the pace and sustainability of development.

E. Performance Table

Annual Performance Table Human Capacity Development

| | Revised Baseline | Latest |
|--|---------------------|-------------|
| 1. Unweighted average of primary net enrollment ratios | 1990 | 1997 |
| USAID-Assisted | | |
| Sub-Saharan Africa | 55.1 | 68.6 |
| Asia/Near East | 74.0 | 85.9 |
| Europe/Eurasia | n/a | n/a |
| Latin American/Caribbean | 82.2 | 86.4 |
| 2. Unweighted average of net gender parity gap in primary school enrollment ratios, stated in percentages | 1990 | 1997 |
| USAID-Assisted | -- | -- |
| Sub-Saharan Africa | 23.8 | 20.2 |
| Asia/Near East | 22.0 | 15.4 |
| Europe/Eurasia | n/a | n/a |
| Latin American/Caribbean | 4.6 | 2.8 |

Includes all countries with expected programs under the Agency's basic education strategic objective 3.1: Access to quality basic education, especially for girls and women, expanded.

Countries with programs:

Africa: Benin, Ethiopia, Ghana, Guinea, Malawi, Mali, Namibia, Nigeria, South Africa, Uganda, Zambia

ANE: Egypt, Morocco

E&E: none

LAC: El Salvador, Guatemala, Haiti, Honduras, Jamaica, Nicaragua, Peru

1. *Source:* UNESCO and the World Bank. Missing data require that Ghana, Nigeria, and Uganda be excluded from the regional for sub-Saharan Africa, and Haiti from the regional averages for Latin America and the Caribbean. Regional averages are unweighted.

2. *Source:* UNESCO and the World Bank. For a country with a primary net enrollment ratio of 75 percent for girls and 90 percent for boys the net gender parity index equals $(75/90) = 0.833 = 83.3$ percent. The net gender parity gap for this country is the difference between the net gender parity index and 1, or $(1 - 0.833) = 0.167$, or 16.7 percent. The net gender parity gap is calculated as an absolute value; that is, as a positive value regardless of whether the enrollment ratio for boys exceeds that of girls, or vice versa. Regional figures are computed as unweighted averages of these absolute values. Missing data require that Ghana, Nigeria, and Uganda be excluded from the regional averages for sub-Saharan Africa, and Haiti from the regional averages for Latin America and the Caribbean.

Notes on FY 2000 Annual Performance Table: Human Capacity Development

1. Net primary enrollment ratios are from the World Bank's 2000 *World Development Indicators* (table 2.10 in the print version, with additional data drawn from the CD-ROM version); *World Development Indicators* reports that the data are taken from "UNESCO's 1999 enrollment estimates and projections." These are the latest data available as of June 2000. The original baseline figures from the FY 2000 APP were based on average growth rates in net primary enrollment rates during a six-to-eight year period (roughly 1988-96)



Notes

¹USAID defines “basic education” to include preprimary, primary, and secondary education; adult literacy programs; and training for teachers working at any of these levels.

²In the context of USAID programs, “higher education” includes universities, community colleges, vocational and training institutions, and research institutes.

³The primary *net* enrollment ratio is the share of children of *primary school age* who are actually enrolled in primary school. In contrast, the more widely reported primary *gross* enrollment ratio divides the total number of children enrolled in primary school—regardless of age—by the number of children of official primary school age. In other words, the net enrollment ratio excludes children who are either younger or older than the official primary school age bracket, while the gross enrollment ratio includes them. Grade repetition can lead to large numbers of overage children enrolled in school, raising the gross enrollment ratio—in many countries, above 100 percent.

⁴The net primary gender parity gap is calculated as follows: The net primary enrollment ratio for girls is divided by that for boys, and the resulting “ratio of ratios” is subtracted from 1. This difference is converted to an absolute value and expressed as a percentage. Calculating the net gender parity gap as an absolute value means that all deviations from gender parity are treated the same, whether they result from an excess of girls’ enrollments over boys’ (a common occurrence in **Latin America and the Caribbean**) or from a shortfall of girls’ enrollments relative to boys’—the more typical situation in other developing regions. The regional averages shown in table 3.2 are computed as unweighted averages of each nation’s net gender parity gap.

⁵USAID’s *Annual Performance Plan for FY 2001* calculates a similar measure based on *gross* enrollment ratios; the emergence of new data on net enrollment ratios permits a shift toward this more informative measure.



Strategic Goal 4: Stabilize World Population And Protect Human Health

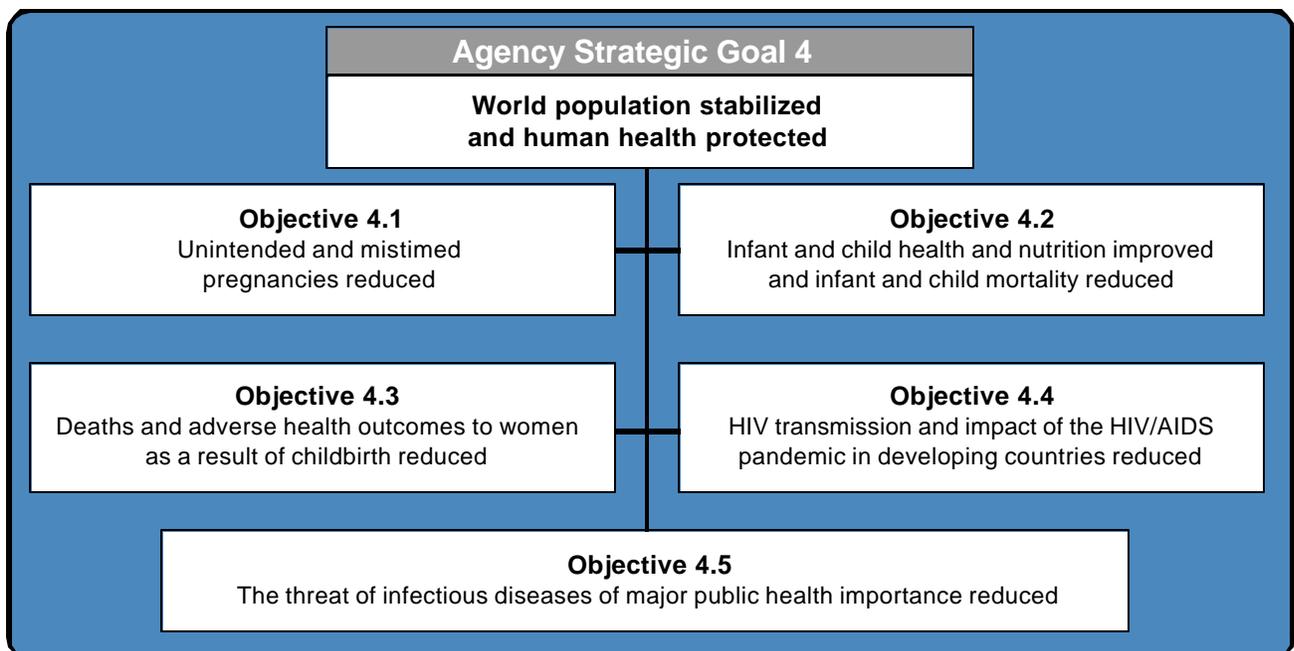
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A. Introduction

Stabilization of population size and improved health and nutrition are essential to sustainable development. They are also fundamentally interdependent, healthy and adequately fed citizens who can contribute to their own social and economic progress and to that of their nation. Immunizations, education, investments to correct micronutrient deficiencies, and investments in basic health services significantly improve the health of people, especially women, children, and vulnerable populations. When people can control the size of their families, resources are made available at the household, national, and global levels for enduring improvements in quality of life. Moreover, improved health status of women and girls plays a critical role in child survival, family welfare, economic productivity, and population stabilization.

USAID's fourth goal is to stabilize world population and protect human health. Five objectives underpin the overarching Agency goal. Each objective is pursued through a defined strategy at the country, regional, and global levels.

1. Results Framework



2. What USAID Is Doing

For several decades, USAID has been the leader among donors in addressing the critical issues of family planning, health, and nutrition in the developing world. Success has come from maintaining a field presence that enables strong relationships with host-country counterparts. Combining this frontline experience with programs to research and test innovative technologies has given USAID a unique advantage in designing effective programs. In the five priority areas of international public health—population, child health, maternal health, HIV/AIDS, and infectious diseases, with concurrent investments in systems development and sustainability—USAID is recognized as working at the forefront of technical innovation.

3. Benefits to the American Public

Stabilization of the world's population benefits the American public by contributing to global economic growth, a sustainable environment, and regional security. Reduced population pressures also lower the risk of humanitarian crises in countries where population growth rates are highest. Protecting human health and nutrition in

developing and transitional countries directly affects public health in the United States. Unhealthy conditions elsewhere in the world increase the incidence of disease and threat of epidemics that could directly affect U.S. citizens, retard economic development, and increase human suffering. Indeed, HIV/AIDS was recently designated by the President as a threat to U.S. national security. In working toward this goal, USAID both safeguards the health of Americans and helps reduce the negative consequences of infectious diseases worldwide.

4. Challenges

In recent years, shifting demographics and changing disease burdens have threatened the advances made through Agency programs during the past two decades. While the average number of children per family in developing countries has dropped from more than six in the 1960s to less than four currently, more than 150 million couples still to have an unmet need for family-planning services. Actual family size exceeds desired family size in most of the developing world. The largest generation of young people in history is now sexually active. This raises concerns about a dramatic increase in unintended pregnancies and sexually transmitted infections, including HIV.

Each year the World Health Organization (WHO) estimates that more than 500,000 women die from childbirth and pregnancy-related causes. Women in the developing world are 40 times more likely to die in childbirth than women in developed countries. This reflects not only poor health conditions but also the low status of women. And it is not only the women who suffer: Poor maternal health and inadequate maternity care have tragic consequences for the fetus and the newborn and contribute to 3.9 million stillbirths, 3 million early neonatal deaths, and 16 million low-birth-weight babies annually. Families suffer as well, because women are generally the caretakers of the nutritional and health needs of the family. (Source: All developing countries in the year 2000, from Burkhalter, which is based on *WHO Global Burden of Disease*, WHO, 1998, and *United Nations World Population Prospects*, the 1998 Revision, WHO, 1999.)

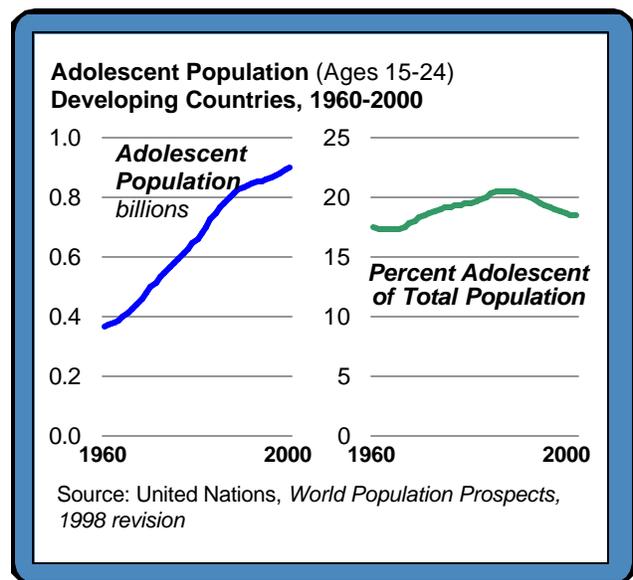
According to some estimates, as many as 10 million children are still dying from preventable diseases each year. In fact, five leading causes—acute respiratory infections, malaria, diarrheal diseases, measles, and deaths from neonatal causes—are responsible for an estimated 75 percent of these deaths.

The speed of HIV/AIDS has created a human tragedy of epic proportions which destroys families and endangers

the economic and political stability of entire regions. In 1999 alone, 5.4 million people were newly infected with HIV. Most of this increase is taking place in the developing world, where 95 percent of current infections exist. In the most seriously affected countries, many of which are in **Africa**, HIV/AIDS imposes an enormous human and financial burden on both the health care system and the economy, ultimately reducing productivity and GDP per capita.

Ninety-five percent of the eight million tuberculosis (TB) cases and 98 percent of the two million annual TB deaths occur in developing countries. The HIV/AIDS pandemic is fueling the spread of tuberculosis, which is accelerated further by fragile health systems. TB threatens the poorest and most marginalized groups and, like HIV/AIDS, disrupts the social fabric of society and undermines gains in economic development.

Ninety percent of the world's malaria-related deaths occur in **Africa**, yet less than 25 percent of Africa's children have access to effective pediatric services; only 10 percent of women at risk of complications from placental infection during pregnancy have access to malaria treatment, despite the availability of an effective, cheap, and simple treatment. Fewer than 10 percent of Africa's children sleep under a bednet, and even fewer use an insecticide-treated one. Increased incidence of antimicrobial-resistant strains of diseases such as acute respiratory infections and diarrheal disease, in addition to TB and malaria, seriously threaten our ability to adequately fight these diseases and to protect U.S. children, as well as children in the developing world.



Collection, use, and quality of relevant health and disease information are critical issues in preventing and controlling infectious diseases. In many countries, data collected and reported by surveillance and health information systems are of poor quality and are not used by decision makers and program managers as needed to guide resource allocation decisions and detect serious health issues.

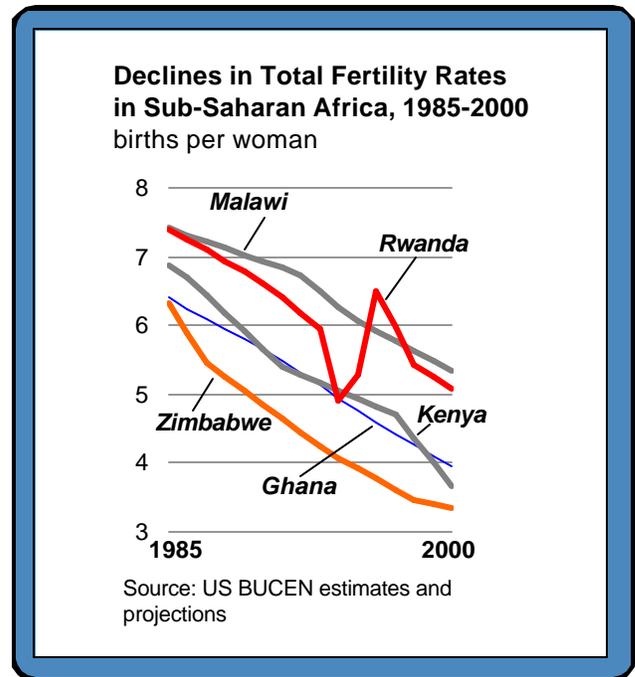
USAID programs operate in the context of these challenges. Based on current regional trends, Agency goals in **sub-Saharan Africa** will not be met in any of the four population, health, and nutrition (PHN) focus areas. (USAID does not have regional data for the fifth focus area: condom use.) There are declines in fertility rates and under-5 mortality, but not at the rates projected in the FY 2000 Annual Performance Plan (2000 APP). In the **ANE** and **LAC** regions, declines in total fertility and child mortality are ahead of the FY 2000 APP projections, as are increases in births attended by medically trained personnel. Projections for reductions in child mortality under age 5 have not been met in the **E&E** region. Rates are essentially unchanged during the past two years. Data on deaths from infectious diseases are not available on a country-specific basis, but regional WHO data show declines in all regions except **Africa**, where they are increasing at alarming rates.

B. Global Trends

This section discusses population stabilization and public health trends by region, drawing on the country-level performance benchmarks contained in USAID's Strategic Plan. These include total fertility rates, contraceptive prevalence rates, mortality rates for children under 5, maternal mortality ratios, HIV prevalence rates, and deaths from infectious diseases of major public health importance.

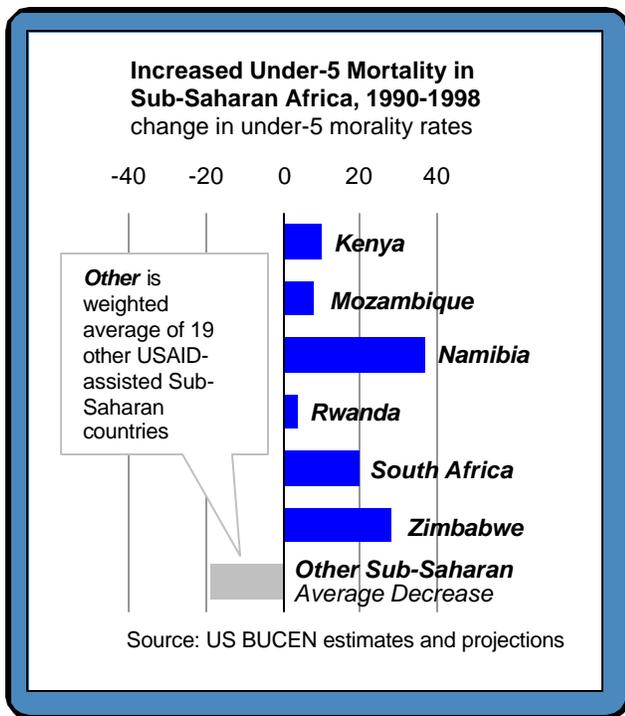
Total Fertility Rates and Contraceptive Prevalence Rates

The total fertility rate (TFR) is a high-level indicator that represents not only USAID's efforts but also those of the governments, NGOs, and other donors as well. Other performance benchmarks that the Agency monitors are contraceptive prevalence rates (CPRs), couple-years of protection (CYPs), and reduction in abortion rates. These indicators are more closely related to specific program activities to increase contraceptive prevalence and couple-years of protection and to encourage family planning as an alternative to abortion. In targeted countries, changes can be directly linked to USAID interventions.



Changes in fertility-level rates vary widely by region. For instance, average fertility rates in **Africa**—ranging from 7.1 in **Uganda** to 2.6 in **South Africa** in 1998 (Source: BUCEN, May 2000)—are the highest in the world. Some countries have seen significant reductions in the past eight years: **Ghana, Kenya, Malawi, Rwanda, South Africa, and Zimbabwe**. But countries with the least change (**Angola, the Democratic Republic of the Congo, Ethiopia, Somalia, Uganda, Eritrea, and Liberia**) are among those with the highest levels of fertility. By contrast, in **Latin America** generally the largest declines are in those countries with the higher initial fertility levels (i.e., **Haiti, Honduras, Bolivia, and Nicaragua**). Fertility rates also vary widely in the **ANE** region. In **West Bank/Gaza**, women have an average of nearly seven children, whereas in Lebanon fertility is just over two. Population growth is a key development constraint in parts of **ANE**. In all regions, countries with a history of internal strife correlate with both higher fertility and poorer outcomes from population programs.

In the **E&E** region, abortion rates, which are among the highest in the world, and contraceptive prevalence rates are monitored together. Data collected through demographic and health surveys show that as use of modern methods of contraception increases, abortion rates decline. (USAID, as an Agency, does not support abortion.) Evidence from **Kazakhstan, Uzbekistan, and the Kyrgyz Republic**, for example, indicates that between 1988 and 1995, use of modern contraceptives increased



approximately 20 percent in each country and that rates of induced abortion declined between 27 percent (Kazakhstan) and 50 percent (Uzbekistan and the Kyrgyz Republic).

Data (1998) on the mortality rates for children under 5 years of age indicate that between 1996 and 1998, the under-5 mortality rate (U5MR) in the **Africa** and **E&E** regions did not decrease at the projected rate of 2.5 percent per year. The African countries decreased at half the projected rate, and on average the E&E countries showed no decrease. From 1990 to 1998, of 26 USAID-assisted countries in Africa, 6 experienced steadily increasing rates of under-5 child mortality (**Mozambique, South Africa, Namibia, Zimbabwe, Kenya, and Rwanda**), with all except **Mozambique** also having increased infant mortality rates. There were stagnating rates in many other countries (BUCEN, May 2000). The high rates of mortality appear to be more due to the general decline in basic health services than to the effect of HIV/AIDS.

Between 1996 and 1998, 11 of 26 USAID-assisted countries in the **E&E** region showed increasing under-5 child mortality, and 13 showed increasing infant mortality (BUCEN, May 2000). These trends reflect the findings of a recent report which stated that in the countries of the former Soviet Union undergoing economic and social transition, the proportion of poor more than tripled. Poverty always has a disproportionate impact on children, and these recent trends demonstrate that fact yet again.

For the past nine years, the **LAC** region had no countries with increasing under-5 or infant mortality, and with the exception of **Bolivia**, those that began the period with the highest rates (i.e., **Guatemala, Nicaragua, Haiti** and **Peru**) experienced the largest declines (BUCEN, 2000).

During the 1990s, decreases in child mortality were also found in all USAID-assisted countries in **ANE**, but the severity of the problems varies across countries. While the under-5 mortality rate is relatively low and declining in some countries (e.g., **Jordan, Sri Lanka, and the West Bank** (all at or below 30 deaths in 1998), several **ANE** countries such as **Bangladesh, Cambodia, Nepal, and Pakistan** had rates over 100 for the year, while **India** was estimated at 100 and **Egypt** at 92. Similar trends were seen when looking at infant mortality in the region. However, the infant mortality rate (IMR) declines are not expected to reach the World Summit IMR goal of 50 in the year 2000. (BUCEN, May 2000)

Maternal Mortality Ratio

The goal for maternal mortality set in 1990 at the World Summit was to reduce maternal mortality by 50 percent in all countries by 2000. Realizing that this was an unrealistic goal, the USAID 1997 Strategic Plan established the high-level goal at a 10 percent reduction by 2007. Based on available estimates, very few, if any, countries of the world will meet even this more modest objective. Furthermore, many developing countries have no vital records system, which makes reliable measurement of maternal mortality difficult. Because of these limitations in measurement, United Nations agencies have reached consensus that countries should use "the proportion of births assisted by skilled attendants" as the primary indicator. Since the term "skilled" has various interpretations, USAID is now using a more precisely defined version of this indicator as its development performance benchmark (i.e., percentage of births attended by medically trained personnel).

During the 1990s, USAID gradually introduced lifesaving maternal health interventions into the community and maternity services, including presence of medically trained attendants at birth. The reports regarding births attended by medically trained personnel show progress in this area. According to the demographic and health surveys and the Centers for Disease Control and Prevention (CDC) reproductive health surveys from USAID PHN-assisted countries, the worldwide average is gradually increasing from 42.8 percent in 1994 to 45.7 percent in 1998 to 46.5 percent in 1999, slightly exceeding the Agency's internal projections of 46.2 percent. However, the global figure masks regional differences. In **sub-Saharan Africa**,

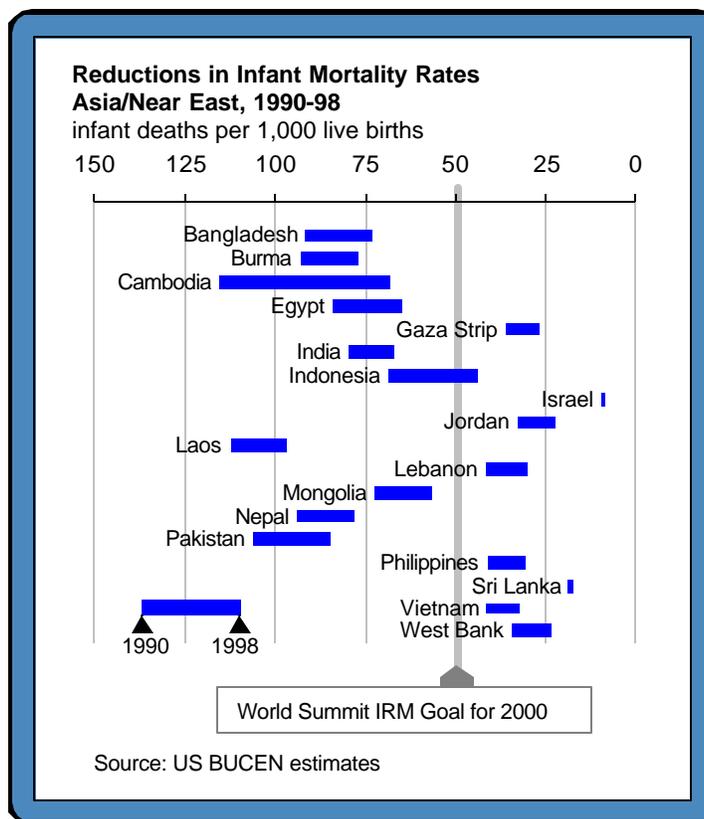
average rates are declining, whereas in **ANE** and **LAC**, they are exceeding projected increases. In **E&E**, where close to 90 percent of births are attended by medically trained personnel, there was only a small improvement between 1996 and 1998. The lack of progress in **sub-Saharan Africa** has been attributed to civil unrest and economic difficulties, which have reduced provision and quality of services for pregnant women. In **E&E**, the focus of USAID's efforts to address maternal mortality is on the quality of reproductive health services and reductions in abortion. Therefore, the indicator, births attended by medically trained personnel, is not as useful in the E&E region as it is in other regions.

HIV Prevalence Rate

UNAIDS (December, 2000) estimates that to the end of 1999, 57.9 million adults and children have been infected with the HIV virus since the disease was first identified. Nearly 22 million adults and children have already died of HIV/AIDS, including 3 million deaths in 1999 alone. More than 13 million children under the age of 15 have already lost one or both parents and many millions more live in families affected by HIV/AIDS. More than 5 million new infections occur each year, with most emerging in the developing world, where 95 percent of current infections exist. In the most seriously affected countries, the HIV/AIDS epidemic has reduced productivity and GDP per capita, contributed to rising infant mortality and falling life expectancy, and imposed an enormous human and financial burden on health care systems.

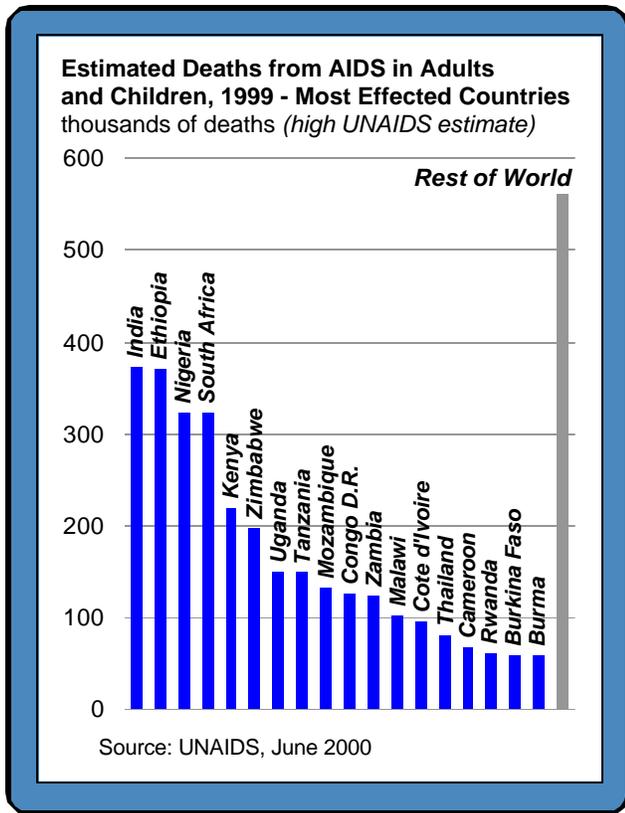
The HIV/AIDS pandemic continues to expand and is reaching crisis proportions in **sub-Saharan Africa**. Seventy percent of the world's HIV infections are in **Africa**, as are 90 percent of all AIDS orphans. Thirty-seven countries in Africa are experiencing a major epidemic (a full epidemic is defined as 1 in 100 adult prevalence). Sixteen countries have more than 1 in 10 adults infected with HIV. The epidemic in Africa continues to spread and cannot be treated as a health problem that remains within the confines of national borders. Addressing HIV/AIDS also requires a focused attention on the movements of people across subregions and in bordering countries.

In comparison with the rates of HIV infection in Africa, those in the general populations of **Asia** are low. The prevalence among 15–49-year-olds exceeds 1 percent in only three countries—**Cambodia**, **Myanmar**, and



Thailand. These figures do not tell the whole story, however; **China** and **India** between them account for 36 percent of the world's population. With such large populations, even low HIV prevalence rates mean huge numbers of people infected with the virus. Indeed, more than 3.7 million people in India were living with the virus at the beginning of 2000—more than in any other country in the world, except for **South Africa**. **Asia** is projected to have more HIV-positive people by 2010 than any other region.

While HIV prevalence in **Europe and Eurasia (E&E)** is lower than that of other regions, UNAIDS reports that the fastest rate of increase in new HIV infections worldwide is taking place in this region. At the end of 1999, UNAIDS estimated that more than 420,000 in the region were HIV-positive. Injecting drugs is the major mode of transmission in the region. In **Russia**, a new outbreak of HIV among injecting drug users in Moscow in 1999 resulted in the reporting of three times as many new cases in that year than in all previous years combined. While UNAIDS estimates that about 130,000 Russians are already infected with HIV, recent estimates of the number of injecting drug users in the country range between 1 million and 2.5 million.



Deaths from Infectious Diseases of Major Public Health Importance

Country-specific infectious disease data do not exist in many USAID-assisted countries. The regional WHO data show that deaths from infectious diseases are increasing in **Africa** and the subregion of **Southeast Asia** (1999 and 2000 *WHO World Health Reports*). In 1999 WHO estimated that 52 percent of the global deaths due to infectious diseases (excluding HIV/AIDS) occurred in **Southeast Asia**, the **Middle East**, and the **Western Pacific** region, while **Africa's** share alone accounts for about 42 percent of all deaths. With the emergence of antimicrobial-resistant strains of diseases such as tuberculosis and malaria and the increasing mobility of populations, sustained efforts to curb the spread of infectious diseases are an international priority.

As a proxy for deaths from infectious diseases, the Agency uses two performance benchmarks that are directly related to USAID infectious diseases programs: 1) USAID-assisted countries adopting Directly Observed Treatment, Short-course (DOTS) nationally or subnationally for tuberculosis and 2) the number of countries that adopt and implement appropriate malaria drug policies.

The countries with the highest prevalence rates in the **LAC** region are on the Caribbean side of the continent. More than 7 percent of pregnant women in urban **Guyana** tested positive for HIV in 1996. In fact, the Caribbean subregion has the highest incidence of HIV outside of **sub-Saharan Africa**. HIV prevalence is greater than 1 percent in **Guyana, Haiti, Trinidad/Tobago, Barbados, Suriname, and Belize**.

Because there are still technical and ethical issues to resolve before HIV prevalence rates are measured and reported on a routine basis, USAID uses proxy measures such as “behavioral change” and “condom sales” to monitor program impact. The most important of these is “condom use in casual relations.” The Performance Data Tables in the annexes demonstrate that several countries are showing significant increases in this measure.

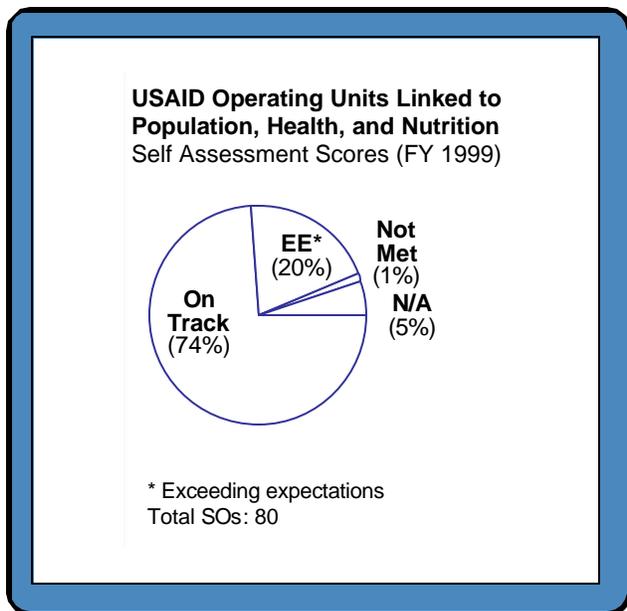
USAID is committed to developing systems to routinely report HIV prevalence. By 2007, the donor community, including USAID, will establish surveillance systems in priority countries to report annually on HIV prevalence rates.

C. Agency Interventions

This section discusses the performance of USAID programs under the population, health, and nutrition (PHN) goal, drawing on the self-assessments of performance by Missions and other operating units. It highlights the five PHN objectives and describes the approaches that the Agency uses to accomplish these objectives. It provides examples of results achieved through USAID efforts undertaken around the globe, discusses programs that failed to meet expectations, and describes plans for further progress. Though not an explicit Agency objective, health system strengthening is also discussed because of its importance in achieving sustainable improvements in public health. Finally, this section discusses USAID collaboration with other donors and development partners.

1. Program Objectives/Approaches

USAID seeks to help stabilize world population and protect human health through programs directed at five broad objectives:



- Unintended and mistimed pregnancies reduced
- Infant and child health and nutrition improved and infant and child mortality reduced
- Deaths, nutrition insecurity, and adverse health outcomes to women as a result of pregnancy and childbirth reduced
- HIV transmission and the impact of the HIV/AIDS pandemic in developing countries reduced
- The threat of infectious diseases of major public health importance reduced

Self-Assessment of Performance by Missions And Other Operating Units

For each Agency goal, operating units select two of their strategic objectives for discussion in their annual report to USAID/Washington. For FY 1999, only one operating unit reported on a strategic objective that did not meet performance expectations; however, we should note that a strategic objective has many subsidiary activities. Throughout this chapter, examples of program results include activities that were on track, exceeded expectations, and missed expectations. Even if expectations were not met according to the quantitative measure for an activity, the overall strategic objective may be on track when all activities contributing to the objective are considered.

a. USAID Objective: “Unintended and Mistimed Pregnancies Reduced”

USAID programs under this objective focus on helping families achieve their desired family size by reducing fertility and encouraging child spacing and by reducing the use of abortion as a method of family planning, especially in **E&E**.

To address both types of results, the Agency concentrates on five key program areas:

- Access to, and demand for, voluntary family-planning services so that people can freely choose the number and spacing of their children
- Improved quality, availability, and acceptability of family-planning and related reproductive services
- A positive policy environment for voluntary family-planning and reproductive health (FP/RH) services
- Enhanced long-term capacity of local institutions to design, finance, implement, and evaluate programs
- Development and improvement of contraceptive technology

Examples of USAID Program Results

Changes in fertility and contraceptive prevalence are measured at the country level every three to five years through demographic and health surveys (DHSs). In countries where DHSs were conducted, the 1999 results showed that several countries have had rapid decreases in total fertility during the past five to six years. Some of the results that stand out are found in **Nicaragua, El Salvador, Egypt, and Bangladesh**.

For instance, total fertility rate (TFR) in **Nicaragua** dropped from 4.6 in 1993 to 3.9 in 1998. In **El Salvador**, there was a decline from 3.9 in 1993 to 3.5 in 1998. In **Egypt**, fertility rates continued their steady long-term trend downward through 1999: TFR had dropped from 3.6 children per family in 1995 to 3.1 at the time of the pilot for the 2000 DHS. Contraceptive use by married women has increased by more than one percentage point per year since 1992, when the level was 47 percent. In **Bangladesh**, where USAID has been the largest donor and has maintained a strong partnership with the government since the mid-1970s, there has been an astounding

reduction in the total fertility rate. Overall births per woman decreased from 7–8 to 3, and fertility in urban areas is now at the replacement level of 2.1 births per woman.

To assess USAID programs on an annual basis, measures that are more closely related to program activities are more useful than the TFR measure. The contraceptive prevalence rate (CPR) and couple-year of protection (CYP) are widely accepted measures for this purpose. Contraceptive prevalence is a proxy for fertility reductions because research shows that the correlation is strong. USAID uses sales and/or distribution of contraceptives to calculate CYP, a standardized measure of the amount of contraceptive use required to provide a year's worth of protection against pregnancy. From the Agency's reports, it appears that program interventions are affecting CPR. For example, since 1995, availability of family-planning services in **Uganda** has doubled. The use of modern contraception has increased 1.5 percent annually, resulting in an overall CPR of 21 percent. In **West and Central Africa**, a region that consistently underperforms in most indices, USAID's program has made significant progress, although CPR remains low. For instance, in **Cote d'Ivoire, Cameroon, Togo, and Burkina Faso**, use of modern contraceptives has risen steadily since our program's inception and is on track to reach a target CPR of 10 percent by the end of 2000. While all four countries are showing gains, the DHS data show that CPR increased most dramatically in **Cote d'Ivoire**, from 6 percent in 1994 to 10 percent in 1998/99.

Guatemala is another one of our population success stories, with CPR increasing from 31 percent to 38 percent between 1995 and 1999 and exceeding the 2000 target of 35 percent. However, TFR decreased only modestly from 5.1 to 5.0 during the same period, pointing to a need for additional analysis to understand these potentially conflicting results. In **Haiti**, the CPR for modern methods increased from 16 percent in USAID project areas in 1997 to 25 percent in 1999. USAID had expected CPR to reach 27 percent by 1999, but achievement fell short in part because of high discontinuation rates, which are now being addressed by USAID.

USAID estimates that in FY 1999 more than 4.6 million new contraceptive users were reached in 11 countries. Much of the FY 1999 increase has been realized in the **Africa** region. For example, in **Benin** condom sales increased 65 percent from 1998 to 1999, and oral contraceptive sales exceeded targets by 42 percent. In **Eritrea**, through the Agency's efforts, around 90 percent of the traditional outlets are now selling USAID-procured condoms. CYPs increased from 7247 in 1998 to 8014 in

1999 based on Ministry of Health (MoH) data. While less rapid than projected, the CYP increase is noteworthy, given the current state of military mobilization. Two thirds of all health facilities with staff trained through USAID showed increased CYP, with a net increase overall. CYPs exceeded expectations by 59 percent in **Tanzania**. New users of family planning reached nearly 1.1 million. CPR has increased to 15 percent for modern methods, exceeding planned figures. Modern contraceptive use for married women in **Zimbabwe** has increased steadily, from 42 percent in 1994 to 50 percent in 1999. The number of users obtaining supplies from the private sector increased from 12 percent in 1994 to 17 percent in 1999, largely as a result of the USAID/DFID-cofinanced PROFAM activity that supplies low-priced contraceptives.

Underpinning the moves to increase contraceptive prevalence are programs that will heighten demand through education and through increased numbers of sites that offer quality services to both men and women. In **Jordan**, USAID supported an innovative communications program aimed at men and religious leaders. In surveys undertaken following the program campaign, 90 percent of the men interviewed could correctly comprehend and explain family-planning messages. The percentage of men who want to use family planning increased from 74 to 84 percent. To improve local access, the Agency has also helped mobilize local mayors in **Africa** to support provision of reproductive health services to high-risk groups. By 1999, 14 African municipalities in seven countries were better able to plan, implement, and evaluate these services. The initiative trained 1,700 persons in clinical FP services, 100 community-based peer educators in outreach, and 400 community leaders in advocacy.

With USAID support, a program sponsored by the **Ethiopian** Evangelical Church increased knowledge of at least one modern contraceptive to 90 percent of the population in the focus area, compared with the national average of 63 percent. In the same area, CPR increased from 4 percent at baseline to 34 percent in FY 1999. Peer education programs emphasizing reproductive health are multiplying in **Mali**. The government has expanded the target age range for these programs to ages 10 to 24 in order to include vulnerable groups such as adolescents and young adults. This expansion has been an important change. In 1999, USAID supported the training of more than 2,500 peer educators, and 760 peer educators reached 100,000 youth with reproductive health information.

In **Malawi**, access to the full range of FP services increased. Twenty-eight hospitals across the country are

now providing comprehensive service. In **Mozambique**, the expansion of FP services in 1999 exceeded expectations. By the end of the year, 150 health posts in the focus area were providing FP services, up from zero in 1997 and nearly double the 1998 figure. We continue to make progress in increasing the number of FP sites in **Nigeria's** 14 states (out of 36) where modern contraceptives are available. The number of community-based distributors increased 14 percent from FY 1998, and the number of sites offering clinical services increased 27 percent (from 44 in 1998 to 56 in 1999).

Improving the quality of services is the linchpin for increasing access to, and informed choice about, reproductive health services. This was the principal focus of an initiative in **Brazil**, PROQUALI, which succeeded in establishing the first clinic-level accreditation program in **Latin America**. The community-based network that has emerged from this initiative is working with municipal decision makers to increase funding of local health systems under Brazil's newly decentralized health program. In **Tanzania**, training of health workers in integrated reproductive health was successfully redirected to rural health facilities that had demonstrated the largest need. This change led to a significant increase in the percentage of government facilities with one trained service provider (from 59 percent in 1996 to 72 percent in 1999). Other impressive gains came in the **Kyrgyz Republic**. Family doctors from the newly formed primary health care practices completed USAID-sponsored updates in contraceptive technology (with average post-training scores of 96 percent), making modern reproductive health services available in virtually all 425 practices.

In the former Soviet bloc countries, USAID programs aim to educate women to use contraception rather than abortion for family planning. This improves women's reproductive health and reduces maternal mortality. In **Russia**, early 1999 saw the completion of the women's reproductive health initiative, which increased access to modern family-planning services and information in 14 oblasts (which are equivalent to large states in the United States). A 1999 CDC reproductive health survey found that contraceptive prevalence continues to be very high—at approximately 70 percent, a level comparable to that found in a 1996 CDC survey. In spite of this, abortion rates in Russia remained among the highest in the world. Nevertheless, abortion had fallen in the two project areas and not in the control area.

Results have been more encouraging in Central Asia where over the past decade, there have been consistent declines in abortion as more women have had access to contracep-

tives. In **Uzbekistan**, according to the Ministry of Health, the general abortion rate has continued to decline during the past five years, from 20 per 1,000 in 1995 to 10 in 1999. In **Kazakhstan**, where the leading cause of maternal mortality is abortion, the DHS [Source: National DHS 1,2] shows an improving picture from 1995 to 1999. More couples are using modern contraceptive methods (52 percent of married women in 1999, compared with 46 percent in 1995), and the abortion rate declined (57 per 1,000 women aged 15–45 in 1995, compared with 47 per 1,000 in 1999). USAID's effort in **Romania** to promote the use of modern contraception as an alternative to abortion has shown its impact in sharp declines in maternal mortality, from 98/100,000 in 1990 to 41/100,000 in 1998. According to the 1999 reproductive health survey among married women aged 15–44, modern contraception use increased from 14 to 30 percent since 1993.

To strengthen host-country family-planning programs, USAID focuses on ways to build durable institutions, policies, and practices that will continue to influence in-country decisions, regardless of donor presence. The opportunities vary, depending on the local politics and opportunities, and success takes many forms. Some of the most powerful levers to achieve sustainable programs are viable financing systems and organized advocacy. Good examples of progress in these areas were reported in 1999. Seven countries, **Bolivia, Ecuador, Egypt, India, Mexico, Philippines, and Turkey**, either increased their financing for FP/RH or improved resource mobilization. In **Romania**, family planning is now included in a health insurance fee-for-service package. Also, a women's election advocacy strategy has been implemented by the Romanian Reproductive Health Coalition and seeks to include women's issues in the political parties' platforms. With USAID phasing out its support in the health and family-planning sectors in Ecuador after FY 2001, more emphasis has been placed on the sustainability of services. Innovative health policy changes were made in the MoH, including implementation of fees for services in hospitals and the decentralization of MoH budgeting. In **Morocco**, the MoH demonstrated continued commitment to finance reproductive and child health programs, actually spending more for contraceptives than originally planned. Furthermore, the financing of FP/MCH services is being diversified, with private-sector contraceptive sales increasing by 22 percent in 1999. In **Egypt** there has been continued progress in sustainability indicators, with an increase in the GoE's percentage share of national family-planning program costs (from 49.5 percent in 1996–97 to 52.9 percent in 1997–1998).

b. USAID Objective: “Infant And Child Health and Nutrition Improved and Infant and Child Mortality Reduced”

USAID’s child health and survival programs focus on achieving reductions in infant and child mortality. The Agency works in seven program areas to achieve these objectives:

- Expand access to, and use of, key child health interventions that prevent and control the five primary childhood illnesses: diarrheal disease, acute respiratory infection, malnutrition, malaria, and vaccine-preventable diseases
- Improve quality, availability, acceptability, and sustainability of key child survival interventions
- Improve child nutritional status, including improving breastfeeding patterns
- Prevent the spread of childhood diseases by developing, testing, and replicating priority environmental health interventions
- Strengthen the capacity of local institutions to provide quality child health interventions
- Promote establishment of an enabling environment for the delivery of key interventions
- Strengthen research on topics in child survival, including new vaccines, simple technologies, and service delivery approaches

Our programs also address key factors contributing to poor child health, such as the need to improve maternal health to protect the outcome of pregnancy (Agency objective 4.3).

Examples of USAID Program Results

During 1999, USAID maintained its global technical leadership role in child survival. Many of our achievements were made possible through collaborative work with other donors and have global or regional significance:

- Taking a leading role in a global initiative for injection safety (the Safe Injection Global Network, “SIGN”).

- Assessing barriers to including new vaccines in national immunization programs in four countries, ensuring that findings are integrated into investment strategies for the Global Alliance for Vaccines and Immunizations (GAVI).
- Defining the “household/community” component of the Integrated Management of Childhood Illness (IMCI) approach with an Interagency Working Group, developing a structured approach for its introduction and implementation, and with Pan American Health Organization (PAHO) launching the household/community component in five **LAC** countries.
- Expanding national vitamin A supplementation programs throughout **Africa**, in collaboration with UNICEF and WHO.
- Developing infant feeding guidelines for use in high HIV/AIDS endemic areas.
- Developing and testing (initially for polio) a community-based disease surveillance approach.
- Providing the model for large-scale quality assurance programs funded by the World Bank in **Indonesia**, **Niger**, and **Ecuador** and for national programs in **Chile** and **Costa Rica** (polio cases reduced by 85 percent since 1989 and transmission of the polio virus limited to only 30 countries).

Through 1998, while overall infant and under-5 mortality reductions have been stagnant or increasing in the **Africa** and **E&E** regions, examples from **ANE** region reflect the gains being made there. At the country level, 1999 DHS results from two countries showed encouraging progress in reducing child mortality. When taken together with measures of USAID program interventions, the impact can be linked to Agency efforts. **Cambodia**, which started the period with the highest level of under-5 mortality, was among the countries in the region enjoying the largest decline. Infant mortality declined significantly between 1990 and 1999, in large part because of improved immunization coverage. However, exceptionally high rates of HIV/AIDs among adults threaten these gains in Cambodia. According to the **Egypt** 1999 pilot mini-DHS, under-5 and infant mortality declined between 1998 and 1999, exceeding planned targets. The small sample size and number of deaths on which mortality estimates are based dictate caution in interpreting short-term change, but the survey did indicate that a long-term decline is continuing. Since 1982, under-5 mortality has fallen from 151.5 deaths/1,000 births to 53/1,000. The infant

mortality rate fell from 94.9/1,000 in 1982 to 39.5/1,000. Despite these hopeful trends, mortality levels are unacceptably high relative to the region (e.g., the IMR in Jordan is 30/1,000).

Programs to address vaccine-preventable diseases are at the core of USAID's child survival program and are designed to improve under-5 mortality in the future. During 1999, USAID Missions reporting on immunizations had generally positive results, but there were some disappointments in achieving targets for full immunization coverage for children. During 1995–99, complete vaccination coverage of children 12–23 months old increased from 43 percent to 60 percent, meeting the original 2000 target. However, some countries fell short of targets. For instance, in **Haiti**, full immunization coverage was 56.2 percent, rather than the 64 percent targeted. This still represents progress over the 1994 rate of 30 percent, a significant gain given the political problems during this time period. In the **Philippines**, the percentage of fully vaccinated children has stalled at 64 percent in 1999, and the percentage of live births covered by tetanus-toxoid may actually be declining. This was reported to be down 4.6 percentage points to 33.2 percent in 1999. The Mission conducted research during FY 2000 and discovered that the percentage of fully immunized children and the percentage of live births covered by tetanus toxoid increased slightly from 1999 to 2000. Almost 100 local governments, representing nearly 90% of the population, are now combining staff and funds with USAID support in a program specifically focused on improving this situation..

Many countries are having noteworthy successes with immunization initiatives. Thirty-five of 36 African countries now have national immunization plans, and USAID successfully encouraged WHO/AFRO to produce a new regional immunization strategy. In Zambia, a measles vaccination coverage rate of 81 percent was achieved.

In the **LAC** region, targets were met for measles vaccination (five/five countries reached 95 percent coverage), and coverage with DPT3 and TT2 in eight child-survival emphasis countries rebounded after slippage in 1998. In **Bolivia**, USAID was the major donor in this year's national immunization campaign, which focused on eradication of measles. The goal of 95 percent coverage was exceeded. In complementary activities, 62 percent of targeted children received a third dose of DPT, exceeding the 1999 expected level of 46 percent.

As a result of USAID technical assistance to the government of the **Kyrgyz Republic** (GOK), newborns are being immunized against hepatitis B for the first time. In

1999, 46 percent of newborns were vaccinated. In **Uzbekistan**, the government has changed its policy as well, resulting in 25 percent of newborns being immunized against hepatitis B in 1999, compared with none in 1998.

With a grant from USAID, UNICEF implemented immunization and health education programs—as a result of which, 80 percent of **Azerbaijan's** children are fully immunized, 87 percent are immunized against measles, and 96 percent against polio.

USAID has been involved in the global campaign to eradicate polio since 1988. When these efforts began, there were 35,000 *reported* polio cases, but WHO estimated that there were actually 10 times this number of cases. In 1999, there were 7,124 polio cases reported. Concurrently, the number of polio-endemic countries declined to 30 in 1999 (from 130 in 1988). The most intensive eradication efforts are being conducted in 10 priority countries: the polio reservoir countries of **Bangladesh, India, Pakistan, Ethiopia, and Nigeria**, and the war-torn countries of **Afghanistan, Angola, the Democratic Republic of the Congo, Somalia, and Sudan**. USAID is a major donor in seven of these countries. While interruption of the transmission of the wild polio virus will not be completed by the end of 2000, we are on track, and the goal is within our grasp. It is now clear that interruption of the transmission can be achieved by the end of 2001 or shortly thereafter.

During the past year, some of the achievements in the campaign against polio in **Africa** included the national effort to immunize approximately 90 percent of 10 million targeted children in **the Democratic Republic of the Congo**. House-to-house national-immunization-day (NID) campaigns for polio eradication in **Nigeria** led to 34.2 million and 35.4 million children receiving immunization against polio during rounds one and two of the campaigns, respectively. In **Zambia**, 96 percent of eligible children in 34 districts received oral polio vaccine. Nearly 4 million children in **Mozambique** were vaccinated during NID campaigns conducted by the MoH during 1999. Planning and logistical support from private voluntary organizations (PVOs) contributed to the overall effort. For the first time, the 1999 NID campaigns also provided vitamin A supplements, reaching 97 percent of all children aged 6 months to 59 months.

The Agency is continuing its fight against child malnutrition. Recognizing that moderate malnutrition also has severe effects on childhood development, in the past year we have shifted our child nutrition activities to concentrate on this aspect. USAID recommendations for refocusing child nutrition programs have been widely dissemi-

nated to the PVO community. As a result, PVO Title II food aid programs in **India, Benin, Bolivia, Honduras,** and **Guatemala** have adapted the recommendations to the specific program context. With the support of other donors concerned with a preschool nutrition program, USAID-assisted programs in **India** successfully brought about a change in the strategy. Children under 2 are now targeted for take-home rations.

AIN, a model preventive health and nutrition intervention developed by USAID in **Honduras**, has proven so successful that the World Bank is now implementing it in **Bolivia** and **Nicaragua**. USAID will replicate the model also in the **Dominican Republic**. Designed to engage the community and families of children under age 2 in joint efforts to maintain adequate growth, it focuses on household health care practices such as breastfeeding, increasing child feeding, home care of illness, and health referrals. The emphasis on adequate monthly weight gain is a shift from the traditional focus on nutritional status (a more static measure of attained growth). In **Honduras**, the first year of implementation included these remarkable results:

- Almost universal participation (98 percent of those under 2)
- More children gaining weight
- In communities with the highest levels of malnutrition at baseline, a decrease from 39 to 8 percent
- In communities with medium levels of malnutrition, a decrease from 25 to 10 percent
- In communities with low levels at baseline, all children improved

In **Madagascar**, where 1 in 10 babies dies before reaching its first birthday, regional data show that the percentage of infants aged 0–6 months who are exclusively breastfed grew from 24 percent to 55 percent during 1996–99. This response to a USAID-supported program should result in a decrease in infant mortality in the next few years. In **Haiti**, 1999 data showed a continuing decline in malnutrition rates. Height-for-age measurements revealed programwide improvement in chronic undernutrition of 10.8 percentage points over two years, from 37.8 percent in 1997 to 27 percent in 1999.

While malnutrition is usually associated with a lack of food, nutritional status is strongly influenced by the presence or absence of essential micronutrients in the diet. USAID sponsors supplementation and food fortification

programs in many countries to improve food quality. Ever more countries are included in programs to provide vitamin A to deficient populations. In 1998–99, USAID assisted 18 countries to add this nutrient to their national immunization day programs. In **Zambia**, 84 percent of all children under 5 receive these supplements as part of ongoing, routine health care activities of the district health management teams. In **Nepal**, similar distribution systems expanded from 58 to 65 of the 75 districts and reached 90 percent of children in the targeted districts.

In the past few years, **Honduras** and **Guatemala** have demonstrated that the fortification of sugar can help improve the micronutrient status of the population. **Nicaragua** recently joined its neighbors in the universal vitamin A/fortification of sugar. USAID provided technical assistance to the government and the six local sugar producers, who began fortifying nearly all the sugar produced in Nicaragua, improving the health of the two thirds of Nicaraguan children who suffer from some degree of Vitamin A deficiency.

In **Eritrea**, all salt produced by large-scale producers is now iodized. UNICEF, with USAID funding, distributed iodination equipment for small-scale producers in the Southern Red Sea Zone and has resolved distribution obstacles in the Northern Red Sea Zone. At this point, more than 90 percent of all salt is iodized, and surveys show that iodine deficiency has been reduced from 82 percent to 25 percent.

The examples from **Nicaragua** and **Eritrea** point out that these programs not only meet the immediate needs of children but can also improve the capacity and performance of established national industries. Local salt and sugar producers changed their traditional practices and introduced innovative approaches to solve their countries' health problems. We have seen similar innovations whereby the PVO community partnered with large corporations in promoting truly entrepreneurial programs, whose designs have wide applicability across the developing world. The results achieved are durable, responsive, and replicable. They demonstrate how public–private partnerships increase access to services for previously underserved populations and create economic opportunities:

- Project HOPE/**Malawi** developed a collaborative program with private tea plantations to provide preventive health services for women and children under 5. Seeing the success of this effort, Malawi's largest agriculture firm replicated the model and is now reaching a population of more than 200,000 agricultural workers and their families. Project

HOPE also replicated the model in **Guatemala**, helping the agricultural estates and other partner agencies to provide services to the families of approximately 85,000 resident and migrant workers. USAID is interested in replicating the model as a means to rebuilding health infrastructure in disaster-stricken areas.

- Land O'Lakes (LOL) and its partner, Health Partners, a Minnesota-based health care corporation, worked with **Ugandan** dairy cooperatives to assist them in opening a health cooperative providing community-based health services to their members. After their initial success, LOL expanded operations into **Tanzania** and conducted a seminar on dairy development and health for cooperative representatives from **Uganda, Kenya, Zambia, and Malawi** to explore further expansion.

While partnering is an effective method for achieving sustainability, PVOs have undertaken a variety of approaches. A 1999 evaluation of the sustainability of PVOs that benefited from two USAID programs was assessed. The findings from this study will be used to develop a cost-effective approach for the PVOs to measure sustainability within their programs and for USAID to determine how to track sustainability achievements across USAID programs.

The exploratory study, conducted in February and March 2000, assessed sustainability of child survival grants in **Bolivia** and **Bangladesh**. The study included 14 PVOs and their NGO partners (a total of 8 in Bolivia and 6 in Bangladesh) with grants that started on (or before) 1985 and ended by 1997. In general, results indicate strong evidence of sustainability in both countries. Major findings include the following:

- Through alternative sources of funding, many project activities were continued after USAID funding had ceased. Of eight PVOs in **Bolivia**, five continued activities for an average of two years with other sources of funding. Of six PVOs/NGOs in **Bangladesh**, four continued most child survival services with private funds. In Bolivia there was little significant cost recovery because government policy does not support it. In Bangladesh, three out of four organizations providing direct services reported from 3 to 40 percent recovery of recurrent costs. The capacity built through the child survival grants resulted in greater organizational capacity of PVOs and their local partners, including technical and managerial capacities, and institutionalization of lessons learned. In Bolivia, three PVOs/NGOs used

their child survival grants to begin work in the country for the first time. All three have remained and expanded their programs. Thousands of government workers in both countries have received training in both curative and preventive health care and in management.

- Community structures created or reinforced under the grant continued to function. Committees and volunteers continued to work in six areas where PVO/NGO projects had operated (three in **Bolivia** and three in **Bangladesh**).
- Five PVOs demonstrated sustained impact in communities from two to four years after the PVO-initiated activities had been discontinued. A new baseline study in **Bolivia** (with substantial overlap with old communities) found that oral rehydration therapy (ORT) use had been sustained: 47 percent at baseline, 77 percent at project end, and 71 percent two years later. A survey in **Bangladesh** five years after the end of the project revealed that 79 percent of children were fully immunized in the project area, compared with 56 percent in adjacent communities.

Program(s) Failing to Meet Expectations

Examples are cited above of activities in **Haiti** and the **Philippines** that did not meet expectations.

c. USAID Objective: “Deaths, Nutrition Insecurity, and Adverse Health Outcomes to Women as a Result of Pregnancy And Childbirth Reduced”

The Agency's maternal health strategy aims to:

- Increase access to, and use of, quality maternal and reproductive health interventions at the community, family, and individual levels
- Improve nutritional status
- Ensure birth preparedness
- Improve treatment of life-threatening obstetrical complications
- Ensure safe delivery and postpartum care
- Improve long-term capacity of local institutions

Examples of USAID Program Results

Provision of accessible, culturally sensitive, high-quality maternal health services is crucial for promoting health and nutrition and rapidly treating life-threatening obstetric complications.

The diversity of USAID's programs reflects differences in the health care infrastructure that exist in partner countries, as well as cultural traditions of inpatient vs. home birth settings. At one end of the spectrum is the Kosice/ Providence hospital partnership. It saved many lives by improving the clinical practice of perinatal, neonatal, pediatric, and gynecological medicine in eastern **Slovakia**. The partnership helped create a new infrastructure for clinical care, upgrades in nursing practice, and clinical protocols to control infection and manage pharmacology. The perinatal mortality rate in Kosice fell from 6.9/1,000 in 1995 to 4.1/1,000 in 1997. The mortality rate in one referral hospital dropped from 15.1/1,000 to zero, and in another from 8.4/1,000 to 1.3/1,000. Improved management of high-risk pregnancies resulted in a reduction of the perinatal mortality rate in eastern Slovakia from 19.1 percent to 5.15 percent, and the neonatal rate from 24.2 percent to 7.2 percent.

In whatever setting, there is compelling evidence that when births are attended by medically trained personnel with needed resources, risks to the mother are reduced and outcomes are improved. Also, when women perceive that they are receiving quality care, they increase use of clinical services prior to delivery. Survey data show that the number of births attended by medically trained personnel is increasing in all regions, except **Africa**. Many USAID programs have shown excellent results from programs to increase the percentage of deliveries with trained attendants and to improve the quality of service delivery. For instance, in **Indonesia**, the percentage of deliveries in South Kalimantan managed by a trained midwife rose significantly from 37 percent in 1996 to 58 percent in 1999. USAID's maternal and neonatal program introduced an essential obstetrics training package that has been adopted for use by the MoH and other donors. In **Uganda** an increase in trained personnel matches an increase in demand for better care. The number of nurses and midwives trained to provide integrated RH/MCH services increased by 50 percent, bringing the total trained to 936, and a greater proportion of women delivered at health facilities (56 percent in 1999 compared with 48 percent in 1995). The percentage of pregnant women who received at least one antenatal visit remained high (90 percent), and 72 percent received the minimum of three antenatal visits recommended by the MoH.

Seven of 10 countries in the **LAC** region increased coverage of deliveries with trained health personnel. Four now audit at least 20 percent of maternal deaths. In **Bolivia** 51 percent of pregnant women received advice and assistance from competent attendants during birthing, exceeding the 45 percent target.

Furthermore, women who are educated about their pregnancy and possible risks are better able to make decisions that will benefit their health and the health of their baby. In **Guatemala**, a setting where 95 percent of the births occur in the home, information, education, and communication (IEC) programs in six districts have increased demand for and utilization of, hospital-based essential obstetric care services by 50–77 percent. In **Bolivia**, at the community level, USAID focuses on empowerment of women and culturally appropriate approaches to effective self-care and preparation for birth. "Autodiagnosis" has been expanded to 513 communities and contributed to a 120 percent increase in attended deliveries in health facilities in rural municipalities over 10 years. This was also supported by recent extension of health insurance to cover maternity care. Women in Bolivia who heard the innovative and very popular radio drama, "Destiny's Diary," aired in local languages reaching 650,000 people, were more likely to recognize complications and plan for obstetric emergencies. USAID's IEC activities continue to be recognized as some of the most effective and successful in **Uganda**. Achievements include an increase in the number of women who can name at least three significant signs of a complicated pregnancy from 13 percent in 1997 to 18 percent in 1999. In addition, more women report coming earlier for their first antenatal visit.

Program(s) Failing to Meet Expectations

But not all programs meet expectations. In the **Indian** state of Uttar Pradesh, two National Family Health Surveys show that the percentage of deliveries attended by health professionals increased from 17.2 percent in 1993 to 22.4 percent in 1998. However, a recent survey indicated that this measure decreased by 3.1 percentage points in 1999. The reasons for the decline in the proportion of births attended by health professionals are not clear, but the decline may be due to staff shortages in district hospitals. The mission is actively trying to identify the reasons for this decline and, together with its implementation partners, to take corrective action. However, despite successful pilot programs, we will proceed cautiously as we scale up activities to cover all of Uttar Pradesh during the next several years.

d. USAID Objective: “HIV Transmission and the Impact Of the HIV/AIDS Pandemic In Developing Countries Reduced”

Under this objective, the Agency focuses on five key program areas:

- Increase the quality, availability, and demand for information/services to change sexual risk behaviors and cultural norms to reduce HIV transmission
- Develop, test, and promote HIV/AIDS prevention and care interventions
- Enhance the quality, availability, and demand for sexually transmitted infection (STI) management and prevention services
- Increase NGO community and public- and private-sector organizations to prevent HIV transmission and to support persons with HIV/AIDS and their caregivers, families, and survivors
- Improve the quality, availability, and use of evaluation and surveillance information

USAID’s strategy is based on the need to continue and expand efforts to prevent HIV transmission and to mitigate some of the worse consequences of the pandemic, especially its impact on individuals, families and communities. USAID supports those interventions which have a proven, demonstrated impact in preventing HIV/AIDS transmission:

- Changing high-risk sexual behavior through education and counseling. In **Uganda**, HIV prevalence has been reduced by nearly 50 percent in young urban women by promoting a delay in the outset of sexual activity and the adoption of safer sex practices.
- Reducing the prevalence of other sexually transmitted infections (STIs). A study in **Tanzania** demonstrated a 42 percent drop in new HIV infections through proper clinical management of STIs.
- Increasing the distribution and use of condoms through social marketing programs which increase both knowledge and access to affordable condoms. Condom use represents one of the most effective ways of preventing HIV transmission.

- Reducing mother to infant HIV transmission. USAID-supported field work has demonstrated new ways to reduce mother to infant transmission which accounts for more than 10 percent of new HIV infections.

In addition to prevention programs, USAID supports efforts to mitigate the impact of the epidemic on individuals and communities. These include voluntary testing and counseling programs, support to faith-based groups and other community organizations providing care to individuals and families affected by HIV/AIDS, training for public and private health care providers and work with the Peace Corps, private voluntary organizations, and others on support for orphans and other vulnerable children.

An important program dimension is the emphasis on practical research, application of lessons learned, and measuring results. USAID supports the U.S. Bureau of the Census initiative to regularly update the HIV/AIDS International Surveillance Database, a unique resource that is used by all international partners to track the HIV/AIDS pandemic and the impact of interventions. USAID’s global leadership in clinical and operations research bolsters its prevention and mitigation strategies, enabling it to provide assistance and support for state-of-the-art, cost-effective services that directly reach individuals and communities.

Examples of USAID Program Results

USAID’s portfolio includes about ten initiatives designed to carry out proven HIV/AIDS interventions and enhance the Agency’s response to the epidemic. Cooperating agencies support Missions and countries in implementing HIV prevention and mitigation programs, provide regional and country HIV/AIDS social marketing expertise, and develop and disseminate the most effective methods of combating HIV/AIDS through operations research. The Joint United Nations Programme on HIV/AIDS (UNAIDS), the U.S. Bureau of the Census, and the Centers for Disease Control and Prevention also work with the Agency to coordinate national strategic planning for HIV/AIDS and strengthen surveillance systems.

As of spring 2000, USAID was working on HIV/AIDS programs in 46 countries and had become the global leader in this international fight, because of the Agency’s strong field presence, technical leadership, significant and sustained financial support, and its extensive, long-term relationships with host-country institutions. Relationships developed in the field provide the foundation for USAID’s track record for building sustainable systems, using highly

participatory approaches, and applying lessons learned to enhance the effectiveness and efficiency of programs. USAID-sustained investments in **Uganda** have resulted in a reversal of the explosive upward trends, and in **Senegal** have kept prevalence low. Recent reports from **Zambia** also suggest a reversal of the epidemic with prevalence declines among 15–19-year-olds. These positive results have guided USAID’s development of an overall expanded plan to combat the AIDS pandemic.

CHANGING BEHAVIOR

Changing the behavior of people at high risk for transmitting or contracting HIV/AIDS is central to the Agency’s efforts. In **India**, targeted USAID-funded HIV/AIDS prevention activities began in the State of Tamil Nadu in 1997. By the end of 1998, all four high-risk groups targeted by the program achieved significant and sustained changes in their sexual behavior. For example, condom use with a nonregular sex partner increased among commercial prostitutes from 56 percent (baseline in 1996) to 80 percent and by male factory workers from 17 percent to 50 percent (source: AIDS Prevention and Control Project, Tamil Nadu, 1999). Thus the program has shown a statistically significant increase in condom use among prostitutes and their clients, as well as the reduction of nonregular partners (see table, “Condom Usage”). Since sexually transmitted diseases (STDs) increase the likelihood of transmitting and acquiring HIV, an increase in care-seeking behavior is another important accomplishment of this program. There was, however, a decline in care seeking between 1998 and 1999. This may be attributable to the dramatic increase in condom use and decreasing number of STD infections.

Other behavioral surveillance surveys conducted in **Indonesia** and **Senegal** (1998) showed that between 1996 and 1998, there was increasing condom use in some high-risk groups, but decreasing use in others. For instance, in **Indonesia**, the percentage of locally based female prostitutes in Jakarta using a condom at last commercial sex dropped from 48 percent in 1996 to 35 percent in 1998. However, condom use among female commercial prostitutes increased sharply from 37% in 1998 to 48% in 1999 thanks to expanded outreach efforts and condom distribution. .

CONDOM SALES

Use of condoms is one of the primary prevention strategies. In 1998–99, USAID-supported programs continued to increase annual sales. Presently, USAID is supporting condom social marketing programs in 36 countries. During

CY 1999, these programs sold a total of 348.9 million male condoms. If trends prior to the end of September 2000 continue, the number sold will exceed 363 million—a 3 percent increase (source: Population Sciences International).

USAID supports the introduction of the female condom through social marketing programs. In 1999, these programs sold 871,000 female condoms, and the current rate for 2000 suggests that more than 938,000 will be sold by the end of the year—an 8 percent increase.

During 1996–99 in the 16 **African** countries included in the Leadership and Investment in Fighting an Epidemic (LIFE) initiative, condom sales/distribution increased in all countries, except **Malawi**. In some countries (**Mozambique** and **Rwanda**), the increase was as high as fourfold. In **Zimbabwe**, condom social marketing succeeded in increasing condom sales/distribution 38-fold, from 230,000 to almost 9 million (source: Population Services International, 2000). In **Peru**, USAID-supported condom purchase and distribution increased from 38.9 million in 1997 to 46.3 million in 1999. In **Honduras**, USAID’s NGO partner in HIV/AIDS prevention reached full implementation, distributing almost 3 million condoms.

HIGH-LEVEL POLITICAL SUPPORT

The successful results in **Senegal**, **Uganda**, and **Zambia**, are attributed in part, to strong national leadership at the highest level of government. In **Zimbabwe**, there was a major breakthrough in publicly demonstrating high-level support with the launch of the USAID-funded National AIDS Policy by President Mugabe on World AIDS Day. The policy launch took place after two-and-a-half years of consultations involving more than 6,000 people and 84 meetings at the national, provincial, district, and sectoral levels. In its 1999 budget statement, the government effected its first “AIDS Levy,” a 3 percent tax on taxable earned income to finance HIV/AIDS-related activities. The Parliament approved the establishment of a National AIDS Council to facilitate a multisectoral government approach to tackling HIV/AIDS.

USAID involvement has resulted in increased political commitment at the highest level in **Ghana** and has begun to generate a multisectoral response to the epidemic. This was accomplished through presentations of a computerized AIDS impact model during 1999. These enabled USAID to effectively advocate for an intensified response among parliamentarians, government ministries, religious groups, and local leaders. USAID also supported the government with technical assistance to develop a draft national HIV/AIDS strategy.

In **Malawi**, USAID funding was pivotal in supporting the development and launch of the new five-year strategic framework for HIV/AIDS. The President of Malawi gathered political, religious, and business leaders together to personally launch the new plan and call for concerted action to reduce the transmission of HIV/AIDS. One of the most encouraging developments is the increasing demand for voluntary counseling and testing (VCT). Since 1992, USAID's program has seen only modest increases in demand. Following the President's call for action, demand for VCT increased considerably. The local NGO served 5,663 clients in 1999, a 62 percent increase from 3,497 clients in 1998. The recent introduction of same-day results from blood tests is also believed to be a contributing factor and should increase demand even more in 2000.

DIAGNOSIS AND TREATMENT OF SEXUALLY TRANSMITTED INFECTIONS (STIs)

USAID supports improved, expanded STI control programs in 16 countries. Assistance ranges from developing more effective national guidelines for the diagnosis and treatment of STIs to training health workers and increasing demand for services among vulnerable groups.

During the first six months of FY 1999, infectious syphilis cases in **Jamaica** were reduced by 40 percent through prevention, detection, and treatment programs. The program focused on the high-risk group of STI clinic attendees. Routine HIV testing among sentinel groups has been carried out in three parishes since 1990. Although there had been a steady increase between 1990 and 1998 (from 3.1 percent to 7.1 percent), HIV seroprevalence among sentinel groups in 1999 remained at the 1998 level.

In **Ghana**, USAID has been working with the government to educate members of the army and national police, as well as the general population, in HIV/STI prevention and to provide improved STI control services to those who are infected. While it is very unusual for USAID to work with either of these groups, members of the army and police are vulnerable to the disease and can transmit the virus from one area of the country to the other. As a result of the program, 12 police care providers have been trained in STI symptom management, and 65 peer educators operate nationally. In the military, 90 individuals have been trained as condom sales agents to expand availability of condoms to this vulnerable population.

CARE AND SUPPORT SERVICES

USAID is funding programs that offer HIV/AIDS care and support services to individuals, families, and communities in 22 countries. These include protection of human

rights, access to voluntary counseling and testing, psycho-social support, basic medical and palliative care, treatment and prevention of opportunistic infections (particularly TB), community-based economic support, and support for children affected by AIDS.

e. USAID Objective: “The Threat of Infectious Diseases of Major Public Health Importance Reduced”

The Agency's infectious-disease strategy focuses on four program areas:

- Reduce antimicrobial resistance
- Improve tuberculosis prevention, control, and treatment
- Improve malaria prevention, control, and treatment
- Improve local capacity for surveillance and response

USAID has combined research with global technical leadership and partnerships to advance results at the field level. Our global leadership is indicated by the development and adoption of Global Action Plans for the control of antimicrobial resistance and for TB, as well as by the adoption by the WHO Roll Back Malaria initiative of USAID's basic approach to malaria. These plans will generate increased international attention to these areas and will guide and accelerate coordinated responses from all major international partners.

Examples of USAID Program Results

National achievements across all USAID regions are improving conditions at the local level. For instance, in **Nepal**, infectious disease and antimicrobial surveillance systems have been established. USAID has also developed and launched a new program to track and combat malaria drug resistance along the **Thai-Cambodia** border. Drug resistance is a tremendously important issue for our ability to treat malaria worldwide, and it has implications for reducing mortality in the Mekong River area and other regions. During 1999, we also established an important cross-disciplinary electronic network that brings together malaria and maternal health experts to share technical information, program developments, and research findings over a wide area. The placental malaria network is providing assistance to programs in **Burkina Faso, Tanzania, Zambia, and Kenya**.

USAID is heavily involved in the effort to reduce the threat of the global tuberculosis epidemic. We are funding the expansion of tuberculosis treatment in **South Africa** by training staff in Directly Observed Treatment, Short-course (DOTS) therapy. DOTS decreases hospitalization and treatment time and returns people to their communities more quickly. At the request of the National Tuberculosis Program, we will expand support to reduce and manage multidrug-resistant tuberculosis. In **India**, USAID has been working in partnership with WHO to support the development of the Model Center for Tuberculosis Control, Training, and Research in Tamil Nadu. This program has been extremely successful in implementing DOTS, conducting demonstrations and training, and strengthening TB control activities in surrounding areas.

Underpinning TB control programs is the need for trained personnel and adequate laboratory equipment. In **El Salvador**, USAID targeted 59 out of the 127 Ministry of Health laboratories across the nation for improved diagnostic equipment and better supervisory and technical skills of lab personnel. During the second month of TB treatment, 81 percent of the cases in 2000 showed improvements, compared with only 66 percent in 1998.

In **Russia**, USAID is working in collaboration with the Ministry of Health, CDC, WHO, and others to control the tuberculosis epidemic in three pilot areas. In the first region, the program has achieved successful treatment levels of approximately 83 percent, demonstrating that international TB treatment protocols can work in Russia.

USAID collaborated with the government of **Kazakhstan** (GOK) in 1998 to develop the first policy on tuberculosis treatment in the region consistent with the improved World Health Organization (WHO) Directly Observed Treatment, Short-course (DOTS) approach. GOK started DOTS in 21 sites nationwide, and by 1999, 14 of these sites were achieving cures in at least 75 percent of their patients with TB. USAID's substantial work with the GOK also paid off in the decline of TB deaths by 27.6 percent from 1998 to 1999 (38.4 deaths per 100,000 in 1998 to 27.8 in 1999). However, successful treatment of TB is dependent on many factors, including drug quality. USAID's assistance in the tendering process in Kazakhstan resulted in the purchase of high-quality TB drugs for the entire country, thus not wasting money on ineffective drugs and increasing the number of people cured.

In the **Kyrgyz Republic**, USAID also helped create a model surveillance framework to prevent and control hepatitis. Three sites to verify, report, and track hepatitis

cases were established this year. Hepatitis cases are verified in the region's first infectious disease reference laboratory, equipped and opened with USAID support. This laboratory has developed quality control standards (reference panels) for diagnosing the various types of hepatitis. USAID also helped set the official practice guidelines on hepatitis for all health care workers.

f. USAID Initiatives in Health System Strengthening

The biggest challenge facing developing countries is to make optimal use of their scarce resources and to direct those resources in a way that will best meet the needs of the population. USAID Missions have recognized the importance of establishing health systems and strengthening those that already exist in order to build a sustainable capacity for countries to provide health services. The types of changes that are possible depend on the local economic, social, and political context, as well as the human and institutional capacity.

Health system strengthening focuses on improving the financing, management, and delivery of health care services. Over time, the three functions should be integrated for available health care resources to be used most efficiently and effectively. We are pursuing many different strategies to build on whatever opportunities exist. During the past year, we have contributed to important advancements in strengthening health systems, ranging from establishing new financing, provider payment, management, and delivery systems to providing clinical training and basic quality improvement techniques to health care personnel.

NEW PROVIDER PAYMENT SYSTEMS

Provider payment systems that are based on providing cost-effective services are an important feature in developing a sustainable health care system. In Central Asia, the **Kyrgyz Republic** and **Kazakhstan** are undergoing complete transformations of their health service delivery and financing systems. With USAID technical guidance, physicians were trained to be specialists in primary care, established group practices outside of the polyclinics, and became financially independent. During 1999, 56 percent of these 390 primary health care practices (PHCPs) in the **Kyrgyz Republic** were paid by the Health Insurance Fund under a capitated rate payment system that was designed with USAID assistance. These reforms are leading to a more cost-effective health care system as scarce health care resources are redirected toward the most pressing public health concerns. Providers are using

management information systems to understand the impact of the new incentive payment systems and to operate more efficiently.

From 1998 to 1999, the total number of health care providers reimbursed by new payment systems in **Kazakhstan** increased from 134 to 342 in two oblasts. Providers included hospitals, polyclinics, and primary health care practices. In these two oblasts, as a result of attractive new payment methods, the number of newly restructured primary health care practices (PHCPs) tripled, from 151 to 453. With increased numbers of PHCPs, more families have access to care. In the three largest cities of these oblasts, PHCPs now cover 85 percent of the population. Besides access to care, the types of services available affect the families' quality of health care. The percentage of practices in urban centers that offered expanded services increased from 36 to 71 percent in Zhezkazgan and Satpaeva cities and from 71 to 87 percent in Semipalatinsk. Expanded services included treatment of childhood illnesses, sexually transmitted infections, and reproductive health care.

NEW WAYS TO FINANCE HEALTH CARE SERVICES

Initiatives to address the generation of resources to finance health care in the developing world have taken many forms, including prepaid health insurance systems, new drug financing funds, the introduction of user fees, and tax reform. Examples of important achievements during the past year that have the potential to reform the generation and use of host-country health care budgets are described below.

In the **Philippines**, USAID supported the Friendly Care Foundation, Inc. (FCFI) in an effort to boost the private sector's share in providing family planning and maternal health services. FCFI provides financially sustainable, demand driven reproductive health services to middle income patients.

In **Rwanda**, the USAID-financed pilot prepaid health program has enrolled more than 67,000 subscribers since August 1999, with 17,000 enrolling during February 2000 alone. The program is now progressing rapidly with new subscribers. The Ministry of Health (MoH) is very committed to expanding this program nationwide and is working with USAID to develop an effective strategy for expansion.

In **Senegal**, results from a pilot program in health financing have been very positive in identifying innovative mechanisms for increasing community ownership of all health activities. In 1999, local contributions in the form

of tax revenues represented 8.7 percent of the operating budgets at the health district level. In fact, the actual contribution of local tax revenues increased by 39 percent from 1998 to 1999. This significant increase is a direct outcome of the pilot program and is consistent with requirements of new decentralization laws.

In **Romania**, the Ministry of Health has decided to employ the USAID-funded hospital cost-containment model nationwide. The model, a diagnosis-related group (DRG) system, promotes efficient management of hospital resources, the largest component of the health care budget.

USAID support resulted in the publication of *Guidelines for Achieving Equity: Ensuring Access of the Poor to Health Services Under User Fee Systems*. This cutting-edge guidebook, based on case studies in five countries, gives practical guidelines for setting equitable user-fee exemption systems for the poor. It was distributed throughout **Africa**, and **Guinea** and **Mali** are now testing innovative equity strategies. The government of **Kenya's** cost-sharing program, assisted by USAID, generated \$10 million, up 15 percent from FY 1998, and exceeded its target.

In **Ethiopia**, the national budget allocated to the health sector in 1999 nearly met its target and was maintained at the same level as FY 1998 in spite of the major increase in defense spending to support the conflict with Eritrea. The government has raised the level of public resources allocated to primary and preventive health care by an annual average of 11 percent during the past three years.

Under the program established by the district health teams in **Malawi**, more than 400 communities (more than double the targeted number of 200) are now administering drug-revolving funds that ensure an immediate supply of malaria medications and oral rehydration salts to children living in rural villages.

In **Guatemala**, about 3.5 million inhabitants that did not have access to health care services in 1996 are now served under a new model based on public-private partnerships whereby the MoH regulates the systems and provides financial resources and supplies and NGOs provide the human capital and local expertise.

IMPROVING MANAGEMENT SKILLS

The government of **Albania** is aware of the urgent need to revitalize and modernize its health care system, but lacks resources and has been slow to act. Working with USAID advisors, key health care administrators are acquiring the knowledge and skills needed to manage their

scarce resources more efficiently and effectively at the central level (the Ministry of Health) and at the district, hospital and polyclinic levels. Durres Hospital and University Hospital Center of Tirana have implemented techniques to improve hospital operations, which are beginning to serve as models for the rest of the hospital system.

Under the Communist system, there was an inappropriate allocation of resources. The number of hospital beds is now being reduced to reflect the shift toward a more responsive primary health care system. At Durres Hospital, where the main building collapsed in 1995, a strategic planning process has matched available resources with a long-range plan for a replacement hospital. At the University Hospital Center, administrative and medical records were computerized. In both hospitals, pharmaceutical and medical supply purchasing and distribution have been computerized. Several national conferences have been held to share the information and management techniques developed at the pilot hospitals with more than 80 hospital managers and administrators from all over Albania.

QUALITY IMPROVEMENT

In **Rwanda**, an effort that has won customer appreciation for USAID is the quality assurance initiative, which has succeeded in improving the organizational approach to service quality at the Central Kigali Hospital and smaller health centers. Plans are underway for the MoH to replicate this success by institutionalizing the quality improvement approach and applying it to other health centers and hospitals in Rwanda in FY 2000.

The quality of services in **South Africa** improved in 1999, with significant gains in the availability of the seven essential drugs (from 43 percent in 1998 to 91 percent in 1999). Management of critical health conditions also improved, as evidenced by the increase in the management of STDs from 56 percent to 70 percent.

A greater proportion of trained health staff in **Uganda** performed to standard (80 percent in 1999, compared with 66 percent in 1998), indicating an increase in technical competence and provision of quality services, as well as improved interpersonal relations and counseling of clients.

In **Tajikistan**, a Family Medicine Training Center opened in 1999, the result of a primary health care skills building program developed by U.S. and Tajik partners. Other programs in Tajikistan have improved access to basic health services for 260,000 people and established 62

village health committees covering approximately 85,000 beneficiaries. A revolving pharmaceutical fund established with USAID support has enabled 17,000 patients to purchase or receive needed medications.

In one region of **Russia**, more than half of adult deaths were related to cardiovascular disease. More than 89 percent of the hypertension patients in the pilot sites are now managing their disease themselves, according to international treatment protocols. As a result, hypertensive crises have dropped 57 percent, and hospitalizations from such crises have been reduced an impressive 92.5 percent.

BUILDING SKILLS OF NURSES

Albanian nurses from across the country met with other nurses from throughout Central Europe and the former Soviet Union and returned home to establish an Albanian nursing association. This association will help the MoH to establish national standards for nursing accreditation. As part of the USAID program, nurses are now receiving in-service training opportunities to improve their skills and enhance their status in the health care system.

USAID is continuing to provide limited support to three Nursing Learning Resource Centers (NLRCs) in **Central Asia**. These centers serve as important sources of information and education for nurses. Also, nurses from **Tajikistan** are now participating in the Central Asian Nursing Council, an organization inspired by a U.S.–Central Asia health partnership program.

USING THE INTERNET

A small, but high-impact USAID activity in **Ukraine** has been the establishment of 12 Learning Resource Centers. They provide Internet linkages to medical on-line sites. One of these centers, Odessa Oblast Hospital, was named one of the top-20-visited Russian language medical sites. Such connectivity to worldwide medical literature opens up new avenues of communication and moves the concept of transparency forward.

INFORMATION TECHNOLOGY

In **East** and **South Africa**, the number of databases in priority development areas increased to 32 in 1999, exceeding the program target of 29.

A database of more than a thousand network members was established at the new Regional Center for Quality of Health Care at Makerere University, **Uganda**, to facilitate dissemination of information and support fundraising efforts for the Center's consulting needs.

2. Collaboration With Other Donors and Development Partners

There is broad-based international commitment to improving the quality of life of people living in the developing world. For decades, multilateral and bilateral donors have sponsored population and health programs. Recently, private U.S. foundations have also begun to support these programs and have raised public and political awareness of their importance.

USAID has long played a leadership role in donor collaborations. Coordinating diverse donor strategies encourages the sharing of lessons learned and avoids duplication. USAID's relationship with **Japan** is a model of bilateral cooperation. The U.S.–Japan Common Agenda, initiated in 1995, transitioned in 1999 from parallel and complementary to more coordinated and collaborative activities that strengthened the Agency's ability to achieve its objectives. For example, in FY 1999, we successfully negotiated Japanese cofunding for the **Zambia** demographic and health survey. In June 2000, a joint Japan–USAID team identified HIV/AIDS, TB, malaria, and maternal/child health as priority areas for future cooperation in **Cambodia**.

The Agency has stepped up its efforts to influence the larger partner organizations. For instance, we were successful in helping the World Bank and UNICEF to recognize and address inadequate progress in child immunizations and nutritional status. We have worked to accelerate progress in new initiatives, including the VITA Initiative, USAID's own "Boost Immunization" Initiative, and the "Goal 2002" Initiative with PAHO. In FY 1999, USAID took a lead role in the formation of the Global Alliance for Vaccines and Immunizations (GAVI). The Bill and Melinda Gates Foundation and other bilateral donors generously support GAVI. Through GAVI and other global initiatives, the international community is mobilizing to protect children from vaccine-preventable diseases.

Our continued collaboration with WHO and UNICEF to intensify efforts to foster global program priorities resulted in the publication of worldwide standards for Women-Friendly Health Services by UNICEF and dissemination of the *WHO Manual for Physicians on the Prevention and Management of Obstetric Complications*.

Nowhere is our impact on the international donor community more visible than in the global crusade against AIDS. Not only are we the major funder of the Joint UN Programme on HIV/AIDS (UNAIDS), we also collabo-

rated with it and WHO on the first set of comprehensive guidelines to monitor and evaluate national HIV/AIDS/STI Prevention and Control Programs. The guidelines were "launched" at the International HIV/AIDS Conference in **South Africa** in July 2000 and are now the worldwide standard for monitoring and evaluating national programs. We are also the primary sponsor of the UNAIDS International Partnership against AIDS in Africa (IPAA), which is promoting and coordinating expanded public–private partnerships for prevention efforts and providing support for those already infected in **sub-Saharan Africa**.

The U.S. government's unprecedented collaboration to address HIV/AIDS is becoming a model for intragovernmental efforts. The FY 2000 Leadership and Investment in Fighting an Epidemic (LIFE) initiative involves unprecedented collaboration among USAID, the U.S. Department of Health and Human Services, and the U.S. Department of Defense. USAID has the lead in facilitating this coordinated action. The initiative links the goals and objectives established by the international community with UNAIDS. In FY 2001, U.S. government collaborative efforts to address HIV/AIDS internationally will also include the Department of Labor.

The Agency has played critical roles in the development and launch of other multidonor global initiatives and strategies to address infectious diseases, including Roll Back Malaria (RBM), STOP TB, and the development of a global strategy for addressing antimicrobial resistance (AMR). In addition to efforts related to RBM and STOP TB, USAID has worked closely with the Gates Foundation and the PATH Malaria Vaccine Initiative as they develop their own strategy. In surveillance, USAID has collaborated with counterparts at WHO and CDC, as well as others, to ensure that our new strategic approach to surveillance fits with efforts of these and other organizations.

3. Future Plans

"Unintended and mistimed pregnancies reduced"

Each region has compelling priorities in the years ahead. In **Africa**, the number of women of reproductive age has increased by 13 percent, and contraceptive prevalence remains extremely low. **Asia** is home to the largest number of women of reproductive age, particularly young women. In **Latin America**, challenges remain in the hard-to-reach populations; and in **Europe and Eurasia**,

inordinately high rates of abortion substitute for safe methods of contraception.

These challenges will be met with a strategy that addresses the adolescent population; capitalizes on the advantages of programs integrated into the primary care system; improves the quality of services; strengthens local capacity in the public and private sectors; scales up approaches that have proven effectiveness; and builds on alliances within the international community of donors, PVOs, NGOs, committed host governments, and the private sector.

Future plans highlight the importance of integrating FP, maternal health, and HIV/AIDS initiatives. In FY 2001, the Agency will begin implementation of a new five-year initiative to provide policy assistance in family planning/reproductive health (FP/RH). The effort will focus on the design, implementation, and funding of policies and plans that promote and sustain access to quality FP/RH information and services, paying special attention to issues of youth, gender, and human rights.

During FY 2001, we will continue to devote particular attention to community- and clinic-based studies of condom use as a way to prevent both transmission of sexually transmitted disease and pregnancy. Also, preliminary analysis of the 1999 FP Program Effort Scores from 100 countries will become available. These data allow for cross-national and trend analysis of FP program characteristics and their impact on contraceptive behavior.

In FY 2001, the Agency will launch a new state-of-the-art FP/RH information and service delivery program to create alliances among, and build upon the comparative advantages of, the public, private, PVO/NGO, and nonhealth sectors (e.g., girls' education, environment, and microenterprise), as well as other donors and foundations, to expand access to sustainable, quality FP/RH services through clinical and nonclinical programs. We will also launch a new adolescent reproductive health initiative focusing on reducing risky sexual behaviors among 10–24-year-olds.

An important shift in the way that we will program resources to enhance national program capacity is reflected in the design of a new management and leadership initiative. This goes beyond improving skills and knowledge to improving performance of programs, managers, and leaders, which will result in better-managed national programs and ultimately lead to reduced fertility and maternal mortality. Similarly, since FP and other health commodities often flow through a single logistics system, we have designed a new logistics management effort,

DELIVER, to respond to that reality. DELIVER will also be initiated in early FY 2001.

“Infant and child health and nutrition improved and infant and child mortality reduced”

Focusing on the year 2000 World Summit for Children goals, USAID will work with UNICEF and other partners to develop new strategies and reinvigorate commitment for further improvement in child survival, health, and nutrition. We will also contribute directly to progress in key child health and nutrition interventions through planned results:

- Supporting key research
- Strengthening national immunization programs in approximately fifteen USAID-assisted countries through the BOOST initiative; helping the Global Alliance for Vaccines and Immunizations to strengthen immunization systems and introduce the new vaccines in developing programs
- Providing key support to WHO, UNICEF, Rotary, and other partners to complete the job of interrupting polio transmission by the end of 2002; certification of polio eradication by the end of 2005
- Continuing rollout of the Integrated Management of Childhood Illness (IMCI) approach in USAID-assisted countries
- Expanding the **Honduras** prevention/growth promotion/treatment household and community model (AIN) to additional districts
- Initiating or strengthening semiannual vitamin A capsule distribution programs in 10 countries
- Supporting studies on the effects of vitamin A and multimicronutrient supplementation of women on birth outcomes and neonatal/infant/maternal mortality
- Increasing food fortification efforts
- Expanding neonatal interventions
- Supporting institutionalization of national health accounts

- USAID will also continue to adjust programs and plans to new data and developments in the field of HIV/AIDS, especially mother-to-child transmission

“Deaths, nutrition insecurity, and adverse health outcomes to women as a result of pregnancy and childbirth reduced”

During the next 10 years, USAID will serve more than 50 million women, newborns, and families in more than 19 target countries. USAID plans to intensify its concentration on priority countries with high maternal mortality and accelerate the scale-up of effective district programs to the national level. In the coming years, we will implement centrally managed programs to achieve the following:

- Research on the effect of low-dose vitamin A in pregnant women, which brought dramatic reduction of maternal mortality in **Nepal**, will be replicated in **Bangladesh** and **Ghana**.
- Programming will include the innovative combination of traditional communication approaches with newer social mobilization activities to heighten awareness among community members and policymakers to hasten the implementation of Safe Motherhood programs.
- Additional training centers for obstetric and neonatal care will be established and improved, and priority will be placed on improving preservice curricula of midwives and doctors so that there is sustainable national scale-up of state-of-the-art training.

In the **LAC** region, a likely follow-on regional program will aim to increase the demand, availability, and quality of medically trained attendants at the time of delivery and postpartum. In **Africa**, malaria prevention and intermittent treatment programs in pregnancy will be implemented. In the **E&E** region, family-centered maternity care will be expanded. In **ANE**, large-scale awareness campaigns will be implemented to increase medically trained attendants at birth.

“HIV transmission and the impact of the HIV/AIDS pandemic in developing countries reduced”

With the increased funding to address HIV/AIDS, the Agency is implementing an “expanded response” to the

pandemic. We are enhancing countries’ capacity to protect their people who are not yet infected by HIV and to provide services to those infected and affected by the epidemic. Toward this end, USAID will support countries to do the following:

- Prevent the transmission of HIV, emphasizing both high- and low-prevalence countries that are deemed at risk for an impending epidemic
- Build capacity to provide care and support for as many affected individuals, families, and countries as possible, particularly in those countries most severely affected
- Reduce the social and economic impact of the epidemic on vulnerable groups, particularly within key sectors of health, education, and governance
- Develop and introduce new HIV/AIDS prevention and care approaches and technologies, including new microbicides; more-effective behavior change models; rapid, inexpensive diagnostic tests; and preventive and therapeutic vaccines

Expected achievements for “high-prevalence” and “low-prevalence-at-risk” countries will be different. By 2007, in cooperation with other donors, USAID will assist selected countries to do the following:

- Reduce HIV prevalence rates among those 15–24 years of age by 50 percent in high-prevalence countries, and maintain prevalence below 1 percent among 15–49-year-olds in those low-prevalence countries that are deemed at risk of impending epidemics
- Ensure that at least 25–50 percent of HIV/AIDS-infected mothers in high-prevalence countries will have access to interventions to reduce HIV transmission to their infants
- Enable host-country institutions to provide basic care and psychosocial support services to at least 25–50 percent of children affected by AIDS¹
- Mitigate the impact of HIV/AIDS on key sectors (education, health, and democracy/government) in severely affected countries

The above targets will be regularly reviewed and revised in the light of evolving pandemic and ongoing analyses of the cost-effectiveness of programs. In collaboration with CDC, WHO, and UNAIDS, HIV sentinel surveillance

systems will be improved in selected countries to report annually on HIV prevalence among 15–24-year-olds. Beginning in 2001, USAID, with its partners, will begin periodic national surveys to collect information on changes in reported sexual behavior and to measure the quality and coverage of care and support services specified under this initiative.

“The threat of infectious diseases of major public health importance reduced”

In the coming years, we will continue to build on and expand partnerships and support research and development of new methods and tools related to AMR, malaria, disease surveillance, and TB. For TB and malaria, our highest priority is to expand efforts at the country level, prioritizing countries based on a series of criteria, including magnitude and severity of need, feasibility of programming, managerial capacity, and U.S. national interests.

- *Tuberculosis:* Because TB is a relatively new area for USAID, our global and regional programs will be used to jump-start programs at the country level. For instance, to better respond to field needs, USAID and the TB Coalition are working out the details of a new mechanism that will allow USAID significantly greater access to the leading organizations involved in international TB control for technical assistance and training. In **Africa**, programs will be launched in **Ethiopia, Kenya, the Democratic Republic of the Congo, Uganda, Senegal, and Malawi** and continued in **South Africa**. In the **LAC** region, efforts to address tuberculosis will be focused on countries with a high TB burden and/or incidence, where there is high multidrug resistance, and where there is high HIV/AIDS prevalence, including **Brazil, the Dominican Republic, and Haiti**. The **E&E** region will continue efforts to develop more cost-effective approaches for the surveillance and treatment of multidrug-resistant TB. Expanded efforts will continue in **India** and the **Philippines** and begin in **Cambodia** and **Indonesia**.

Malaria: To accelerate our progress in fighting malaria, we will adjust our programs to achieve a greater strategic synergy with other Agency initiatives. For example, we will support a longitudinal trial in **West Africa** on the efficacy of vitamin A and zinc on the reduction in malaria illness; facilitate the development of operational linkages between the Roll Back Malaria efforts and ongoing maternal and child health programs, including the Integrated Manage-

ment of Child Illness (IMCI) strategy and the Safe Motherhood initiative; and foster environmental strategies for the prevention of malaria transmission. Expansion of programs at the country and subregional levels will also continue, such as those in **Nigeria, Uganda, Zambia, and Senegal**. We will continue development of standards and guidelines for addressing multidrug-resistant (MDR) malaria in **Southeast Asia** and technical support for countries in the region threatened by MDR malaria, particularly in **Africa**. Antimalaria programs for the **Amazon Basin** will be explored.

- *Surveillance:* We are readdressing our strategy and approach to infectious-disease surveillance both to strengthen health care systems and to serve the needs of more concentrated, disease-specific interventions. Attempts to achieve this strategic focus during the past year have been unsuccessful because of a lack of overall coordination, attention, and vision. Also, a key obstacle to an infectious-disease initiative is the lack of sustainable health information systems. The Agency’s new strategic approach will be shared by USAID’s major partners in this area, WHO and CDC. It will focus on building capacity at the country level, providing a common programming platform, coordinating resources to maximize impact, and bringing a wider range of technical expertise to bear on the problem.
- *Antimicrobial resistance:* Improved and more appropriate use and management of pharmaceuticals can help curb the spread of antimicrobial-resistant infections. We will continue to implement the antimicrobial-resistance component of USAID’s infectious-disease strategy and develop or scale-up model programs to address AMR. Antimicrobial resistant malaria and TB are the highest priorities.

D. Conclusion

Overall, USAID programs under the population, health, and nutrition goal are meeting objectives at the operating unit level. Annual reports from USAID operating units around the world show that during the past year, 94 percent met or exceeded expectations. The Agency’s efforts have helped to create significant momentum in addressing the most pressing population and public health issues in the developing world. Also, through Agency-sponsored research and demonstration programs, we have advanced the state of the art, both scientifically and programmatically. As such, we maintained our role as the intellectual leader among donors in the design and implementation of programs.

Prospects for further progress toward the high-level goals set in the FY 2000 APP will be different for the different regions of the globe.

While USAID is a leader in improving the PHN sector, these high, important goals cannot be directly achieved by Agency efforts alone. As has been described above, these results are dependent on host-country conditions and contributions, as well as on the contributions of other donors. According to our development hypothesis, if operating units continue to achieve expected results, and these other factors are present, progress toward the FY 2000 APP high-level goals will occur over time. For this reason, in the FY 2001 APP, the Agency differentiated its programmatic goals from the high-level goals of development that are shared by host countries and other donors.

Based on current trends, we do not expect FY 2000 APP goals to be met in **Africa**, where economic crises, political uncertainty, and the HIV/AIDS epidemic are eroding health gains made in previous years. Countries in **LAC** are expected to meet projections in all areas. **ANE** is expected to exceed goals in fertility reductions, child survival, and

attended births. Trend data on infectious diseases, including HIV/AIDS, indicate that progress in ANE will vary by subregion, with USAID-assisted countries in **Southeast Asia** continuing to have increasing deaths from HIV—and from TB and malaria if drug resistance continues to increase. The outlook for the **E&E** region is cautious because public health indices will be influenced by the transitional nature of the local economies. At the current rate of change in child mortality and HIV/AIDS prevalence, projected improvements will not be met.

By working closely with the other major public and private donors and financing organizations, we promote responsible stewardship of the limited resources available for foreign assistance. But we are also mindful of the limitations of foreign assistance in creating lasting changes. Our strong field presence and commitment to partnership with host-country leaders provide an opportunity to significantly influence policy development and implementation in a way that creates in-country capacity to sustain the advances made through our programs.

E. Performance Table

Annual Performance Table Population Health and Nutrition

| | Revised Baseline | Latest | Target | Percent Change |
|---|---------------------|-------------|---------------|-------------------|
| 1. Total Fertility Rate. Average of USAID-assisted USAID-Assisted | 1996 | 1998 | 1998 | 1996-1998 |
| Sub-Saharan Africa | 5.8 | 5.65 | 5.57 | -2.59 |
| Asia/Near East | 3.4 | 3.26 | 3.26 | -4.12 |
| Europe/Eurasia | 1.75 | n/a | n/a | n/a |
| Latin America/Caribbean | 2.89 | 2.76 | 2.77 | -4.50 |
| <i>Targeted percent change 1996-98: -4.00%</i> | | | | |
| 2. Under-5 Mortality Rate. USAID-Assisted | 1996 | 1998 | 1998 | 1996-1998 |
| Sub-Saharan Africa | 161 | 157 | 153 | -2.48 |
| Asia/Near East | 99 | 91 | 94 | -8.08 |
| Europe/Eurasia | 48 | 48 | 46 | 0.00 |
| Latin America/Caribbean | 52 | 48 | 49 | -7.69 |
| <i>Targeted percent change 1996-98: -5.00%</i> | | | | |
| 3. Percent births attended by medically-trained personnel. USAID-Assisted | 1996 | 1998 | 1998 | 1996-1998 |
| Sub-Saharan Africa | 40.4 | 40.2 | 41.62 | -0.50 |
| Asia/Near East | 35.3 | 37.7 | 36.37 | 6.80 |
| Europe/Eurasia | 87.3 | 88.1 | 89.94 | 0.92 |
| Latin America/Caribbean | 76.1 | 78.2 | 78.40 | 2.76 |
| <i>Targeted percent increase 1996-98: 3.00% (1.5% per year)</i> | | | | |
| 4. Percentage of reported condom use in casual relations disaggregated by gender. | | | | |
| <i>Note: Sufficient country-level data not available for condom use indicators. See IMPACT/Behavioral Surveillance tables in annex B.</i> | | | | |
| 5a. Deaths from infectious diseases of major public health importance per 100,000 population USAID-Assisted | 1998 | 1999 | Target | 1998-99 |
| World | 1,873 | 1,904 | na | 0.69 |
| Africa | 6,101 | 6,740 | na | 10.46 |
| The Americas | 678 | 682 | na | -7.37 |
| Eastern Mediterreanean | 2,290 | 2,207 | na | -5.81 |
| Europe | 641 | 502 | na | -30.11 |
| South-East Asia | 2,653 | 2,705 | na | 2.00 |
| Western Pacific | 743 | 634 | na | -14.67 |
| 5b. Estimated deaths from infectious diseases of major public health importance | 1998 | 1999 | 1998 | 1998-99 |
| World | 11,024 | 11,353 | na | 1.98 |
| Africa | 3,671 | 4,155 | na | 13.15 |
| The Americas | 544 | 554 | na | -6.12 |
| Eastern Mediterreanean | 1,085 | 1,072 | na | -3.48 |
| Europe | 557 | 437 | na | -29.86 |
| South-East Asia | 3,940 | 4,079 | na | 3.60 |
| Western Pacific | 1,227 | 1,057 | na | -13.86 |

Continued . . .

E. Performance Table (continued)

Notes on FY2000 Annual Performance Tables - Population, Health and Nutrition

1. Total fertility rates from US BUCEN *International Database*, estimates updated May 2000. These are estimates. The revised FY2000 two-year target is based on the revised baseline with a 4 percent reduction (assumes a 20 percent reduction over 10 years).

2. Under 5 mortality rates from US BUCEN *International Database*, estimates updated May 2000. These are estimates. The revised FY2000 two-year target is based on the revised baseline with 5 percent reduction (assumes a 25 percent reduction over 10 years).

3. Births attended. Regional averages are based on analysis of DHS and CDC survey data of 49 USAID-assisted countries. Original study was included in PHN 1999 Child Survival Report. Source of DHS data is Macro International and G/PHN. Baseline are estimates at 1996. The latest data is 1998. The revised FY2000 target is based on the revised baseline with an annual increase of 1.5 percent per year (as specified in the FYAPP 2000).

4. Condom use in casual relations. Data from various sources, primarily USAID funded Behavioral Surveillance Surveys. Insufficient data to produce regional averages at this time. Future data will be provided by USAID/PHN or derived from UNAIDS data.

5a-b. Deaths from infectious disease. Expressed as the number of deaths and number of deaths per 100,000 population. Data from WHO, *World Health Reports* 1999 and 2000. WHO estimates the number of deaths by disease for WHO regions only. Country-level data are not available for this indicator, therefore the incidence rates are by WHO region. European region includes industrial Europe and Americas include United States and Canada. For this report infectious diseases of major public importance include the following WHO disease classifications. Note that HIV/AIDS is not included and is addressed separately in the chapter.

- Respiratory Infections
- Tuberculosis
- Non-HIV Sexually transmitted diseases (STDs)
- Diarrhoeal infections
- Childhood diseases
- Meningitis
- Hepatitis
- Malaria
- Tropical Diseases
- Leprosy
- Dengue
- Japanese Encephalitis
- Trachoma
- Intestinal Infections
- Other infectious diseases (1998 only)

Notes

¹“Children affected by AIDS” include those in households with sick or dying parents and those children orphaned by AIDS.



Strategic Goal 5: Protect the Environment For Long-Term Sustainability

5

A. Introduction

Environmental degradation threatens human health, undermines long-term economic growth, and impairs critical ecological systems upon which sustainable development depends. Careful management of natural resources and of the environmental impacts of rural and urban development is essential if investments in development are to yield sustainable benefits. Unpolluted and undegraded natural resources are required for long-term economic growth and food security. Clean air and water are prerequisites to people's health. Sustainable management of natural resources, energy resources, and urban areas relies on public-private partnerships, building upon public awareness through education and training. It crosses gender, culture, and class lines, stretching across the entire political spectrum. In the end, sustainable management is one of the keys to strengthening civil society.

USAID's fifth strategic goal is to protect the world's environment. Five objectives underpin the overarching Agency goal. Each objective is pursued through a defined strategy at the country, regional, and global levels.

1. Results Framework



2. What USAID Is Doing

To achieve this goal, USAID provides technical and financial assistance in close partnership with a range of development partners, including host-country governments, nongovernmental organizations (NGOs), other donors, the private sector, and international organizations. USAID focuses its efforts where the need is most pressing and where the Agency can have the most long-term impact.

USAID's approaches to addressing environmental problems vary according to the kind of environmental challenge and according to regional priorities. The **LAC** and **Africa** regions emphasize biological diversity and natural resource management programs. Both these regions contain threatened forests that, in many cases, are the last refuge for endangered species. In **Africa**, USAID has incorporated traditional community property rights in its community-based natural resource management. In the **ANE** and **LAC** regions, urban environmental problems such as clean water, sanitation, and air pollution are of particular concern. In the **E&E** region, programs concentrate on policy issues and strengthening environmental standards. Supporting the adoption of cleaner, more

efficient technologies for energy production is an integral part of these policy-related efforts, as is supporting industrialized urban applications of environmental practices, especially in the private sector. Figure 5.1 provides a summary of where the Agency worked in 1999, categorized by its strategic objectives, and is followed by an in-depth discussion of USAID efforts to safeguard the global environment.

3. Benefits to the American Public

The United States is affected directly by global climate change—the loss of biodiversity, the spread of pollutants, the use of toxic chemicals, and the decline of fish stocks in the oceans. Breathable air, nutritious food, and drinkable water are all dependent on regional and global natural systems that can be adversely affected by environmental degradation well beyond U.S. borders. Struggles over land, water, and mineral resources are often significant components of civil unrest and armed conflict, which can become serious threats to U.S. interests and require U.S. intervention for peaceful resolution. Resources spent on civil strife cannot be invested in improving the environment or any other productive endeavor.

The United States has among the best technology and most extensive experience in applying environmental law and management in the world. U.S. leadership and learning from others are both essential to resolving many global environmental problems and promoting environmentally sustainable economic growth.

4. Challenges

The past year has presented a number of challenges that threaten the global environment. Record temperatures

have been recorded in many parts of the world, and both climatic and man-made disasters made headlines. There were extensive floods in **India** and **Mozambique**, devastating forest fires in the United States, drought in **Africa**, and toxic spills and fish kills along the length of the Danube. These have taken their toll on lives and the planet's natural resources. World population continues to rise, and migration toward cities, often by those most lacking resources and skills, goes unabated. These trends continue to increase demands for scarce natural resources, efficient energy use, and a full range of basic municipal services.

B. Global Trends

USAID reviews and presents environmental trend data so that the Agency and the public can understand the context in which the Agency's environmental efforts take place. While USAID's previous plans targeted a 1 percent improvement each year in each of several areas, we do not intend to use these as direct measures of the Agency's performance, given the many variables at work in each country and the world. Agency programmatic performance targets are now set according to what can be achieved directly with the resources available, while also advancing the general trend in environmental quality. The indicators of country-level performance, however, are still valuable guideposts in the journey toward a healthy and sustainable environment. Country-level indicators show relative progress or lack of it. These indicators are based on criteria developed in cooperation with other major donor nations and international institutions and updated with data from national and international agencies recognized as authorities in each field.

Data now available to measure the environmental health of countries in 1999 reveal modest improvements in some

Figure 5.1. Agency Objectives by Operating Unit and Region

| Primay and Secondary Framework Links (FY 2002) | AFR | ANE | E&E | LAC | BHR | G | TOTAL (UNITS) |
|--|-----|-----|-----|-----|-----|---|---------------|
| Number with world environment objectives | 15 | 11 | 9 | 17 | 3 | 5 | 60 |
| Global climate change | 6 | 7 | 7 | 13 | 0 | 3 | 36 |
| Biological diversity | 10 | 5 | 2 | 13 | 2 | 5 | 37 |
| Sustainable urbanization/pollution | 2 | 9 | 4 | 10 | 0 | 5 | 30 |
| Environmentally sound energy | 0 | 6 | 8 | 7 | 1 | 3 | 25 |
| Natural resource management | 13 | 9 | 6 | 17 | 3 | 4 | 52 |

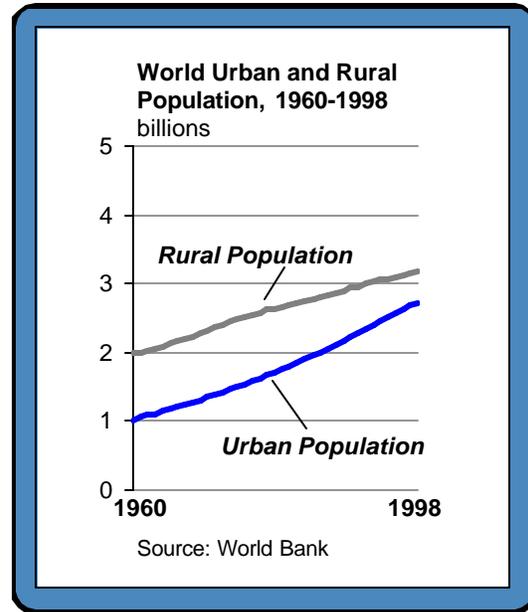
Note: Operating units may have more than one strategic objective.

aspects of the “health” of the global environment, although other declines continue. For example, there has been an increase in lands being protected by national governments (national parks, managed natural reserves, etc.) in all regions, except **Europe and Eurasia**. For USAID-assisted countries, there were significant increases above the Agency’s former annual target of 1 percent improvement for all bureaus, except **Europe and Eurasia (E&E)**. The average annual growth in protected areas was more than 4.5 percent for **ANE** countries and more than 2 percent for both **Africa (AFR)** and the **Latin America and Caribbean (LAC)** countries.

The net emissions of greenhouse gases have risen nearly 2 percent annually since 1992, but there are signs of hope. Although carbon dioxide (CO₂) emissions increased, CO₂ emissions on a per capita basis fell.

There have also been promising signs of increased use of renewable energy, although it remains a small proportion of the commercial energy used. Worldwide, the percentage in 1997 was 18 percent, while coal was 38, oil 9, natural gas 16, and nuclear 17. In 1999, for example, wind-turbine electrical energy surpassed nuclear in the amount of generating capacity installed. There were increasing contributions from other renewables as well, with new clean technologies such as hydrogen fuel cells on the near horizon.

USAID continues to explore direct and proxy measures to more carefully gauge environmental trends. The United States and the UN have acknowledged, for example, that GDP is not a perfect measurement of useful production, investment, or natural environmental services or capital. This year, for the first time, the Agencywide Environmental Indicator Team explored new indicators to better track the state of the environment for next year. The Environmental Sustainability Index (of Yale and Columbia Universities and others) and the “Genuine Domestic Savings (GDS) index” developed by the World Bank¹ to better monitor overall natural and human resource stewardship. The GDS estimates the economic value of natural and human resource stewardship of each nation. USAID also revised its current indicator to assess host-country commitment to sound national and international environmental programs to include regular reporting required under the Convention on International Trade in Endangered Species (CITES), the international treaty on trade in threatened species of wildlife. USAID is currently reviewing the parties’ own rating of implementing legislation adopted by each party to CITES and expects to review a new, 78-point “Wellbeing of Nations”² index for possible inclusion as well. The Agency continues to monitor global environmental trends and more accurate,



reliable, and meaningful measures of environmental performance.

USAID uses country-level indicators to understand the context in which it operates and to measure the progress of countries in sustaining environmental quality. The aim is to help countries make environmental progress and become more self-reliant in sustainable resource management and pollution control programs. In each of the major environmental areas in which the Agency works, USAID accomplishes specific tasks through policy dialogue, institution building, and other development activities. Annex B provides a list of development benchmark indicators and a table indicating country and regional progress toward meeting the indicators.

The Agency uses the following country-level indicators or clusters to assess countries’ environmental performance:

- Government commitment index, comprising environmental strategies developed, treaties ratified, and international reporting
- Nationally protected areas (total thousands of square kilometers and as a percentage of total land area)
- Carbon dioxide emissions per capita
- Urban population with access to safe drinking water (percentage of population)

- Urban population with access to sanitation services (percentage of population)
- Efficiency of energy use [gross domestic product (GDP) per unit of energy use]
- Total forest area (annual percentage change and in hectares)

GOVERNMENT COMMITMENT

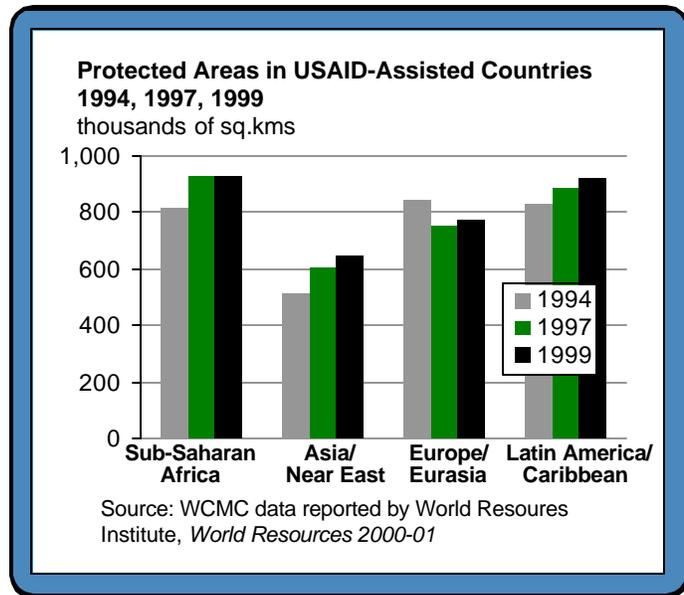
During the previous year, various environmental treaties, with host-country policy implications critical to achieving USAID's environmental goals, went through the ratification or accession phase of treaty approval in several USAID-assisted countries:

- **Nicaragua** recently ratified the Law of the Sea Treaty.
- **Angola, Belarus, and Kyrgyzstan** ratified the United Nations Framework Convention on Climate Change.
- The Vienna Convention for the Protection of the Ozone Layer and the related Montreal Protocol on Substances that Deplete the Ozone Layer went through the ratification or accession phase in **Albania, Angola, Armenia, Haiti, and Kyrgyzstan**.
- During the previous year, **Ukraine, Kazakhstan, Slovenia, Croatia, and Macedonia** all ratified CITES.

The year 1999 also saw several countries complete National Environmental Action Plans (NEAPs) sponsored by the World Bank and supported by USAID. These include **Namibia, Malawi, Tanzania, and Eritrea**. Nine other countries have plans in development (**Armenia, South Africa, Kazakhstan, Uzbekistan, Vietnam, the Dominican Republic, Zimbabwe, Ecuador, and Paraguay**) to establish or revise NEAPs.

PROTECTED AREAS

For USAID-assisted countries, recent 1999 data updates from the World Conservation Monitoring Center measure the change in the number and size of nationally protected areas. **Mongolia** added 118 thousand square kilometers (about 46 thousand square miles) of protected areas in the past year. On the other hand, there were decreases in **Morocco, Cambodia**, and a large 25 percent decrease in



Vietnam. Since 1994, **Angola** and **Mozambique** added 103 thousand square kilometers (about 40 thousand square miles). From 1994 to 1999, **Mexico's** protected areas decreased by a third, but there were large increases in **Bolivia** and **Brazil**. **Russia** reduced by one quarter its protected area from 1994 to 1997, but regained a small amount by 1999.

Since 1994, USAID-assisted countries had an annual increase of 1.7 percent in protected areas, which considerably exceeds the former 1 percent per year goal. In contrast, the total amount of protected area globally has increased slightly since 1994, by an average of 0.66 percent annually.

USAID-assisted countries had nearly three times the rate of increase in nationally protected areas as did the world at large.

CARBON DIOXIDE (CO₂) EMISSIONS

USAID had previously targeted an annual decline in per capita CO₂ emissions of 1 percent. New data on emissions through 1997 from the Carbon Dioxide Information and Analysis Center [U.S. Department of Energy (DOE)] allowed us to make an assessment of progress.

Since 1990, **Nigeria, Liberia, and the Democratic Republic of the Congo** (DRC, formerly Zaire) all decreased their emissions. These declines were in large part a result of economic and political instability, rather than environmental progress. **South Africa's** CO₂ emissions account for 70 percent of emissions of all USAID-assisted countries in **Africa**—with just under 7.8

metric tons per capita in 1997, it is by far the highest in the region, whereas in 1995 it had been 7.86.

In **Asia and the Near East**, all USAID-assisted countries (except **Mongolia**) have increased CO₂ levels during the decade. Regionally, the average is an annual growth of 6.4 percent. More than two thirds of CO₂ emitted from these countries originates in **India** (58 percent) and **Indonesia** (14 percent), both with more than 6 percent annual growth. Currently undertaking an increase in coal production and use with loans from the World Bank, India's per capita CO₂ emissions level increased from 0.98 to 1.07 metric tons from 1995–97, again accounting for most of the regional per capita increase. Only **Mongolia** and **Cambodia** met the target of a 1 percent decline in per capita CO₂ emissions.

One limitation of this measurement that the reader should note is that it could appear to reflect well on countries that have decided to use large hydroelectric dams or nuclear power plants and have thus avoided some of the CO₂ emission problems, but have invited other problems instead. Thus this measure is to be used with an understanding of the ramifications of each choice.

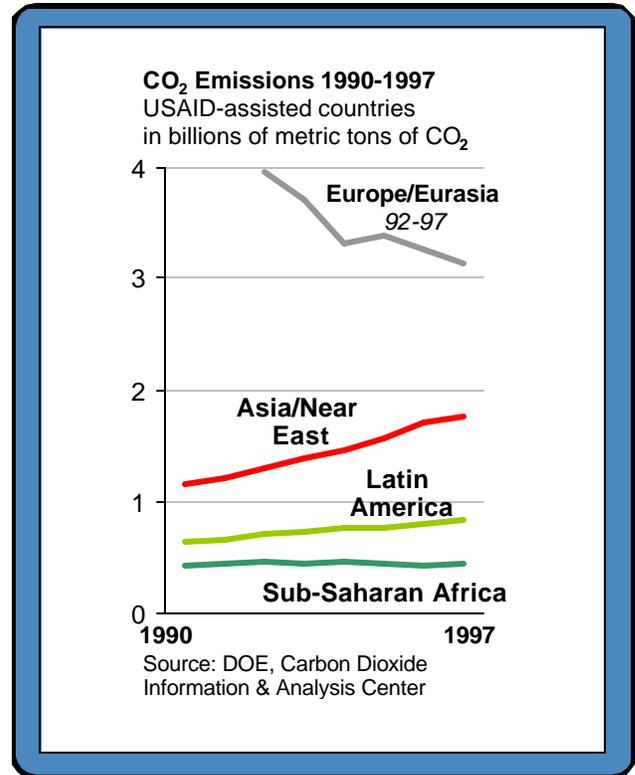
URBAN ACCESS TO SAFE WATER AND SANITATION SERVICES

Data for these indicators are not updated on an annual basis; however, trends that are important to consider are reported by the World Bank, using WHO data at the country level. During the early to mid-1990s, there were significant increases in the percentage of urban populations in **sub-Saharan Africa** with access to safe drinking water in **Benin, Ghana, Mali, Malawi, Rwanda, and Senegal**. Decreases were reported in **Kenya, Angola, Guinea, and Zambia** during the same period. Since 1995, WHO has updated data for **Ghana, Malawi, Mali, and Senegal**—all showing increases. New data on urban access to sanitation services were less available in 1999.

GDP PER UNIT OF ENERGY USE

To measure energy efficiency, USAID tracks the value of GDP output per each unit (kilograms of oil equivalent) of commercial energy used to produce the output. A higher ratio indicates that the production process is more energy-efficient.

From 1994 to 1997, **Ethiopia, Ghana, Mozambique** and **Zimbabwe** all increased their GDP-to-energy ratio significantly, and the **South Asian** economies of **Nepal, Bangladesh, and India** had modest increases. **Jordan's**



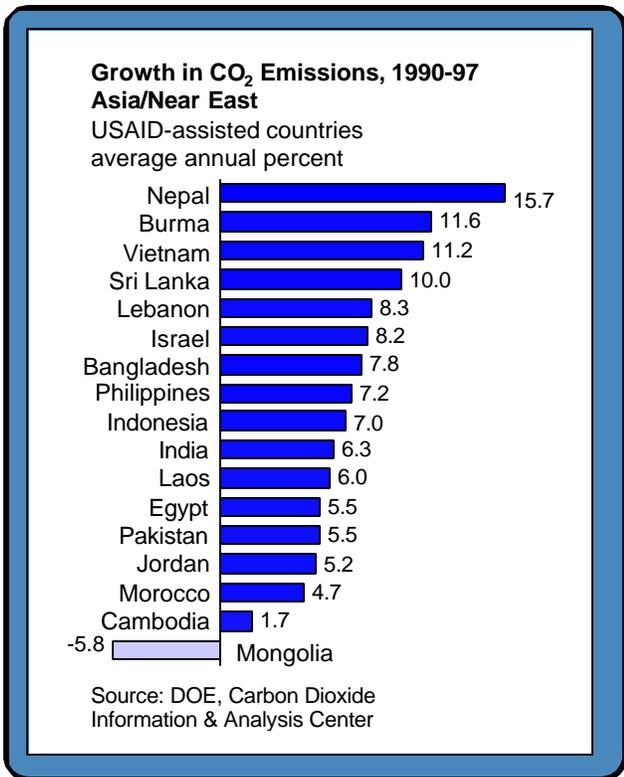
annual efficiency ratio increased by 8 percent. **Colombia, the Dominican Republic, Mexico, and Nicaragua** also saw increases, whereas **Bolivia** and **Jamaica** had declines in this ratio. **Georgia, Turkmenistan, and Kazakhstan** all experienced annual increases of more than 10 percent. Most other countries in **Eastern Europe** and the **former Soviet Union** saw increases in the ratio, but much of this is attributable to economic depression leading to less energy use generally and not increases in energy efficiency as such.

FOREST AREA

Trends in deforestation or in increasing forest cover (called “aforestation”) are important to understand because forests provide many services and goods essential to development and life itself. The Food and Agriculture Organization is in the process of completing its *Forest Resources Assessment 2000*, which will include updated forest area data. The results are not yet available.

C. Agency Interventions

This section discusses the performance of USAID programs under the environment goal, drawing on the assessments of performance by Missions and other operating units. It highlights the five environment objec-



tives and describes the approaches that the Agency uses to accomplish these objectives. It provides examples of results achieved through USAID efforts undertaken around the globe, discusses lessons learned from programs that failed to meet expectations, and notes plans for further progress. Finally, this section discusses USAID collaboration with other donors and development partners.

1. Program Objectives/Approaches

USAID seeks to protect the environment for long-term sustainability around the world through programs directed at five broad objectives:

- The threat of global climate change reduced
- Biological diversity conserved
- Sustainable management of urbanization, including pollution management improved
- Proportion of environmentally sound energy services increased

- Sustainability of natural resources management increased

Self-Assessment of Performance by Missions And Other Operating Units

The Global and **E&E** bureaus have met 100 percent of their objectives. The **LAC** and **ANE** bureaus have made similar progress, meeting 96 percent (23 out of 24 SOs) and 95 percent (19 out of 20 SOs), respectively, of their environmental objectives. Finally, the **Africa** bureau has met 89 percent of its objectives (8 out of 9 SOs). The Agency is proud of this remarkable achievement and is pleased with its operating units' performance, both in the field and in Washington.

a. USAID Objective: "Biological Diversity Conserved"

USAID pioneered and now supports one of the most comprehensive biodiversity conservation programs of any bilateral donor. The Agency has contributed to safeguarding biological diversity through its efforts to

- 1) improve the management of biologically significant areas,
- 2) promote the sustainable use of biological resources, and
- 3) support the conservation of genetic diversity.

Examples of USAID Program Results

In FY 1999, the Agency launched the \$33 million Global Conservation Program. Jointly funded by USAID and leading private conservation organizations, this program addressed threats to 18 biologically rich sites around the world, notably the Himalayas of **Nepal**, the Amboseli-Kilimanjaro region of **East Africa**, the Amazon, the Bering Sea, and the forests of the Lower Mekong River. This new program represents an innovative partnership with organizations such as the World Wildlife Fund, The Nature Conservancy, and Conservation International. Once the program matures to the point where it can produce results, it will be measured against already established baselines.

In **Botswana**, USAID's efforts over many years to promote community-based natural resource management (CBNRM) are bearing fruit. Africa's largest herd of elephants is found in the Chobe Enclave and the surrounding Chobe National Park in Botswana. Communities

surrounding the park had been until recently only bearing the costs of living so close to wildlife without reaping any monetary benefits. In 1989, the government of Botswana chose this area as a pilot project for USAID. With support from USAID, the Chobe Enclave Conservation Trust (CECT), comprising five surrounding villages, was established to manage the area. In 1999, the CECT partnered with a safari firm to enable local communities to profit from the conservation of the area's biodiversity. Between 1999 and 2004, the CECT share of revenue generated from safari activities will be about \$1 million. The CECT will then use these finances to fund village infrastructure and fledgling businesses. This CBNRM program thus provides local communities an important incentive to conserve their rich biodiversity.

Peru and USAID established a \$24 million fund under the Americas' Fund to support conservation, preservation, and protection-type activities. USAID support has stimulated adoption of an array of environment and natural resource institutional and policy-related laws, regulations, and procedures. This has resulted in a policy shift away from traditional mitigation strategy to one where industrial pollution is reduced at the source.

Program(s) Failing to Meet Expectations

In **Zimbabwe**, USAID has supported the Communal Areas Management Program for Indigenous Resources (CAMPFIRE) since 1989. FY 1999 targets for this program were not met because of unexpected losses of key staff. CAMPFIRE was 12 percent short of its revenue target of \$2,200,000. The Agency is aware that staff retention can be a problem for any program and makes every effort to plan accordingly. Generating income for local communities, predominantly through fees from sport hunting, is a key component of the program. The cumulative total generated during the past decade is more than \$13 million. Half of this total has been channeled into local communities as cash dividends to households or for community development projects. Wildlife population surveys indicate that key indicator species such as water buffalo and elephant populations have remained stable or increased. However, the Agency is aware of the need to review activities such as CAMPFIRE's in the light of increased poaching and habitat management challenges in some areas of Zimbabwe.³

b. USAID Objective: “The Threat of Global Climate Change Reduced”

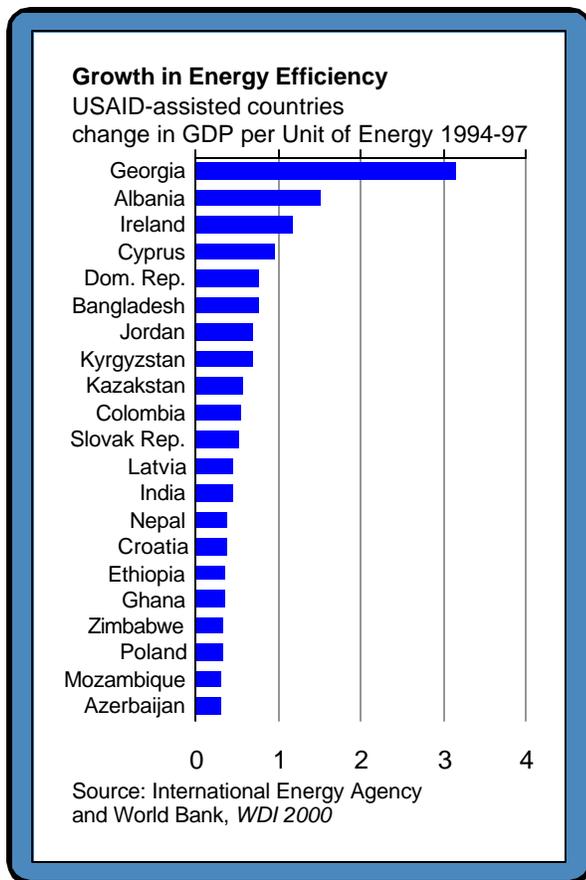
USAID's \$1 billion Climate Change Initiative: 1998–2002 expands the Agency's efforts to help USAID-assisted countries 1) reduce net greenhouse gas emissions, 2) reduce vulnerability to the threats posed by climate change impacts, and 3) increase participation in the United Nations Framework Convention on Climate Change. Agency activities in facilitating environmentally benign energy services and its forestry and land use activities also contribute to the goals of the Initiative.

Examples of USAID Program Results

One of the major components of the Agency's Climate Change Initiative is its involvement in Technology Cooperation Agreement Pilot Project (TCAPP)—an interagency program with the Department of Energy and the Environmental Protection Agency. Designed to assist the United States in meeting its obligations under the United Nations Framework Convention on Climate Change (UNFCCC), TCAPP facilitates international investment in clean energy technologies. In FY 1999, TCAPP implemented 10 major investment activities and events worldwide, including business matching programs, private-sector solicitations, policy reform actions, prefeasibility studies, and donor meetings. One notable program in FY 1999 helped develop regional technology priorities for the Southern African Development Community.

The Agency's work in **Ukraine** exemplifies its efforts to increase participation in key climate change negotiations. Through its Climate Change Initiative, the Agency provided technical assistance to help the formation of an Inter-Ministerial Committee for the Implementation of the UNFCCC and the timely submission of Ukraine's National Communication to the UNFCCC Secretariat. Ukraine's election to the Vice Presidency of the Conference of Parties confirms Ukraine's active participation in the international response to global climate change.

In the **Philippines**, the Agency's global climate change strategy is to mitigate greenhouse gas (GHG) emissions from the power sector by expanding the use of clean fuels and promoting more efficient electricity generation, distribution, and consumption. The goal is to avoid the release of some 20 million metric tons of carbon dioxide (CO₂)-equivalents into the atmosphere by 2002 while maintaining energy production. By promoting a cleaner fossil fuel (natural gas) as an alternative to coal, this



reduction in CO₂-equivalents will be achieved in 2002 when the natural gas-fired power plants become operational.⁴

Program(s) Failing to Meet Expectations

According to the self-assessments conducted by Missions and other operating units, all programs met or exceeded performance expectations.

c. USAID Objective: “Sustainable Management of Urbanization, Including Pollution Management, Promoted”

USAID works with cities around the world to improve the living conditions of the urban poor and to protect the environment through reducing pollution, saving energy, and improving waste management. The Agency also works directly with municipalities to enhance their ability to deliver environmental services. Promoting partnerships with the private sector to reduce pollution and manage

waste treatment is another important component of USAID’s approach in cities.

Examples of USAID Program Results

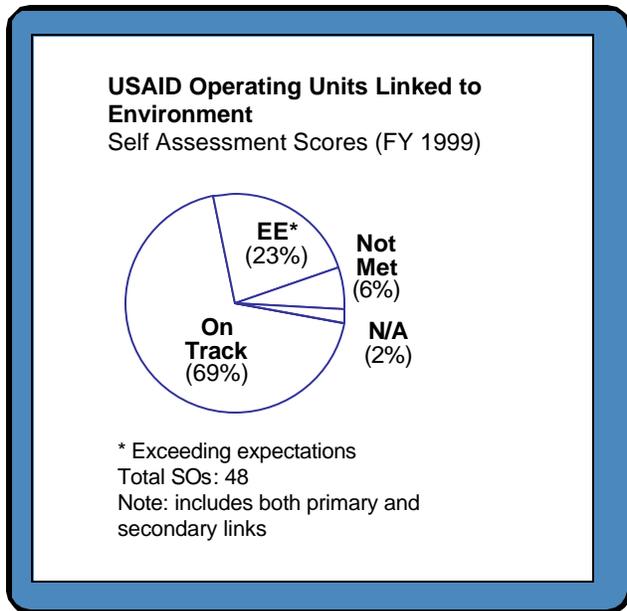
Working through its Regional Urban Development Offices (RUDOs), the Agency reached 150 municipalities and national associations of municipalities during FY 1999. In **Indonesia**, for example, the focus was on “twinning” the goal of delivering environmental services with job creation. Approximately 1,700 labor-intensive infrastructure projects were developed. In cooperation with the World Bank, 50 million person-days of work are expected to be generated in East and West Java, which will both employ locals and provide much needed improvements in access to water, shelter, and sewage facilities. In **Morocco**, Agency efforts to strengthen local government and help it become more responsive to environmental problems made demonstrable progress. Local government officials met the need for wastewater treatment in the Al-Attaouia region through the construction of a cutting-edge treatment plant. The 15,000 residents of this region will no longer suffer the health, aesthetic, and environmental effects of the release of untreated wastewater in their neighborhoods.

Using the new Development Credit Authority (DCA) for the Agency’s urban lending effort has led to impressive accomplishments in FY 1999. In **South Africa**, 22,000 previously neglected households were provided with access to basic services. In

Poland, a recently completed eight-year program generated a hundred thousand homeownership loans from 20 commercial banks. PROMUNI, a municipal infrastructure finance program in **Central America**, also recently came to an end, having helped 867,490 families through improved infrastructure. These efforts improved the access to clean sanitation and water and the environment of the communities.

Program(s) Failing to Meet Expectations

In some cases, factors beyond the Agency’s control can hamper meeting activity goals. In **Ecuador**, for example, USAID helped create and worked through an NGO, Oikos, to improve the capacity of selected public and private institutions to prevent pollution. However, many industrial firms went out of business during Ecuador’s serious political and economic crisis. This prevented the program from meeting all its goals. No major adjustments will be made to the activity at this point, because it ended in September 2000. The primary focus now will be to ensure the sustainability of past efforts. Oikos should be



well placed to continue its work beyond USAID support once the crisis in Ecuador ends, because it has been able to attract funding from other donors.

d. USAID Objective: “Use of Environmentally Sound Energy Services Increased”

USAID energy programs assist countries by 1) promoting energy-sector reform, 2) establishing free market policies, 3) instituting improved energy standards, and 4) strengthening institutions that enhance energy development through private-sector participation. In addition, USAID provides training and technical assistance to encourage legal and regulatory reform, institutional development, and private investment in energy infrastructure.

Examples of USAID Program Results

In **Ghana**, the Agency secured a \$1.5 million grant from the Africa Trade and Investment Program in FY 1999 to assist the Economic Community of West African States (ECOWAS) to develop training and technical assistance for the West African Gas Pipeline Project—a \$1.8 billion U.S. public-private venture currently in development. This assistance has improved the capacity of energy officials in **Nigeria, Togo, Benin, and Ghana** to negotiate a commercially developed and managed project with private-sector pipeline partners. Expected benefits include greater availability of natural gas to meet **West Africa’s** regional energy needs, better access to electricity, and a 10

percent reduction in greenhouse gas emissions from the flaring of natural gas in Nigerian oil fields.

Program(s) Failing to Meet Expectations

In **Egypt**, the Agency is working to increase the number of vehicles using compressed natural gas (CNG) as a fuel, thus reducing automobile air pollution. Although ambitious 1999 targets for CNG conversion were not met, the current rate of conversion, facilitated through the import incentives of the U.S. Commodity Import Program, suggests that FY 2000 targets will be reached.

e. USAID Objective: “Sustainable Management Of Natural Resources Increased”

The Agency’s natural resource programs include 1) improved management of coastal zones, forests, and water resources; 2) increased use of sustainable agricultural practices; 3) enhanced public and community awareness of natural resource sustainability issues; and 4) improved policy environment and use of economic and financial incentives.

Examples of USAID Program Results

In FY 1999, an additional 12 million hectares, primarily in **Latin America** and **Indonesia**, were brought under improved management through Agency efforts. More specifically, the coastal zone of an entire province in **Indonesia**, 19 new community forest districts in **Nepal**, and a large expanse of the Pantanal wetlands in **Bolivia** were added in FY 1999.

In **Nepal**, working with the government and groups of farmers in FY 1999, USAID facilitated the transfer of irrigation management to water users associations (WUAs) composed of farmers. The West Gandak Irrigation System WUA saw its budget, generated through irrigation service fees, increase an astounding 56-fold over three years. The improved irrigation has led to increased farmer incomes from crop production and other home activities promoted by USAID, such as kitchen gardens. Replicability of this project is expected over much of Nepal’s *terai* region, as 68,000 hectares of government-managed irrigated systems are being transferred to private farmers’ groups during the next few years.

Mapping traditional lands and monitoring their resource use is a relatively recent practice. It is seen as an effective

tool to institute participatory decision making within the community and raise awareness of environmental threats and ways to conserve resources. For example, in **Indonesia**, villagers used information generated by a recent mapping exercise to expel a logging concession from community-owned lands. Similarly, in another village, citizens prevented the entry of an oil palm plantation into their ancestral lands.

Another USAID approach involves raising community awareness of environmental issues through the use of the mass media. In **Egypt**, for example, the Agency disseminated information on environmental issues, using print, television, and radio, reaching approximately 32.9 million persons, twice as many persons in FY 1999 as in the previous year.

In **Peru**, through USAID-funded technical assistance, viable and environmentally sound economic alternatives to coca farming are being developed. Already, there are more than 8,000 participating Andean coffee farmers who receive a premium price in return for quality beans and other crops destined for the U.S. and Lima markets. As a result of the removal of key constraints to on-farm production, USAID is now expanding into “hard core” coca-producing areas, helping to reduce the supply of cocaine destined for the United States.

Program(s) Failing to Meet Expectations

According to the self-assessments conducted by Missions and other operating units, all programs met or exceeded performance expectations.

2. Collaboration With Other Donors and Development Partners

The ability of USAID to achieve its long-term goals is affected by the actions of other agencies and donors. USAID worked with these agencies and U.S. donors in FY 1999, in international settings and in the countries where USAID and other donors have programs.

U.S. AGENCIES

The contributions of other U.S. government agencies to international development are among the least appreciated aspects of development. For example, the international programs of the U.S. Department of Agriculture (USDA) provide assistance in food security and emergency relief efforts, as well as sustainable forestry, soil conservation,

and agriculture. The USDA also helps USAID by supporting, training, and helping to recruit temporary staff. Through a partnership with the U.S. Department of Commerce, USAID’s U.S.–Asia Environmental Partnership maintains 15 offices in **Asia** that promote the transfer of environmentally beneficial technologies to developing Asia, and similar work is done with the Departments of Commerce and Energy in other regions. In addition, the State Department’s Office of Oceans, Environment, and Science and the international offices of the U.S. Fish and Wildlife Service (USFWS), the Environmental Protection Agency (EPA), and numerous other U.S. government agencies and their counterparts in other countries support and complement USAID’s efforts to present a complete package of environmentally responsible development assistance. Another partner is the small environmental staff of the Treasury Department’s Office of Multilateral Development Banks, which must review many assistance proposals each year from each of these financial institutions and take into account the information provided by USAID and other agencies in evaluating those proposals.

OTHER DONOR COUNTRIES AND ORGANIZATIONS

It is critical that all donor countries benefit from the knowledge of their counterparts and work together with a common understanding of development goals. To help, USAID officials meet regularly with representatives of other donor nations to compare priorities and progress. Leading donor nations include not only those developed nations that give large amounts but also others who give generously of their experience and expertise. The Organization for Economic Cooperation and Development is a group of developed nations whose development officials cooperate in information, policy, and program matters. Of course, each nation makes its own final decisions concerning whether and how to grant or receive bilateral assistance, as contrasted with the more complex nature of multilateral aid. USAID’s U.S.–Asia Environmental Partnership is a leading example of a multipartner operation working closely with NGOs, businesses, multilateral donors, and governments to advance environmental protection and economic efficiency at the same time.

NGOs, ACADEMIC INSTITUTIONS, STATE AGENCIES, AND PROFESSIONAL ASSOCIATIONS

Private voluntary organizations (PVOs) and NGOs often lead the way in highlighting emerging problems and sparking new initiatives. These range from the World Wildlife Fund and the World Resources Institute to the Center for International Environmental Law. World Watch studies global trends, while the World Resources Institute

publishes *World Resources*—a comprehensive and authoritative country-specific database. Colleges and universities also play active roles to support USAID’s environmental objectives through their schools of agriculture, forestry, natural resources, environmental, and international affairs; in regional or country specialties; and in general development analysis. For example, the Yale–Columbia Sustainability Ratings, now being considered by USAID, emerged out of a joint effort between those two schools and others to track the implementation of conservation treaties and other elements of environmental stewardship. The Agency mobilizes the regulatory and environmental experience of U.S. states to address Asia’s environmental problems through the U.S.–Asia Environmental Partnership’s programs with the Council of State Governments, the National Association of State Development Agencies, and the California Environmental Protection Agency. In order to reach larger audiences and leverage state-of-the-art professional expertise, the Agency also partners with professional associations such as the International City/County Managers Association, the Air and Waste Management Association, the Water Environment Federation, and the American Consulting Engineers Council.

BUSINESSES

USAID’s programs such as ecosystem conservation, urban sanitation, and coastal resource management help protect the viability and competitiveness of the tourism industry, which for example represents 31 percent of GDP and 25 percent of total employment in the **Caribbean** region. U.S. business interests linked to tourism would be jeopardized if environmental degradation were to continue unabated; therefore, USAID works in the **LAC** region with the Caribbean Hotel Association and the U.S. Chamber of Commerce in promoting environmentally sound investments to ensure sustainable growth in tourism. USAID works closely with U.S. and regional industry associations, other U.S. government agencies (e.g., the Departments of Commerce and Energy), and U.S. Chambers of Commerce in linking U.S. suppliers of environmental technologies with regional industries and communities needing them.

U.S. consumers are increasingly demanding products that have been produced and processed in environmentally friendly ways. USAID works closely with U.S. industry associations in developing and accessing U.S. markets for **LAC** producers of ecocertified products such as sustainably produced timber (from **Bolivia** and **Central America**) and shade-grown coffee (from **Mexico** and **Central America**).

Many of USAID’s environmental investments (sustainable stepplands agriculture, forest management, and protected

areas management) in **LAC** help to reduce the vulnerability of economies and U.S. business investments to natural disasters. These include high-value export agriculture and shrimp aquaculture in **Central America**, as well as tourism in the **Caribbean**. Therefore, USAID is collaborating with the U.S. Department of Commerce and the American Forest & Paper Association in implementing a reforestation initiative in **Honduras** in the wake of Hurricane Mitch. USAID is also developing a Memorandum of Understanding with the Specialty Coffee Institute and with the American Cocoa Research Institute to collaborate in promoting environmentally sound, small landholder coffee and cacao production in a number of developing countries, including **Brazil, Guatemala, Haiti, Honduras, and Peru**.

NEW INSTITUTIONS

Joint government and nongovernment initiatives from the International Union for the Conservation of Nature to the Global Invasive Species Program play leading roles in environmental measurement, which helps prevent losses in biological diversity, keep water clean, and protect ecosystems.

A fairly recent financial “hybrid” institution is a type of publicly supported conservation foundation with a board of directors comprising NGOs and government representatives. In FY 1999, USAID was involved in a coordinated effort with the Nature Conservancy and others to help establish and assist foundations in the developing world with an emphasis on conservation. In September 2000, for example, the first foundation was formally established under the Tropical Forest Conservation Act. It will support forest conservation work in **Bangladesh**. Its small secretariat staff will be housed in USAID, but answer to a joint public–private board of directors. The Agency will report on its progress next year.

UNITED NATIONS AND MULTILATERAL DEVELOPMENT BANKS

On the global scene, several major institutions carry out developmental roles affecting the environment. These include development and environmental agencies such as the United Nations Development Program (UNDP) and the United Nations Environment Program (UNEP). Secretariats of the major treaties or conventions also help their parties develop the capacity to implement their legal commitments on the ground.

While expertise is available from many quarters, large loans and grants are available only from a much smaller set of institutions. The largest of these are the international

financial institutions and multilateral development banks (MDBs) such as the World Bank and the regional development banks.⁵ Within the World Bank complex is the relatively small Global Environment Facility, designed to fund projects to help implement conservation treaties. Together these institutions provide more funds for development projects and institutional development than USAID or any other bilateral aid agency can do alone. The Agency and the MDBs communicate with each other concerning environmental plans and in certain cases collaborate directly. For example, the U.S.–Asia Environmental Partnership (US–AEP) worked with the Asian Development Bank (ADB) in a professional review and discussion of the ADB’s Asian Environmental Outlook, and the ADB joined US–AEP in supporting the Asian arm of the Greening of Industry Network (GIN). GIN–Asia, created with US–AEP support, is an ongoing forum to promote environmentally sustainable industrial activity through corporate environmental management. US–AEP and the ADB have also partnered on the annual Mayor’s Asia–Pacific Environmental Summit and work collaboratively on air quality issues in Asia. MDBs and USAID are both supporting improvements that complement each other in sewage treatment and drinking water treatment and a variety of similar pollution control services.

In FY 1999 and FY 2000, USAID continued, in cooperation with other agencies, to actively review and prepare reports to Congress on proposed MDB actions and to make recommendations to Treasury and Congress designed to help make the MDB lending more environmentally sound. These recommendations are based on USAID’s environmental goals and are consistent with U.S. government policy. For example, after seeking the advice of other expert U.S. agencies, USAID recommended that tankers transporting oil from the proposed Chad–Cameroon pipeline be required to comply with best practices and exchange ballast water on the high seas so as not to bring nonnative organisms from one coastal ecosystem to another. Such “invasive species” can enter new ecosystems where they have no natural enemies and can do great harm.

3. Future Plans

USAID plans to continue its environmental efforts in a similar direction during the next two years. At the same time, the Agency is sharpening its focus and taking on three bold new initiatives in biodiversity conservation, climate change, and global water scarcity. The Agency is also making refinements to support these initiatives on a regional basis.

NEW INITIATIVES

- *Biodiversity Initiative.* Supporting the Biodiversity Initiative of the Administration is a high priority for USAID. In response to the Administration’s request for biodiversity programs, Congress directed USAID to provide not less than \$100 million in FY 2001 for USAID biodiversity programs. USAID recognizes that given limited financial resources, biodiversity “hotspots” around the world should be a priority. USAID will pursue conservation and tropical forest management wherever possible in all geographic regions with threatened habitat and species, including border regions and countries where there is no USAID field Mission, in cooperation with NGOs. This further aligns Agency priorities to those recommended by the Congress. USAID will also focus on opportunities to leverage better policy and performance with its development partners such as the MDBs in conserving biodiversity.
- *Climate Change Initiative.* USAID’s Global Environmental Center plans to expand its efforts on the Agency’s Global Climate Change (GCC) Initiative, including strengthening Missions’ participation in GCC programs. One key activity will be to launch a special climate change incentive fund, offered to USAID Missions with innovative projects promoting GCC objectives. USAID will also seek to play a more meaningful role in international negotiations and technology transfer activities such as TCAPP. The Agency also intends to participate in an Administration initiative aimed at addressing developing country climate change adaptation needs through technology transfer and capacity building. This initiative will result in a needs assessment and several climate change adaptation demonstration projects.
- *Global Water Scarcity Focus.* USAID is leading a concerted effort to focus world attention on the looming global water crisis. The Agency will continue to promote integrated water resource management as the most promising approach to respond to water shortages and excesses, water pollution, and the need for improved management. As part of this effort, USAID has been actively engaged in the World Water Forum with the U.S. Department of State and other agencies. In late FY 2000, the ANE and Global Environmental Center Water Team sponsored a water workshop in **Egypt** for environmental officers from the ANE region. Entitled “Decentralization and Public–Private Partnerships for Improved Water Management,” the workshop

serves as a pilot to a more ambitious, global effort now targeted for summer FY 2001 to educate USAID staff and partners about water challenges and solutions.

REGIONAL REFINEMENTS

In FY 2001 and 2002, the **LAC** bureau plans to advance biodiversity conservation, natural resources management, urban and industrial environmental management (pollution prevention), sustainable energy, and climate change mitigation through 14 bilateral and 4 regional programs. To be effective, environmental programs must engage other sectors (e.g., local governance, business development, and health); and **LAC** will increase its efforts to strengthen cross-sectoral collaboration. Stronger partnerships will be established or reinforced with multilateral development banks, bilateral donors, and the private sector to mobilize technical and financial resources during the next few years.

Central America regional programs will continue support for improved environmental regulatory frameworks, transboundary coastal marine resource management, conservation of a Meso-American Biological Corridor, cleaner industrial production, sustainable forest management, and transboundary watershed management. The **LAC** regional Parks in Peril program will address critical threats to select transboundary ecosystems with regional and/or global biological significance, in addition to improved management at key national protected areas. The new regional **Caribbean** program (Eastern Caribbean focus) will employ a ridge-to-reef integrated resource management orientation to conserve coral reef ecosystems, address land-based pollution, and ensure more sustainable use of natural resources. The regional U.S.–LAC Environmental Partnership program is designed to spark public–private collaboration on forestry, water, industrial cleaner production, and trade-related environment issues.

Protected area management will remain a major emphasis of **LAC** programs, given the importance of these ecosystems for biodiversity, local livelihoods, economic development, and environmental services. Forest management programs will focus in six priority countries (**Brazil, Bolivia, Ecuador, Peru, Guatemala, and Honduras**). USAID will also undertake a comprehensive assessment of its investments in natural forest management during the past 15 years to identify lessons learned and successful replicable approaches. Work with industry associations and governments will promote industrial cleaner production in **Andean** countries, with new industrial pollution prevention initiatives to be launched in

Central America. Energy efficiency, renewable energy, and clean energy efforts will also be supported in **Central America, Brazil, and Mexico**.

USAID's new \$50 million South Asia Regional Initiative/Energy Program (SARI/Energy) works to ensure that **South Asia** has sufficient "clean" energy for continued economic growth. This regional initiative will promote cooperation and trade in clean energy, natural gas, and renewable energy sources among **Bangladesh, India, Nepal, and Sri Lanka**. This initiative should have far-reaching economic, development, and security benefits. Its performance will be tracked carefully, and baseline data are being established. The Agency has selected implementing partners and in November 2000 initiated full implementation of the program.

In FY 2001 and FY 2002, the Africa Bureau, through bilateral, regional, and headquarters programs, will continue to support the Agency's goal of environment protected for long-term development. The Bureau will continue to add value to regional and country programs aimed at improving natural resource policy and promoting transboundary and community-based natural resource management, tropical forestry and biodiversity conservation, climate change mitigation, and protection of the environment. The Africa Bureau's Sustainable Development Office will continue to support the adoption of improved policy programs and activities for the spread of sustainable natural resource management in **Africa** through improved monitoring, communication, and information systems; capacity building; development of analytical tools and methodologies; better strategic planning and assessments; and transfer of knowledge and techniques.

During the coming period, a number of linkages and synergies will be strengthened. The monitoring and information systems will be strengthened and decentralized to partners based in **Africa**. Analytical tools will be refined through an aggressive program of field application and integration in local institutions and decision-making processes. These tools and others will strengthen planning, strategic decision making, and assessment of environmental programs. Government and partner policies will be influenced by knowledge generated through a range of techniques and advocacy by a range of partners. The governance of natural resources will be highlighted, assuring transparency, accountability, and participation in natural resource management as a means of not only protecting the environment but also promoting economic growth and democracy and good governance. The links between environment and health population and HIV/AIDS will also be strengthened. Lessons learned and



methodologies from the work on terrestrial systems will be applied to other natural resources (e.g., water and minerals) and issues (e.g., urban and environmental services). The integrity of environmental compliance will continue at the same time as capacity is built and the use of these tools broadened. The innovative Central Africa Regional Program for the Environment will move into proactive implementation, based on the lessons and knowledge gathered in the first phase.

In FY 2001 and 2002, the E&E Bureau will solidify and expand successes achieved in climate change mitigation and more effective energy utilization. For example, the Greenhouse Gas Emissions Reduction Initiative (GGERI) has established a foothold in Kazakhstan through the Climate Change Office, a one-stop shop for investors (foreign and domestic). GGERI will begin to concentrate on evaluating specific investment proposals and developing the necessary administrative procedures for greenhouse gas reduction projects. The model is already attracting the attention of regional neighbors.

The E&E Bureau is also expanding the Eurasian- American Partnership for Environmentally Sustainable Economics program (EcoLinks) a four element activity capitalizing on US institutional and technological advances in environment. The next two years will see EcoLinks expand its partnership grants program to reach a greater number of interested parties, promote trade and investment opportunities, work through technical representatives in key countries to disseminate information on best environmental practices to businesses and municipalities.

Recognizing that using effective change agents is key to an improved environment, the E&E Bureau will strengthen its Municipal Network for Energy Efficiency (MUNEE), which targets assistance to local governments in Central and Southeastern Europe and the former Soviet Union. MUNEE works with local energy organizations to promote policy reform, raise awareness of the population about the benefits of energy efficiency measures and develop a network of interested officials and institutions to share and disseminate best practices.

D. Conclusion

Overall, USAID programs under the environment goal are meeting expectations. By setting realistic country-specific and local environmental targets—and by staying the course—USAID had a very good year in 1999. Operating units met, exceeded, or are on target to meet 95 percent of their FY 1999 environmental targets. In those few countries where USAID fell short, factors mainly beyond our control such as unexpected staff losses, political and economic crisis, and overambitious targets, blocked our efforts or eroded gains. The Agency is learning from these experiences and is planning to make more progress next year.

Prospects for further progress are good. Given the enormity of global environmental challenge and available USAID resources, the Agency has always sought a three-pronged approach: 1) to target its efforts, whether internationally, nationally or locally; 2) to leverage its own funds and those of other donors; and 3) to actively engage host-country participation—from the policy level down to the grassroots level. USAID alone cannot make the global environment healthy again. But the Agency can serve as a catalyst and provide examples for others to replicate. Increasingly, USAID has become a rich source of technical information and developmental know-how in every country where we work. Although the world's losses of species, habitats, and ecosystem services during the past few decades have been very serious and the challenges are great, given its programs' success and promising signs at the country level, USAID expects a continued high rate of success as the Agency and its partners address these challenges. By using these three approaches in cooperation with its partners, USAID expects to leverage continuing improvements in natural resource management, the conservation of biological diversity, greenhouse gas emissions rates, energy efficiency, and environmental services, such as we have seen this year.

E. Performance Table

**Annual Performance Table
Environment**

| | Revised Baseline | Latest | Target | Average Annual Growth |
|--|---------------------|------------------|----------------|--------------------------|
| 1. USAID 20-point index on government commitment to | thru 1997 | thru 1997 | FY 2000 | 1997-2000 |
| Sub-Saharan Africa | 15.4 | 15.6 | 15.9 | 0.4 |
| Asia/Near East | 15.1 | 15.5 | 15.6 | 0.9 |
| Europe/Eurasia | 10.4 | 12.0 | 10.7 | 4.9 |
| Latin America/Caribbean | 16.6 | 16.9 | 17.1 | 0.6 |
| 2a. Nationally Protected Areas (thousands sq. kms.) | 1994 | 1999 | FY 2000 | 1994-1999 |
| Sub-Saharan Africa | 814 | 928 | 864 | 2.7 |
| Asia/Near East | 517 | 646 | 548 | 4.6 |
| Europe/Eurasia | 842 | 773 | 894 | -1.7 |
| Latin America/Caribbean | 830 | 925 | 881 | 2.2 |
| 2b. Nationally Protected Areas (percent of land area) | 1994 | 1999 | FY 2000 | 1994-1999 |
| Sub-Saharan Africa | 5.50 | 6.20 | 5.84 | 2.4 |
| Asia/Near East | 4.80 | 6.00 | 5.10 | 4.6 |
| Europe/Eurasia | 3.50 | 3.20 | 3.72 | -1.8 |
| Latin America/Caribbean | 5.50 | 6.10 | 5.84 | 2.1 |
| 3. Carbon Dioxide (CO2) per capita industrial emissions | 1995 | 1997 | FY 2000 | 1995-1997 |
| Sub-Saharan Africa | 0.96 | 0.91 | 0.91 | -2.6 |
| Asia/Near East | 0.92 | 0.99 | 0.87 | 3.7 |
| Europe/Eurasia | 7.28 | 6.70 | 6.92 | -4.1 |
| Latin America/Caribbean | 2.01 | 2.12 | 1.91 | 2.7 |
| 4a. Urban access to safe water (percent) | thru 1995 | thru 1997 | FY 2000 | 1995-1997 |
| Sub-Saharan Africa | 72.2 | n/a | 75.9 | n/a |
| Asia/Near East | 75.6 | n/a | 79.4 | n/a |
| Europe/Eurasia | 85.4 | n/a | 89.7 | n/a |
| Latin America/Caribbean | 85.6 | n/a | 90.0 | n/a |
| 4b. Urban access to sanitation services (percent) | thru 1995 | thru 1997 | FY 2000 | 1995-1997 |
| Sub-Saharan Africa | 70.8 | n/a | 74.4 | n/a |
| Asia/Near East | 63.2 | n/a | 66.4 | n/a |
| Europe/Eurasia | 84.0 | n/a | 88.3 | n/a |
| Latin America/Caribbean | 78.6 | n/a | 82.6 | n/a |
| 5. GDP per unit of energy use (\$PPP per kg oil) | 1994 | 1997 | FY 2000 | 1994-1997 |
| Sub-Saharan Africa | 2.68 | 2.8 | 2.8 | 1.5 |
| Asia/Near East | 4.5 | 4.76 | 4.8 | 1.9 |
| Europe/Eurasia | 2.52 | 2.86 | 2.7 | 4.3 |
| Latin America/Caribbean | 5.98 | 6.19 | 6.3 | 1.2 |
| 6. Total forest area (change in thousands of sq. kms) | 1995 | 2000 | FY 2000 | 1995-2000 |
| Sub-Saharan Africa | -19,696 | n/a | -18,731 | n/a |
| Asia/Near East | -21,830 | n/a | -20,760 | n/a |
| Europe/Eurasia | 5,740 | n/a | 6,033 | n/a |
| Latin America/Caribbean | -50,842 | n/a | -48,350 | n/a |
| 6. Total forest area (average annual percent change) | 1995 | 2000 | FY 2000 | 1995-2000 |
| Sub-Saharan Africa | -0.83 | n/a | -0.79 | n/a |
| Asia/Near East | -0.85 | n/a | -0.81 | n/a |
| Europe/Eurasia | 0.07 | n/a | 0.07 | n/a |
| Latin America/Caribbean | -0.61 | n/a | -0.58 | n/a |

See notes next page

Continued . . .

E. Performance Table (continued)

FY2000 Annual Performance Table Environment Notes

1. Government Commitment Index. A 19-point scale was used in the FY 2000 APP. This was revised in FY 1999 to a 20-point index to incorporate the Kyoto Protocol on Climate Change. For this report, the Kyoto Protocol was removed as an indicator for government commitment and is replaced by country frequency of reporting on the CITES treaty. This index is a proxy, because the existence of a NEAP (or ratification, if a treaty) does not necessarily mean that a country is willing or able to carry it out. Averaging this scale across regions serves only to give a general idea of political commitment to environmental issues there. Regional index scores are straight averages of scores for USAID-assisted countries by USAID Bureau.

The strategies and treaties include the following (with the number of points awarded for each item and the total):

- 2 - National Environmental Action Plans or Conservation Strategies (2 points or 1 if in preparation)
- 2 - Country Environmental Profiles
- 2 - Biological Diversity Strategies or Action Plans

Treaties (2 points if ratified, 1 if signed)

- 2 - Convention on Biological Diversity
- 2 - Convention on International Trade in Endangered Species (CITES)
- 2 - Framework Convention on Climate Change
- 2 - Vienna Convention on the Protection of the Ozone Layer
- 2 - Montreal Protocol for CFC Control
- 2 - Law of the Sea
- 2 - Frequency of reporting on trade in endangered species (CITES) (calculated from four years of reporting requirements)

20 Total points

Source: For NEAPs, profiles, and strategy plans, updates were obtained from the World Bank, *World Development Indicators 2000*. For status of treaty ratification, updates were obtained from treaty secretariat Web sites. Generally the updates reflect the status at mid-2000 and vary by treaty.

2. Nationally protected areas, the biodiversity indicator, is measured in two ways: as land area in thousands of square kilometers (km²) and as the percentage of total land area. The regional values for each measure are constructed differently. The amount of land area (in thousands of km²) that is nationally protected in the region was calculated by summing the protected land area for all the countries receiving USAID assistance in each region. The percentage of the total land area that is protected for each region was determined by calculating the *unweighted* average of all the countries in that region. The targets were determined by computing a 1 percent per year nominal increase from the baseline year (in this case, 1994). *Source:* WCMC as reported by World Resources Institute in *World Resources 1998-99* and *World Resources 2000-01* (forthcoming).

3. CO₂ emissions per capita. Regional averages are weighted by total population. *Source:* Carbon Dioxide Information Analysis Center (CDIAC), Oak Ridge National Laboratory. Carbon data converted from carbon

Continued . . .

E. Performance Table (continued)

emissions to CO₂ emissions and divided by population. CO₂ emissions are from fossil-fuel burning, cement manufacture, and gas flaring. The targets were determined by computing a one percent (1 percent) per year nominal decrease in per capita emissions from the baseline year, in this case 1995.

4. Urban access to safe water and sanitation services. Data for both indicators were not sufficiently updated through 2000 for regional updates. Data are presented for the 1995 baseline and the FY 2000 target of 1 percent annual increase in access. *Baseline source:* World Health Organization data published in the World Bank, *WDI 2000*. See narrative (and/or annex) for specific updates by country.

5. GDP per unit of energy is the GDP per kilogram of oil-equivalent of commercial energy use. GDP is gross domestic product converted to international dollars using purchasing power parity rates. Baseline is 1994, and latest data are 1997. A 1 percent annual increase in efficiency is targeted for FY 2000. *Source:* World Bank, *WDI 2000*. Original commercial energy usage data are primarily from International Energy Agency files and UN, *Energy Statistics Yearbook*.

6. Total forest area. The average annual change in total forest area, or annual deforestation, for the baseline period of 1990–95 is measured in thousands of square kilometers (km²) and as a percentage (%) change. The FY 2000 target was constructed by calculating a nominal 1 percent per year decrease in the rate of deforestation. For **Europe & Eurasia**, the target is a 1 percent increase in reforestation, because there was a net increase in forest area during 1990–95. Updates for years after 1995 not yet available. Updates are expected on completion of FAO, *Forest Resources Assessment 2000*. Baseline 1995 forest area data are from FAO, *State of the World's Forests, 1999*.

Enacted Legislation to Meet CITES Treaty Implementation

USAID-assisted countries party to CITES treaty

| Region | Legislation that is believed generally to meet the requirements for implementation | Legislation that is believed generally not to meet all requirements for the implementation | Legislation that is believed generally not to meet the requirements |
|--------------------------------|--|--|---|
| Sub-Saharan Africa | Ethiopia, Nigeria, Zimbabwe | Benin, Burkina Faso, Eritrea, Guinea, Kenya, Madagascar, Malawi, Namibia, South Africa, Tanzania, Zambia | Burundi, Congo (Kinshasa), Ghana, Liberia, Mali, Mozambique, Rwanda, Senegal, Sierra Leone, Somalia, Uganda |
| Asia/Near East | | Bangladesh, India, Indonesia, Israel, Philippines | Burma, Cambodia, Egypt, Jordan, Mongolia, Morocco, Nepal, Pakistan, Sri Lanka, Vietnam |
| Europe/Eurasia* | Slovak Republic | Bulgaria, Hungary, Russia | Belarus, Georgia, Latvia, Poland, Romania, Turkey, Uzbekistan |
| Latin America/Caribbean | Colombia, Guatemala, Mexico, Nicaragua, Paraguay | Brazil, Ecuador, El Salvador, Honduras, Panama, Peru | Bolivia, Dominican Republic, Guyana, Jamaica |

*Azerbaijan, Croatia, Kazakhstan, Macedonia, and Ukraine ratification too recent to report legislative activity.

Source: CITES Secretariat, 2000

Notes

¹The GDS is published in *World Development Indicators*.

²*The Well-Being of Nations, A Country-by-Country Index of Quality of Life and the Environment* by Robert Prescott-Allen, in collaboration with several international governmental and nongovernmental organizations, will be published by Island Press in spring 2001.

³The World Wildlife Fund (WWF) issued a warning of poaching increases of many kinds of wildlife, including elephants, and rhinos ensnared by accident. According to WWF, this poaching was linked to armed groups involved in land seizures.

⁴A variety of gases (termed greenhouse gases) contribute to global climate change, with the most prevalent one, carbon dioxide, produced primarily by the combustion of fossil fuels. Each greenhouse gas contributes to climate change to a different extent. CO₂-equivalents are used as a common measure of the climate change potential of these gases relative to that of CO₂. Natural gas gives off only one half as much carbon dioxide (CO₂) per unit of energy produced as does coal and is made up predominantly of methane (CH₄), which itself is a greenhouse gas if it is released into the atmosphere.

⁵Such as the Asian Development Bank, the African Development Bank, and the Inter-American Development Bank.

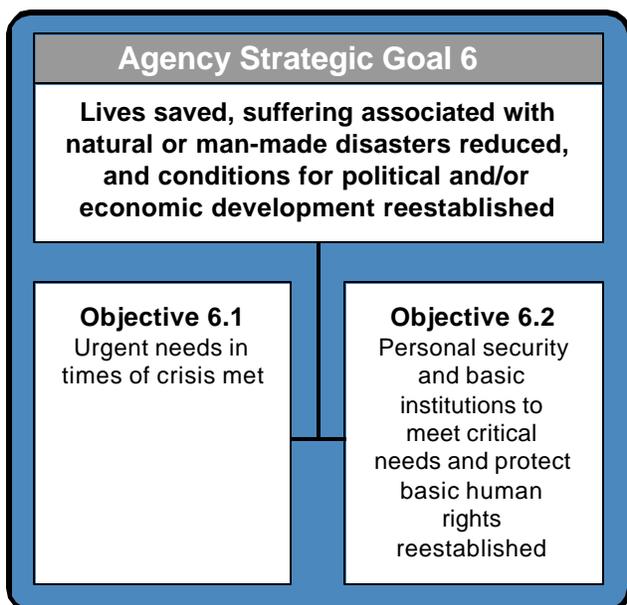
Strategic Goal 6: Promote Humanitarian Assistance

6

A. Introduction

USAID's sixth strategic goal is to save lives, reduce suffering, and reestablish conditions necessary for political and economic development. The two objectives under this goal are 1) to meet urgent needs in times of crisis and 2) to reestablish personal security and basic institutions to meet critical intermediate needs and to protect human rights.

1. Results Framework



2. What USAID Is Doing

The Agency provides essential food, shelter, water, and health services to keep people alive during disasters. While providing the basics for survival, USAID improves the capacity of countries to plan and prepare for disasters, mitigate their impact, and respond when disaster strikes. In addition, USAID supports longer-term rehabilitation and recovery for countries in transition, many of which are emerging from complex emergencies. Programs address the special needs of countries emerging from crises caused by political and ethnic strife. USAID helps local institutions promote economic, political, and social stability.

3. Benefits to the American Public

The United States is one of the largest bilateral donors in humanitarian assistance. American values mandate offering assistance and international leadership to help alleviate human suffering from crises, even when there is no direct or indirect threat to U.S. security interests. Besides saving lives, reducing suffering, and protecting health, humanitarian assistance programs also advance peaceful change. USAID's programs support U.S. foreign policy goals and national interest by building foundations for economic reconstruction and growth, democracy, human rights, and security and by responding to disasters.

4. Challenges

USAID faces many challenges to achieve its humanitarian assistance goal. The immense scope of the problem is daunting. Globally, almost 2 billion people have been affected by disasters during the 1990s. In 1999, disasters affected 212 million people and caused more than \$72 billion in damages. In addition to natural disasters, conflicts often necessitate a protracted humanitarian assistance response when millions of people are uprooted from their homes and deprived of the basics for survival. In 1999, there were 27 major armed conflicts in 25 countries that uprooted more than 35 million people worldwide. Fourteen million people are refugees outside their home countries; 21 million others are displaced within their own country. The world's internally displaced population is now larger than at any time in the past five years.

B. Global Trends

This section discusses USAID's humanitarian assistance trends by region, drawing on the indicators contained in USAID's Strategic Plan. These include crude mortality rates; prevalence of acute malnutrition in children under 5 years of age; number of refugees and internally displaced persons; and changes in the freedom, civil liberties, and political rights classification of postconflict countries.

Crude Mortality Rates and Prevalence of Acute Malnutrition In Children Under 5 Years of Age

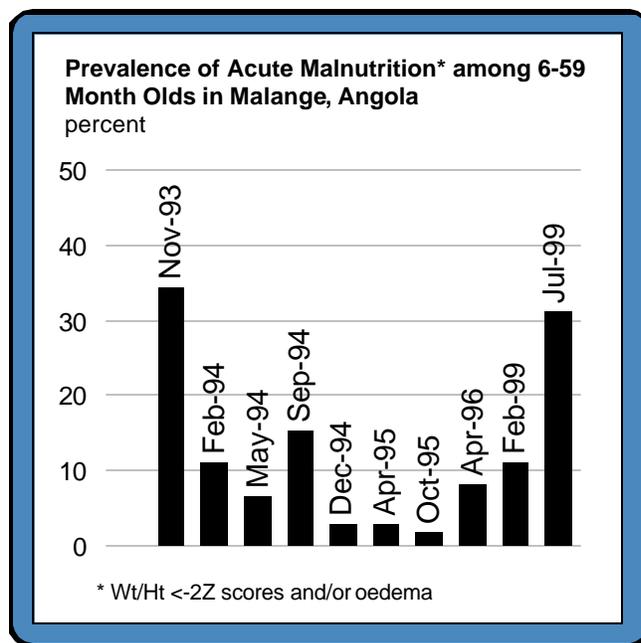
USAID is monitoring performance of the relief objective against an experimental set of performance benchmarks. The two primary performance benchmarks are crude mortality rate (CMR), measured by the number of deaths per 10,000 persons per day, and the prevalence of acute malnutrition in children under 5 years of age. These are considered the most appropriate indicators to assess overall progress in relief situations.

Rates of mortality and malnutrition decrease when essential needs are met. Needs are met through humanitarian assistance and improving access and availability of food, water, health care, and shelter. Thus if humanitarian assistance efforts are effective, CMR and malnutrition rates will decrease over time.

The monitoring of CMR and nutritional status is a collaborative effort with implementing partners, the State Department's Bureau of Population, Refugees, and Migration (State/PRM); the World Health Organization (WHO); the United Nations Administrative Coordinating Committee/Subcommittee on Nutrition (ACC/SCN); and other international agencies.

Selected pilot emergency sites in several countries are monitored to ensure that the CMR is reduced and the nutritional status of children under 5 is improved over time through appropriate and coordinated interventions of the overall humanitarian assistance community. USAID provides direct assistance to one pilot site and collaborates with other agencies in other sites. Implementing organizations—primarily nongovernmental organizations, but also UNICEF, UNHCR, and WFP—provide data to the Refugee Nutrition Information Network (RNIS) of the ACC/SCN, which compiles and analyzes the data. ACC/SCN undertakes this activity as a joint effort with the Health Intelligence Network for Advanced Planning (HINAP)/Emergency and Humanitarian Action (EHA) of the World Health Organization.

USAID selected pilot sites and established baseline data for each site. The sites are in **Angola, the Balkans, Burundi, Kenya, Nepal, Sierra Leone, Sudan, Tanzania, and Uganda**. Additional sites will be added incrementally as USAID encourages other donors and implementing partners to include these indicators as part of program monitoring. Based on currently available data, levels of acute malnutrition above 10–15 percent are associated with increased risk of mortality. CMR greater



than 1 death per 10,000 persons per day indicates a very serious situation, while a CMR greater than 2/10,000/day indicates an emergency out of control. Examples from the pilot sites show that fluctuating levels of acute malnutrition often mirror changes in CMR. Similar relationships have been reported in the World Nutrition Situation Reports (1994, 1997) by the ACC/SCN. Illustrative examples from pilot sites are provided below. Data on all selected sites are provided in Annex B.

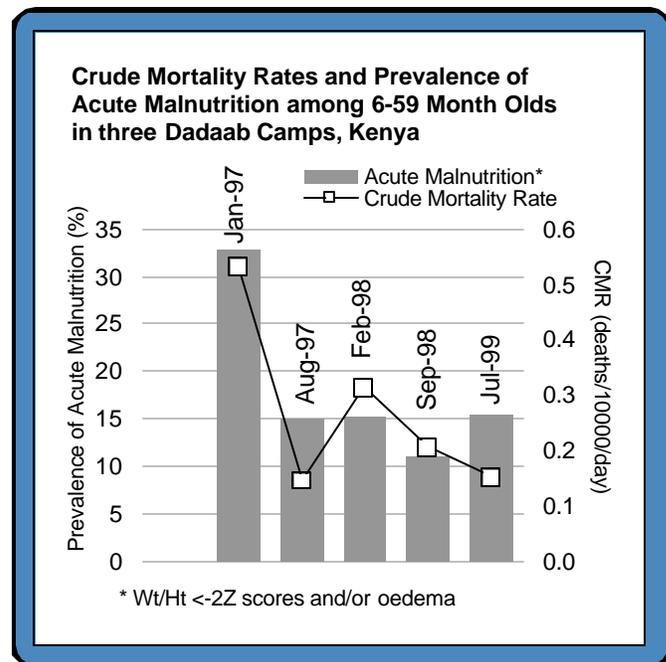
Angola reflects fluctuating rates in malnutrition and mortality within a conflict situation. The 20-year Angolan conflict ended in November 1994 with the Lusaka peace accords. From that time until September 1998, the peace process slowly consolidated, and refugees and internally displaced persons (IDPs) gradually returned home. In December 1998, however, full-scale fighting broke out, causing massive population displacements. By September 1999, an estimated 1.7 million IDPs needed humanitarian assistance. The city of Malange (the pilot site) lies 200 miles east of the capital, Luanda. It has repeatedly been under siege throughout the period of instability. A pattern emerged in which elevated levels of malnutrition and mortality were reduced by sustained interventions from the humanitarian community or access to normal food sources during periods of stability.

Since the civil war erupted in **Somalia** in 1988 and the military dictatorship crumbled in 1991, there has been a steady influx of Somali refugees into northeastern **Kenya**. The first refugee camps were set up in September 1991. In 1992, a medical and nutritional assistance program was

implemented. Acute malnutrition in January 1997 was at a catastrophically high level because of an outbreak of diarrheal disease, coupled with a seasonal increase in malaria, a reduction in the availability of milk, and an influx of people in poor health. Since then, the prevalence of acute malnutrition decreased and stabilized because of a regular supply of the general ration. Between October 1997 and September 1998, the nutritional status of Somali children in the camps was considerably better than that of children in both the home and host countries. CMR averaged 0.27 deaths per 10,000 persons per day, lower than the estimated national rates for both Somalia (0.5/10,000/day) and Kenya (0.3/10,000/day) during the same period.

In late 1990, ethnic Nepali-speaking groups began leaving **Bhutan**'s southern plains for southeastern **Nepal**, fleeing persecution in Bhutan. In September 1999, the refugee population was estimated at 96,500. Refugee movements are restricted; therefore, camp inhabitants rely on external assistance for their nutrition, health, and other needs. Between January and April 1998, CMR in the seven camps combined was estimated at 0.10 deaths per 10,000 persons per day, a level similar to that of previous years. A slight decrease was observed during the same period in 1999. The CMR of the refugees was lower than that of the population in both the home (0.3/10,000/day) and host (0.19/10,000/day) countries. Nutritional status has been monitored since 1992. In June 1999, the prevalence of acute malnutrition was estimated at 4.1 percent, a level similar to previous years.

In southern Sudan, decades of civil war, consecutive crop failures, and concurrent population displacements have created a humanitarian catastrophe. In September 1999, there were an estimated 2.4 million IDPs and 148,000 refugees from neighboring countries in Sudan. The inhabitants of Bahr el Gazal region, who are predominantly agropastoralists, have faced serious disruption to their traditional life. Thus this population has become a major focal point for humanitarian assistance. One of the pilot sites is the town of Ajiep, in Gogrial County. The CMR was 26 deaths per 10,000 persons per day in July 1998. The high rate in Ajiep reflects the town's critical humanitarian situation in mid-1998, because of insecurity and poor harvests. The situation worsened as a result of the government of Sudan's suspension of humanitarian flights into Bahr el Gazal in early 1998. Once humanitarian assistance was accessible, CMR decreased rapidly, but only reached nonemergency level in June 1999. Several anthropometrical surveys to assess nutritional status of beneficiaries were conducted in Ajiep. Mirroring the trend in CMR, by June 1999, acute malnutrition had decreased from the catastrophic July 1998 level.



USAID provides direct assistance to the second pilot site in Bahr el Gazal region, Tonj County, where anthropometrical surveys have been undertaken since the end of 1994. The effect of the famine is demonstrated by the catastrophic high prevalence of acute malnutrition observed in May 1998. By May 1999, the situation had improved considerably. The improvements seen in both sites were due to several factors: an improved security situation; a seasonal increase in the availability of fish, wild foods, and milk; a harvest in some areas; and an increase in food deliveries by the international humanitarian community. Nongovernmental organizations (NGOs) and private voluntary organizations (PVOs) implemented feeding programs to groups requiring critical assistance.

Number of Refugees and Internally Displaced Persons and Changes In the Freedom, Civil Liberties, and Political Rights Classification Of Designated Postconflict Countries

One of the most serious challenges facing the world today is the transition of countries from crisis to stability. In a rapidly changing world, USAID is involved in different types of transitions. "Transition" encompasses a variety of dynamic situations, often implying marked and dramatic changes in economic, political, and social areas. The Agency uses this word to refer to at least five different situations:

- From a society in conflict to a society in peace
- From relief to development

- From authoritarian types of government to democracy
- From a closed market to an open, market economy
- From receiving development assistance to graduation from assistance

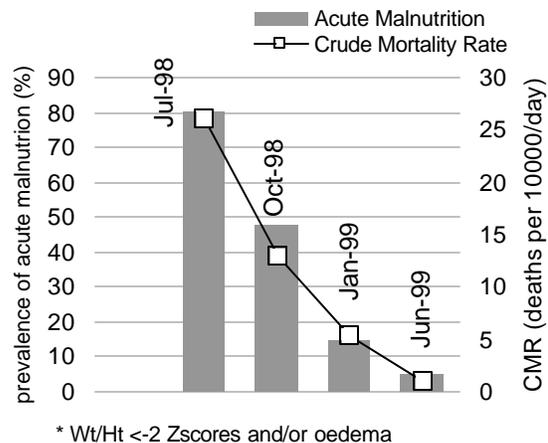
USAID reviews performance on the “transition” objective against a set of development performance benchmarks for identified countries. In 1998, USAID selected a set of postconflict transition countries in order to test performance benchmarks and develop case studies. This list includes eight **sub-Saharan African** countries (**Angola, Burundi, the Democratic Republic of the Congo, Liberia, Rwanda, Sierra Leone, Somalia, and Sudan**), three from **Asia and the Near East** (**Cambodia, Indonesia, and West Bank/Gaza**), six from **Europe and Eurasia** (**Azerbaijan, Bosnia, Croatia, Georgia, Serbia/Montenegro, and Tajikistan**), and four from **Latin America and the Caribbean** (**El Salvador, Guatemala, Haiti, and Nicaragua**). In light of changing situations in transition countries, this list will be reviewed and updated.

In order to understand program performance in transition countries, USAID uses two performance benchmarks. The U.S. Committee on Refugees’ *World Refugee Survey* provides data on the number of refugees and internally displaced persons. These data are used by USAID as a performance benchmark for the existence and breadth of crisis and open conflict in a country. The Freedom House Index, as expressed in *Freedom of the World (1999–2000)*, provides trend data that are used to assess the democratic status of transition countries. These indicators provide contextual information for assessing changing trends of transitions in various regions. They also help explain 1) the way in which USAID sets country- and program-level targets and 2) the impact of program objectives.

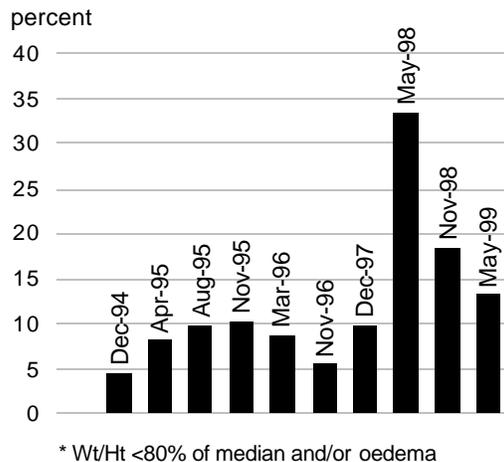
During 1999, 7 million people in 24 countries fled their homes to escape wars, social violence, government repression, and other forms of persecution. These countries and regions include **Afghanistan, Angola, Burundi, Chechnya, Congo-Brazzaville, the Democratic Republic of the Congo, East Timor, Ethiopia/Eritrea, and Kosovo**. Most of the major armed conflicts are protracted or recurrent.

In particular, the resumption of conflict, continuance of violent confrontation, and stalled democratic or peace progress in **Angola, Burundi, the Democratic Republic of the Congo, Sudan**, and many other

Crude Mortality Rates and Prevalence of Acute Malnutrition* among 6-59 Month Olds in Ajiep, Sudan



Prevalence of Acute Malnutrition* among 6-59 Month Olds in Tonj County, Sudan



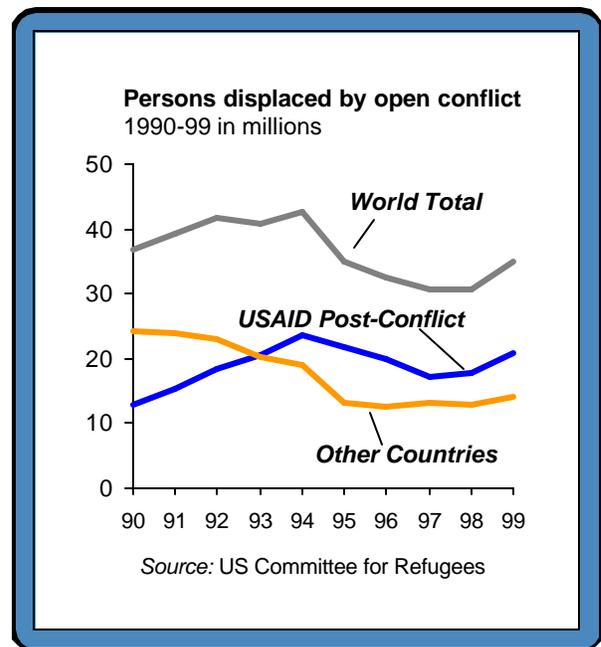
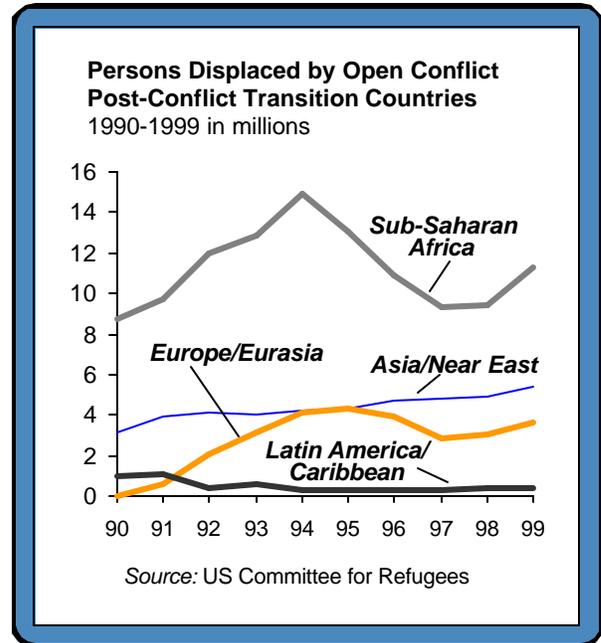
troubled countries in **sub-Saharan Africa** resulted in an increased number of displaced people for all transition countries, except Liberia. The trend for **Liberia** could be an indication that there has been some uneven progress toward stability. More than 80,000 Liberians voluntarily returned from other West African countries. However, it is uncertain that the positive trend will be maintained. There were slight improvements in the reduced number of refugees from **Sierra Leone** and **Somalia**. Looking at Freedom House, scores for countries in the region present a mix of successes and regressions in democracy. Overall,

8 countries became freer in some form, while 10 became less free.

In **Asia and the Near East**, the increase in the number of persons displaced by conflict in the region was a direct reflection of the unrest and volatile democratic changes taking place in **Indonesia**. **Palestine** continued its upward trend line in 1999, auguring the lack of resolution of the conflict. On a positive note, there was a large decrease in the number of refugees and IDPs from **Cambodia**. The increase in the number of displaced persons in the region was offset by positive changes in freedom in 1999. According to Freedom House, of the USAID-identified transition countries, **Indonesia** and **East Timor** both became freer (with East Timor changing categories).

The trend in **Europe and Eurasia** following the Dayton Peace Accords for refugees and IDPs declined for the region through 1998. However, during 1999, there were increases in all transition countries in the region, except for **Bosnia/Herzegovina**. Bosnia experienced decreases in the number of refugees. **Bosnia, Croatia**, and **Azerbaijan** experienced decreases in the number of IDPs. However, because of the open conflict in **Kosovo**, there was a large increase in both refugees and IDPs within the subregion. On the other hand, Freedom House scores assessing democratic status of countries improved. The **Federal Republic of Yugoslavia (Serbia/Montenegro)** showed an increase in political rights and civil liberties, generating a change in status from Not Free to Partly Free.

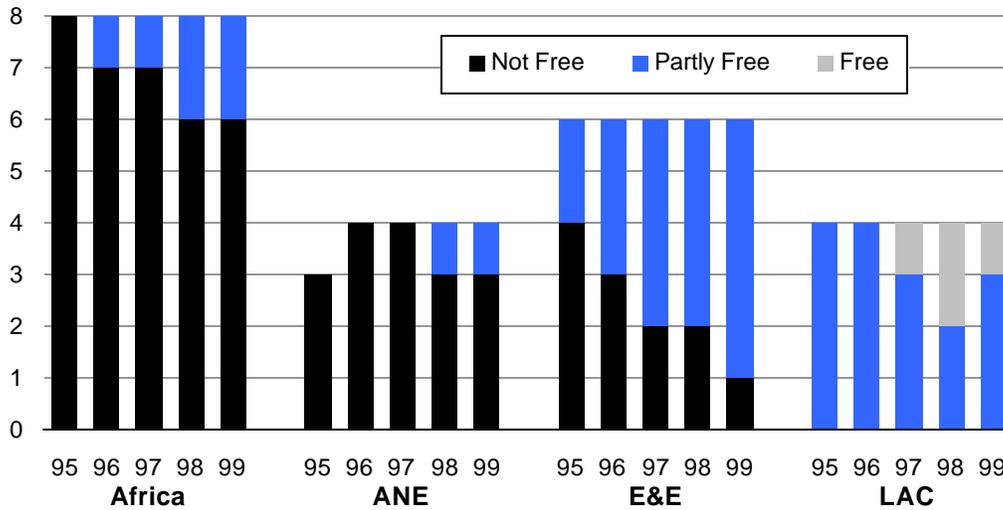
The number of persons displaced by conflict increased somewhat for transition countries in **Latin America and the Caribbean**, mostly because of increased insecurity in **Haiti**. Also of concern, the trend line for **El Salvador** continued to rise in 1999, after a large surge in refugees occurred in 1998. From 1990–97, including the 1992 signing of the peace accords, the number of refugees was relatively small. On a positive note, **Guatemala** experienced a reduction in the number of refugees in 1999 (after a surge in 1998). Overall freedom rankings in the Latin America and the Caribbean region seemed to hold steady, as four states registered gains in freedom while four became less free. However, a decline from Free to Partly Free occurred in **Nicaragua**, suggesting a note of caution about progress toward sustainable development. Nicaragua dropped to Partly Free because of political reforms denying a level playing field to smaller parties and for growing indifference to corruption. Also, **Haiti** faced a slight decline of freedom, as political rights declined in 1999. This suggests that the transition situation in Haiti is deteriorating.



C. Agency Interventions

This section discusses the performance of USAID programs under the humanitarian assistance goal, drawing on the self-assessments of performance by Missions and other operating units. It highlights the two humanitarian assistance objectives and describes the approaches that the Agency uses to accomplish these objectives. It provides examples of results achieved through USAID efforts

USAID Post-Conflict Countries
Freedom House Classification, 1995-1999
number of countries



Source: Freedom House

undertaken around the globe and reveals plans for further progress. Finally, this section discusses USAID collaboration with other donors and other partners.

1. Program Objectives And Approaches

USAID provides humanitarian assistance to millions of people around the world. The Agency supports humanitarian assistance through programs directed at two broad objectives:

- Urgent needs in times of crisis met
- Personal security and basic institutions to meet critical intermediate needs and protect human rights reestablished

The number of USAID operating units (excludes Bureau for Humanitarian Response) with strategic objectives that supported the humanitarian assistance goal and objectives increased from 20 the previous year to 24. The largest increase was in **Latin America and the Caribbean** (from 1 to 8)—largely because of Hurricanes Mitch, Georges, Lenny, and Floyd.

Self-Assessment of Performance by Missions And Other Operating Units

All Missions and other operating units reported meeting expectations.

a. USAID Objective: “Urgent Needs in Times of Crisis Met” (Relief Assistance)

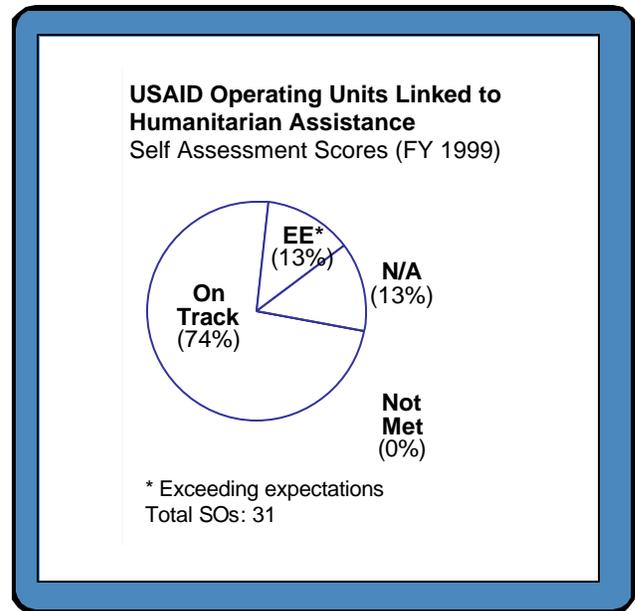
USAID provides humanitarian assistance in response to three types of situations: natural disasters, man-made disasters, and complex emergencies. Natural disasters are caused by physical hazards such as fire, flood, drought, earthquake, and disease outbreak. Man-made disasters are caused by human error, such as a building collapse or industrial accident. Complex emergencies may include natural disasters such as droughts, but are frequently caused or complicated by civil strife. They are manifested in armed conflict, displaced populations, hunger, and death.

FY 1999 was a year of unprecedented crises that dramatically increased relief assistance. The Bureau for Humanitarian Assistance

tarian Response's Office of U.S. Foreign Disaster Assistance (OFDA) responded to 65 declared disasters in more than 63 countries. These included 17 complex emergencies, 41 natural disasters, and 7 man-made disasters. OFDA obligated more than \$294 million to respond to these disasters, compared with \$186 million in FY 1998 in response to 87 disasters. OFDA provided a wide range of emergency assistance that included search-and-rescue operations; emergency health and medical services; therapeutic and supplemental feeding for the malnourished; and provision of potable water, sanitation facilities, shelter, clothing, and survival kits. A most significant accomplishment in recent years, and in particular in FY 1999, was the effective application of prevention, mitigation, and preparedness interventions with relief activities. Disaster response and operations are closely coordinated with other U.S. agencies, including the Departments of Defense and Agriculture, the U.S. Geological Survey (USGS), the Centers for Disease Control and Prevention (CDC), the U.S. Public Health Service, and the National Oceanic and Atmospheric Administration (NOAA).

Public Law 480 (P.L. 480) Title II emergency food aid is managed by the Bureau for Humanitarian Response's Office of Food for Peace in coordination with USDA, regional bureaus, and Missions. USAID provides the majority of U.S. food assistance used to respond to emergencies and disasters. In FY 1999, USAID provided 792,116 metric tons of emergency food aid, valued at more than \$513 million, to more than 30 countries. USAID programs implemented primarily by U.S. PVOs and the World Food Programme (WFP) reached at least 16 million beneficiaries, the majority of which were in **Africa**. USAID also provided food aid for an additional 10 million beneficiaries through bilateral assistance programs to **Ethiopia** and **Rwanda** and to the World Food Programme's global Protracted Relief and Recovery Operations.

In the **Latin America and Caribbean** region, major hurricanes devastated **Central America** (Hurricane Mitch) and the **Caribbean** (Hurricane Georges) during September and October 1998. The region suffered approximately \$10 billion in damages. USAID provided emergency food aid, shelter, water, sanitation, and health services to millions of people. The timeliness and scope of activities were critical in saving lives, reducing human suffering, and preventing civil unrest and widespread outbreaks of diseases. In **Honduras** and **Nicaragua**, USAID's role was critical in facilitating U.S. military participation in search-and-rescue activities, rapid assessments, and delivery of relief commodities to areas cut off from major transportation routes. There was no major disease outbreak. Partially due to the effectiveness of



preventive health measures and swift action to restore water and sanitation to affected areas, there was no major disease outbreak.

In the aftermath of Mitch, USAID swiftly authorized the use of Title II development food commodities already in-country. Airlifted food already prepositioned in U.S. ports arrived within a week after the hurricane. Through U.S. PVOs and WFP, USAID distributed 132,700 metric tons of emergency food aid (valued at more than \$81 million) to 2.3 million beneficiaries, representing 94 percent of targeted beneficiaries. As a result, their nutritional status was maintained or improved. Beneficiaries identified food-for-work programs as critical for rebuilding their communities. These programs rehabilitated more than 13,108 kilometers of road and repaired more than 26,608 houses.

In addition, Congress approved \$621 million in supplemental funding for the **LAC** region. USAID implements more than \$100 million of this funding with the specific U.S. government agencies identified in the Supplemental. It chairs sector working groups, established under the umbrella of the White House Interagency Working Group. As the lead agency in disaster relief and mitigation, USAID provided the initial leadership and guidance to develop complementary work plans across implementing organizations. This set the stage for a well-coordinated U.S. government reconstruction effort, working with numerous government municipalities and nongovernmental and community-based organizations. USAID initiated activities aimed at restoring economic and social indices to prehurricane levels. Programs are restoring basic necessities that will mitigate health risks, restore shelter and food-

supply levels, reactivate economic activities, and improve disaster mitigation. The focus of programs is on disaster preparedness and reconstruction, public health, economic reactivation, education, and housing. The standard is to “build back better.”

In the **Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, and Nicaragua**, USAID is rebuilding homes, recovering agricultural productivity, and strengthening national- and community-level disaster preparedness. For example, in the **Dominican Republic**, the recovery phase met the immediate needs of more than 400,000 poor Dominicans in the most severely affected areas. This was accomplished by the effective reprogramming of existing Mission funds and coordination with other funds such as Child Survival, P.L. 480, Section 416(b), and international disaster assistance funds. USAID collaborated on an innovative \$15 million small-scale farmer recovery program with the sale of donated wheat, constructed 3,000 temporary shelter units for 46,500 people, and repaired 32 water systems for 17,500 individuals.

Besides responding to hurricanes in the Latin American and Caribbean region, USAID also assisted countries affected by natural disasters in other parts of the world. These include earthquakes (**Afghanistan, Colombia, Greece, India, Taiwan, Tajikistan, and Turkey**), floods (**Cambodia, Chad, China, The Gambia, Honduras, Hungary, Mali, Mauritania, Mozambique, Philippines, Republic of Korea, Thailand, and Vietnam**), volcano (**Cameroon**), and drought (**Ethiopia**).

In the **Europe and Eurasia** region, the crisis in the Balkans was the most complex emergency in FY 1999. In spring 1999, 700,000 Albanian Kosovars were forced to cross the borders into **Albania, Macedonia, and the Federal Republic of Yugoslavia Republic of Montenegro**. USAID response teams provided emergency food rations, tents, blankets, plastic sheeting, hygiene kits, and water jugs when other pipelines did not exist. These activities saved the lives and reduced the suffering of thousands of people. The shelter program, initiated in fall and winter 1999, housed more than 290,000 people. USAID funded more than 50 percent of the agriculture rehabilitation effort, revitalizing the livelihoods of more than 70,000 families. It provided more than 80,090 metric tons of Title II emergency food commodities that benefited 2 million people. The Refugee Nutrition Information System (RNIS) of the UN reported that “overall, the international community was successful in preventing acute malnutrition among the Kosovar refugees.”

In addition to the catastrophes described above, USAID continued to respond to protracted complex emergencies in **sub-Saharan Africa (Angola, Burundi, Liberia, Sierra Leone, Sudan, and Uganda)** and in **Asia and the Near East (Indonesia)**—which will be reported on next year. As predicted in the previous year, complex emergencies involving civil conflict continued to consume significant resources.

The relief objective integrates approaches to strengthening capacity of institutions to conduct early warning, disaster preparedness, and mitigation. These efforts help predict and lessen the impact of disasters and improve countries’ ability to cope with crises through training of national and local governments and community-based organizations. The Famine Early Warning System (FEWS), operational in 17 countries in **Africa**, contributes to drought and disaster preparedness by improving the quality and effectiveness of information and response systems. Information is produced in a timely manner and used extensively by donors and governments to support target interventions that help to avert large-scale emergency food distribution. For example, FEWS promoted a consensus to the rise in food insecurity in **Ethiopia** and helped avert large-scale emergency food distribution in **Kenya**. It helped build consensus on the need to improve food aid targeting in **East Africa**.

Program(s) Failing to Meet Expectations

According to the self-assessments conducted by Missions and other operating units, all programs met performance expectations.

USAID Objective: “Personal Security and Basic Institutions to Meet Critical Intermediate Needs and Protect Human Rights Reestablished” (Transition Assistance)

Postconflict transitions are manifested in armed conflict, large-scale human rights abuses, and destroyed infrastructure such as the institutions of governance. Interventions link short-term responses addressing immediate post-conflict rehabilitation needs to longer-term sustainable development approaches. Community impact is an essential element of all transition approaches. Transition activities create or support participatory mechanisms to address community needs in conflict-prone areas. This fosters decision making at the grassroots level on priority issues in rehabilitation, recovery, and reintegration. Focus

on community-level participation improves long-term prospects for peace and strengthens government delivery of municipal services. USAID included community impact activities in most transition country strategies.

During FY 1999, USAID provided transition assistance to 29 countries. The Bureau for Humanitarian Response's Office of Transition Initiatives (OTI) responded to 18 complex emergencies and implemented nonemergency transitions in 12 other countries. Of these, **Indonesia**, **Nigeria**, and **Kosovo** consumed 60 percent of OTI's resources. In FY 1999, USAID obligated more than \$37 million in response to these transitions (compared with \$15.7 million in FY 1998).

Programs in transition countries were increasingly integrated into USAID Mission strategic frameworks following Agency guidance on strategic planning. Thus transition activities were increasingly linked to both longer-term development plans and to the Mission Program Plans coordinated by the Embassy.

Devastating natural disasters and continued conflict in transition countries in **Latin America and the Caribbean** undermined progress toward sustainable development and threatened democratic gains. USAID responded to these deteriorating conditions through peace building, conflict resolution, and the promotion of democracy at the local level. USAID's transition program in **Guatemala** reduced and mitigated conflict in target communities. Training in conflict management of newly elected mayors and key staff helped their relationship with local communities and facilitated dialogue on policies affecting their municipalities. Efforts in conflict mediation and community-led development activities reached 6,396 families. In **Haiti**, community-level efforts reshaped public- and private-sector relationships to improve community services in education and health. For example, community mobilization efforts resulted in democratically elected PTA organizations that met several times a year in 52 percent of the 788 USAID-supported schools. The increased involvement of parents and teachers improved attendance and made schools focal points of the community.

In **sub-Saharan Africa**, USAID's program results were tempered by having to work in difficult and deteriorating conditions. Increases in the number of refugees and IDPs, in conjunction with stalled democratic progress in many transition countries, complicated humanitarian and development responses. Despite this, USAID and its partners implemented and managed programs that achieved positive and meaningful results in moving from relief toward development assistance, conflict resolution, crisis mitigation, and democracy building.

Despite the conflicts and increased insecurity in **Angola**, USAID met many of its targets. Thirty-four communities established Community Development Committees to rehabilitate war-affected populations. More than 350,000 children and 355,000 women received assistance. In three provinces, USAID trained 480 community health workers to provide and improve prenatal care of 47 percent of women registered in the refugee camps. USAID assisted 650,000 people through programs that rehabilitated or opened 74 schools, 5 grinding mills, 4 major markets, 168 latrines, 415 kilometers of roads, 81 bridges, 490 kilometers of irrigation canals, and sources of potable water.

In the **Democratic Republic of the Congo**, USAID helped maintain stability in a few areas under extreme economic and political duress. Programs emphasized building a well-informed and vibrant peace-building network involving dozens of nongovernmental organizations, communities, and local governments. This network helped solve national, provincial, and community problems through participatory processes. Forty-nine local activities improved rural transportation systems, clinics, and markets. USAID strengthened local capacity by providing 750 extension workers with a training package to promote democracy, good governance, and peace.

USAID targeted communities in **Rwanda** to strengthen links between relief and development and to build local capacities for peace. USAID trained 15,000 newly elected officials in 30 communes to manage local, small-scale development projects and provided grants and technical assistance to women's associations in agriculture and livestock raising. In FY 1999, USAID transitioned several relief-oriented activities into longer-term development programs.

Financial crisis—in combination with natural disasters, conflict, and unconsolidated peace processes—in transition countries in **Asia and the Near East** created opportunities for democratic progress and movement toward sustainable development. USAID programming in the region responded to these opportunities through the promotion of democracy, economic growth, and conflict resolution at the local level.

In **Lebanon**, the Rural Community Development aided the transition process by returning rural communities to economic and social viability. Local citizen committees selected and implemented projects and contributed at least 25 percent of the cost. This program involved 251 rural communities and 600,000 people in basic infrastructure, income-generation, civic participation, and environmental activities. The program reacts quickly to new transition opportunities in the country. For example, within two

weeks of the withdrawal from occupied areas in the South, USAID helped local communities initiate 65 new activities.

Indonesia continued its democratic transition by holding legislative and national elections. New electoral laws permitted the formation of new parties and reduced the military's legislative representation. Citizen confidence was achieved with the organization of an international observation Mission (managed under USAID mechanisms) and issuance of impartial reports on the process. USAID supported local preelection voter education coverage, grassroots political education, public service announcements reaching 130 million citizens, and training for newly elected government officials and journalists. Broader sections of the public, particularly women, were represented through direct citizen involvement and NGO activities. USAID supported a program that enabled 800 subdistricts to voice their opinions for the first time. Community priorities are now incorporated in the decision-making process. Despite positive movement toward democracy and governance, however, increased insecurity continues to threaten the transition process in Indonesia.

International conflict and internal civil strife in the Balkans and the rest of Tajikistan continued in 1999. In Bosnia/Herzegovina, Croatia, Kosovo, and Tajikistan, USAID responded to resulting humanitarian crises with programs that provided short-term relief and promoted economic growth and democracy at the community level.

USAID programs in **Azerbaijan** fostered self-sustaining, community-based solutions to meet the needs of people. Through small-scale income generation projects, assistance to communities helped mobilize local efforts and resources for business development and job creation, benefiting more than 35,000 individuals.

In **Bosnia/Herzegovina**, USAID's programs have encouraged refugee returns and provided incentives for returnees to stay. Partnered with U.S.-SFOR troops and local governments, USAID helped to restore community infrastructure and create short-term employment opportunities. For instance, 9,500 short-term jobs were created in 1999, and 17,000 people were permanently employed through work in reconstructed facilities. More than 18,500 children attend reconstructed schools, and repaired power systems are serving 25 percent of Bosnia's population.

In **Croatia**, USAID helped with increased integration of Serbian minorities into communities in Eastern Slavonia. For instance, USAID-sponsored Serb-language radio broadcasts paved the way for increased security within communities by bringing together different ethnic groups and promoted official acceptance of Serb presence in

Eastern Slavonia. Also, USAID increased by 25 percent its assistance to clients in dealing with legal matters related to return and fielded election monitors for each of three elections.

In **Kosovo**, USAID supported programs that improved coverage of Kosovar issues in the Federal Republic of Yugoslavia by fielding journalists from Serbia and Montenegro. USAID grants strengthened linkages between refugee camps and host communities in Montenegro, helped engage local communities in Kosovo in identifying and prioritizing community improvement needs, and helped with election/civil registration activity immediately following the cessation of the Kosovo conflict.

USAID supported peace and reconciliation in **Tajikistan** through transition programs, such as the Tajikistan Social Investment Fund, that mobilize communities to help themselves on long-term development issues and income generation. More than 200,000 Tajik citizens benefited from USAID assistance in 1999.

Program(s) Failing to Meet Expectations

According to the self-assessments conducted by Missions and other operating units, all programs met performance expectations.

2. Partners/Other Donors

Humanitarian assistance is coordinated with host governments and other donors. U.S. private voluntary organizations (PVOs) and local nongovernmental organizations (NGOs) play an important role in implementing USAID humanitarian assistance programs. In most countries, USAID's effectiveness in humanitarian assistance response has been improved through better partnerships with local institutions, U.S. PVOs, and local nongovernmental organizations with extensive grassroots networks. USAID continues to seek to strengthen institutional capacity to respond to and mitigate disasters. For example, the Bureau for Humanitarian Response's Office of Private and Voluntary Cooperation (PVC) builds PVO organizational and technical capacity in a range of developmental services. These skills were transferred to humanitarian assistance in responding to Hurricane Mitch, where PVOs undertaking development programs in the region provided disaster relief and rebuilt communities. PVO capacity to respond to crises will be further strengthened by the sharing and adoption of program approaches and monitoring tools that bridge humanitarian assistance and development.

U.S. leadership in disaster relief and mitigation leverages the international participation and support of other donors [e.g., the European Commission (EC)]. USAID and the EC mobilized a major assistance effort for the drought victims in the **Horn of Africa**. This process culminated in the joint planning and coordination of the delivery of nearly 2 million tons of food aid targeted to 20 million people threatened by the drought. A joint USAID–EC review of lessons learned and future food-aid needs is to be done early next year in **Ethiopia**. USAID and the EC also collaborated in the planning and delivery of emergency assistance to flood victims in **Southern Africa**. In addition, close cooperation is underway in reviewing assistance needs and the growing emergency economic and political situation, exacerbated by drought, in countries extending from the **Caucasus** to the **Central Asian Republics**. Other critical efforts in cooperation on emergency assistance were evidenced in **Kosovo** and **Southeastern Europe, East Timor, Sierra Leone, and Liberia**.

USAID continues to work in close collaboration with other U.S. and international agencies. In particular, USAID has established a closer working relationship with United Nations agencies involved in health and nutrition—particularly the World Health Organization and the UN Administrative Coordinating Committee/Subcommittee on Nutrition (ACC/SCN). The ACC/SCN is a coordinating mechanism for exchange of information and technical guidance on nutrition, and it assists USAID in monitoring the performance goals on nutritional status of children under 5 and crude mortality rate. The close monitoring of emergency situations will ensure that USAID reaches its goal of saving lives and reducing suffering.

3. Future Plans

USAID has abundant experience in responding to disasters; however, as emergencies increase in number and complexity, its capacity to respond needs to be strengthened. A review of the Agency’s response capabilities last year led to several recommendations:

1. Establishing an Emergency Response Council to ensure better coordination among bureaus in the planning for, and response to, emergencies. This Council will be administered and chaired by the Bureau for Humanitarian Response (BHR). Each bureau will be represented on the Council by a senior Bureau Coordinator for emergency response who will serve as the point of contact on emergency, prevention, mitigation, and response issues. The Council will develop a statement of purpose.
2. Expanding the pool of volunteers for emergency operations from other bureaus to support BHR needs assessment teams. In times of emergency, support from other bureaus should be viewed as a high priority for the Agency during the initial phase of the disaster. It is expected that each bureau would have a small pool of trained volunteers to draw from, when requested by BHR, during an emergency.
3. Developing greater surge capacity. BHR will develop a plan for a reserve corps of non-direct-hire humanitarian workers to supplement direct-hire volunteers and humanitarian workers. This corps would assist in assessments, emergency operations centers, priority start-ups, and other emergency needs.
4. Establishing additional regional field offices in crisis-prone regions. This will enhance coordination with the regional bureaus and improve analysis and awareness of potential crises. The Administrator will approve each additional site.
5. Sharing information on crisis-prone countries and regions. Information such as periodic risk assessments and early warning lists will be made available routinely to the Emergency Response Council. BHR will also arrange appropriate briefings and reports for the Council and Agency senior staff, as needed.
6. Developing a career ladder for USAID’s humanitarian response professionals. BHR and Human Resources will identify options for creating a cadre of humanitarian operations specialists and encouraging crossover assignments. Toward this end, a training plan will be developed, including rotations through the BHR office for program-oriented New Entry Professionals (NEPs). Over time, this will enhance the skills and abilities of those responsible for disaster operations in USAID Missions.
7. Developing a Disaster Response Operations Manual. BHR will prepare an operations manual for response during the immediate disaster response phase of emergencies. This manual will address the roles of all parts of the Agency and procedures for effectively engaging other U.S. government agencies.
8. Expanding collaboration with parts of the U.S. government and other donors. BHR will explore more-comprehensive agreements with the Department of Defense, the Federal Emergency Management Agency, and international financial institutions

to ensure a more coordinated response to future disasters. Agreements will be developed in compliance with the operations manual.

9. Developing an outreach strategy. BHR and the Bureau for Legislative and Public Affairs will develop an outreach strategy for the Administrator and USAID senior staff to consult with key players, including the U.S. and international NGO community, bilateral and multilateral donors, the press, the business sector, and Congressional leaders regarding USAID's role in U.S. government humanitarian assistance.

USAID is in the process of implementing these recommendations. In addition, USAID is pursuing several other actions, including the following:

- *Integrated Strategic Plans:* During the past few years, USAID has had increasing success in integrating humanitarian and development strategies in crisis countries; however, there is a need to further improve lines of authority and integrate financial and other resources.
- *Evaluation:* During FY 2000, USAID began to evaluate internal responses to emergencies and

transitions, with a special focus on complex emergency transitions. Findings from these evaluations should be available in FY 2001.

D. Conclusion

Overall, USAID programs under the humanitarian assistance goal are on track, and we do not expect any major changes in the strategic framework. USAID anticipates that it will respond to the same levels of crises in the next year, but may be called upon to provide increasing levels of assistance.

During the reporting period, USAID undertook several assessments of its humanitarian assistance programs in relief (Hurricane Mitch) and in complex emergencies (**Haiti, Mozambique, and Rwanda**). Lessons learned will be shared across the Agency and with implementing partners. One key finding was the need for improved coordination among donors, with other U.S. government agencies, and within the Agency. USAID is working on this issue and on overall improvement of its response capacity. It is establishing an Emergency Response Council to ensure better coordination among bureaus and a new operational arm for humanitarian response called the Disaster Response Corps (DRC) within the Agency.

E. Performance Table

Annual Performance Table USAID-Assisted Humanitarian Assistance

| 1. Number of persons displaced by openconflict (thousands) | 1995 | 1998 | 1999 | 1999 Remarks |
|--|---------|---------|---------|--|
| Sub-Saharan Africa | 13,048 | 9,466 | 11,308 | all increased except Liberia |
| Asia/Near East | 4,287 | 4,886 | 5,385 | large increas in Indonesia |
| Europe/Eurasia | 4,266 | 3,050 | 3,596 | large increase in Serbia/Montenegro |
| Latin America/Caribbean | 263 | 420 | 440 | Haiti increase in IDPs |
| 2a. Number of countries classified as free/partly free/not free | 1995-96 | 1998-99 | 1999-00 | |
| Sub-Saharan Africa | 0/0/8 | 0/2/6 | 0/2/6 | Liberia and Sierra Leone : partly free |
| Asia/Near East | 0/0/3* | 0/1/3 | 0/1/3 | Indonesia : partly free |
| Europe/Eurasia | 0/2/4 | 0/4/2 | 0/5/1 | FRY : up to partly free |
| Latin America/Caribbean | 0/4/0 | 2/2/0 | 1/3/0 | Nicaragua : down to partly free |
| 2b. Political rights scores (unweighted average) | 1995-96 | 1998-99 | 1999-00 | |
| Sub-Saharan Africa | 6.50 | 6.00 | 5.88 | Burundi : improvement |
| Asia/Near East | 6.25 | 6.00 | 5.50 | Indonesia : improvement |
| Europe/Eurasia | 5.33 | 5.00 | 4.83 | FRY : improvement |
| Latin America/Caribbean | 3.25 | 2.75 | 3.25 | Haiti, Nicaragua : declines |
| 2c. Civil liberties scores (unweighted average) | 1995-96 | 1998-99 | 1999-00 | |
| Sub-Saharan Africa | 6.25 | 6.00 | 6.00 | no change |
| Asia/Near East | 6.00 | 5.75 | 5.75 | no change |
| Europe/Eurasia | 5.17 | 4.83 | 4.67 | FRY : improvement |
| Latin America/Caribbean | 3.75 | 3.75 | 3.75 | no change |

Notes on FY2000 Annual Performance Table

Promote Humanitarian Assistance

Twenty-two countries were analyzed in humanitarian assistance performance reporting:

- **Sub-Saharan Africa: Angola, Burundi, Congo (Kinshasa), Liberia, Rwanda, Sierra Leone, Somalia, and Sudan**
- **Asia/Near East: Burma, Cambodia, Indonesia, and West Bank/Gaza**
- **Europe/Eurasia: Azerbaijan, Bosnia/Herzegovina, Croatia, Federal Republic of Yugoslavia (Serbia/Montenegro), Georgia, and Tajikistan**
- **Latin America/Caribbean: El Salvador, Guatemala, Haiti, and Nicaragua**

Continued . . .

E. Performance Table (continued)

Indicators

1. Persons displaced by open conflict include refugees and asylum seekers, as well as internally displaced persons. Latest data are for 1999. *Source:* U.S. Committee for Refugees, *World Refugee Surveys*. Various issues.

2a. Freedom classifications are “free,” “partly free,” and “not free.” *For 1995–96, no data are available for West Bank/Gaza. *Source:* Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the title.

2b. Political rights scores are unweighted averages of countries. Scale of 1 to 7, where 1 is the highest degree of political rights and 7 is the lowest degree of political rights. For 1995–96, no data are available for West Bank/Gaza. *Source:* Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the title.

2c. Civil liberties scores are unweighted averages used. Scale of 1 to 7, where 1 is the highest degree of civil liberties and 7 is the lowest degree of civil liberties. For 1995–96, no data are available for West Bank/Gaza. *Source:* Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the title.

**Management Goal:
Achieve USAID’s Goals Efficiently and Effectively**

7

A. Introduction

USAID’s management goal provides the foundation for all of the Agency’s development achievements. To remain relevant and focused, USAID must develop and maintain a culture in which continuous learning, adapting, and improving become the norms. To achieve the best possible results in assisted countries—to maximize the return on taxpayers’ dollars—USAID must plan, implement, and assess its programs efficiently and effectively.

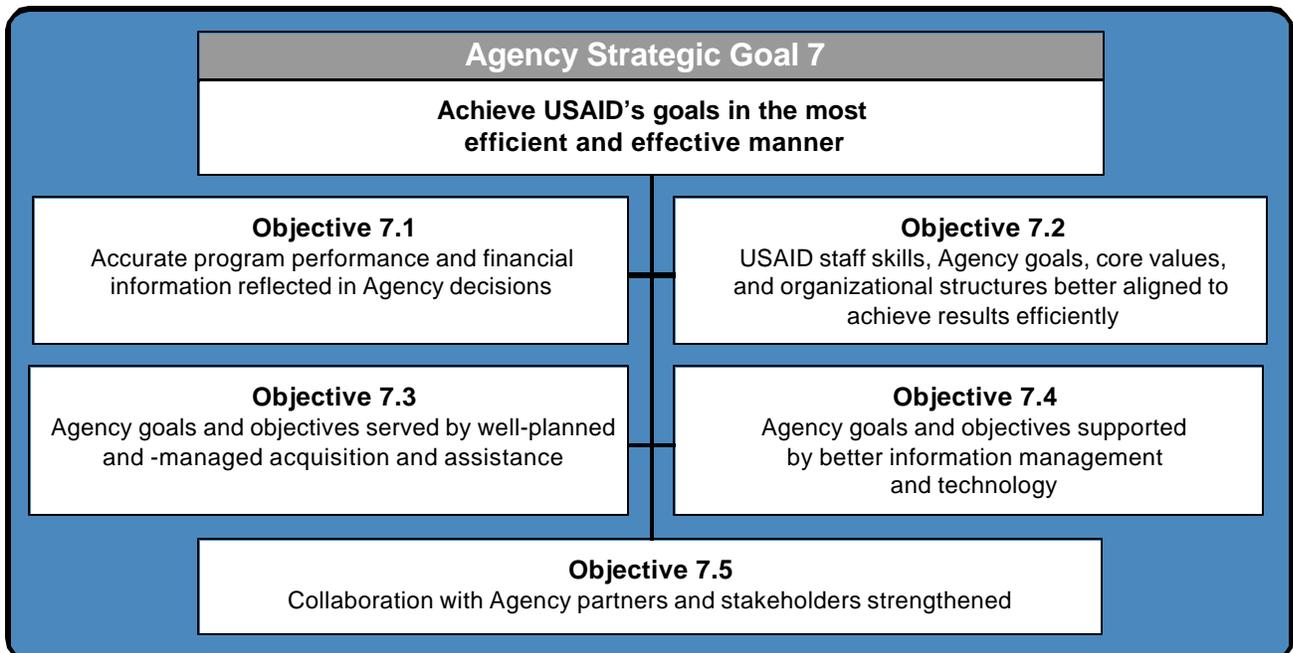
USAID’s seventh strategic goal is to achieve USAID’s goals in the most efficient and effective manner. Five objectives underpin the overarching Agency goal, which has been restated as a result of recent revisions to the Agency Strategic Plan. Since the Government Performance and Results Act (GPRA) became law and USAID’s original Strategic Plan was prepared, concerns about how U.S. agencies can better manage for results have become a more important element in assessing agency performance.¹ Accordingly, in revising its 2000 Strategic Plan, USAID has taken advantage of this increased interest in management performance to focus its management objectives much more explicitly on challenges identified by the Agency’s external assessors.

1. Management Objectives

2. What USAID Is Doing

During the past seven years, USAID has made a concerted effort to improve its management systems and business practices. During this period, it established a more strategic programming framework (1993), volunteered as a GPRA Pilot (1994), and implemented a set of results-oriented “management reforms” (1995). In 1997, USAID issued its first formal Strategic Plan and developed a “Reform Roadmap” to guide future management improvement efforts. Since 1998, USAID has instituted more systematic procedures for information, financial, and management planning and has begun implementing the new systems that this planning indicated were needed. USAID’s objective throughout has been to become a more flexible and responsive organization that continuously learns, adapts, and improves its ability to achieve its goals.

Since the Government Performance and Results Act became law and USAID’s original Strategic Plan was prepared, concerns about how U.S. agencies can better manage for results have become a more important element in assessing agency performance. Therefore, USAID has substantially realigned its management objectives to more clearly address challenges identified by the Agency’s external assessors, including the General Accounting Office and the Office of the USAID Inspector General. These challenges include 1) improving the Agency’s



financial management; 2) strengthening the Agency's performance measurement and results reporting; 3) strengthening the Agency's information resource management and improving computer security; 4) strengthening the Agency's human resource capabilities, and 5) the wide breadth of the Agency's mandate. USAID addresses this fifth challenge by strengthening its leadership and improving how it makes choices and allocates resources. USAID's revised management goal also aims to increase the efficiency of the Agency's procurement systems. While procurement was not specifically identified as a management challenge by external assessors, USAID believes that increasing Agencywide commitment to procurement and improving the management of contracts and grants are also essential to improving the Agency's overall performance.

USAID's broad mandate derives from legislation earmarks and foreign policy priorities that lie far beyond the Agency's direct "manageable interest." Moreover, each of the substantive goal areas identified in the Agency's Strategic Plan is necessary to achieve the Agency's mandate and vision of promoting sustainable development among developing countries. Without a doubt, the results that USAID can achieve are constrained by the human and financial resources that the Agency can bring to bear on its six substantive goals, but the goals themselves are clearly identified and serve U.S. national interests. Therefore, USAID must become as efficient and selective an organization as possible while working toward its six substantive goals.

1. Program Objectives/Approaches

Objective 1. Accurate Program Performance And Financial Information Available For Agency Decisions

USAID continues to integrate results reporting and performance into the way that it plans, implements, and monitors its programs. A key element of the Agencywide reforms initiated in 1995, the Agency has evaluated these reforms during the past two years and has worked to improve the way that the reforms are integrated into Agency procedures and systems. A key step in that effort was to completely overhaul the regulations and procedures affecting how the Agency carries out its development assistance program through its Automated Directive Series 200 – Managing for Results. These new procedures support many of the management reforms and innovations outlined throughout this chapter; the revised

procedures can be found at: <http://www.usaid.gov/pubs/ads/200>.

Financial management has been identified as a management challenge for USAID. Critical problems include a reliance on nonintegrated systems, data reconciliation, and weak procedures. During FY 2000, USAID concentrated on correcting these problems. USAID has substantially completed the work to transition to the new accounting system; however, the updated implementation plan required the Agency to close FY 2000 with its current accounting system before transitioning to the new accounting system in FY 2001.

The cornerstone of USAID's financial management improvement program is the implementation of a core financial system that is fully compliant with Federal requirements and standards. To this end, in FY 2000, the Agency successfully configured a commercial financial software package that is currently being used at multiple Federal agencies. The Agency followed a "best practice" approach and reengineered its business processes to avoid costly and risky changes to the commercial software product. The software underwent extensive testing. A comprehensive program to train and prepare Agency staff to transition to the new accounting system was also implemented.

To improve its financial management procedures, USAID also initiated a comprehensive study of its financial management operations worldwide. This study, undertaken in collaboration with the Chief Financial Officer's Council, is a critical first step designed to enhance USAID's financial management operations, introduce best practices into its financial management procedures, and bring the Agency's financial procedures and operations into compliance with various Federal financial management laws and regulations. The Agency received the study's findings in 2000 and will begin implementation of key recommendations during FY 2001. Also, the Agency adopted a new standard general ledger posting model for credit programs, eliminated the backlog of debt-rescheduling entries, and began to use commercial banks to service outstanding loans.

FY 2000 saw significant progress against each of these initiatives, and the Agency achieved most of its planned results for the year. During FY 2000, USAID continued working energetically to improve the quality and availability of performance and financial data for Agency decision making. Key accomplishments include the following:

- Designed and implemented performance management workshops (In October 2000, USAID piloted

the first performance management workshops developed as a joint project with M/HR/LS, PPC, **Africa** Bureau, and the Nairobi REDSO. In 2001, at least 14 workshops for 350 participants will be conducted in four regions and Washington.)

- Revised the Automated Directives System (ADS) Series 200 policies and procedures on Managing for Results
- Expanded technical assistance on performance measurement for Missions
- Conducted technical analysis of performance data quality and coverage
- Effectively serviced outstanding Agency loans by a commercial bank for one year (A backlog of debt-rescheduling activities was caught up, and the loan general ledger was made ready to migrate to the new core financial management system.)
- Installed, configured, tested, and readied a new core financial management system to support Washington financial operations, beginning in FY 2001
- Closed 738 audit recommendations, resulting in savings to the Agency of \$202.4 million in efficiencies and \$6.6 million in collections (At the end of FY 2000, 86.4 percent of the Agency's open recommendations were less than one year old, slightly off the target of closing 90 percent of audit recommendations within one year.)
- Expanded capacity to plan, allocate, and report resources by Congressional directives
- Issued 10 revised financial management policies and procedures, including those for accounts payable, program-funded advances, management of credit programs, and accounting for USAID-owned property
- Adopted new Standard General Ledger posting model for credit programs

Proposed Performance Plan for FY 2002

For FY 2002, USAID intends to strengthen the use of its program performance and financial information in Agency decision making by achieving the following goals:

Performance Goal 1.1

Core financial management system certified compliant with

Federal requirements

Indicator 1.1.1: Integrated, automated financial systems worldwide. USAID's targets are to 1) link remaining legacy financial systems to the new core financial management system in Washington and 2) obtain Federal certification of the general control environment and system security for the accounting operations of overseas Missions not so certified in FY 2001.

Indicator 1.1.2: A fully operational, secure, and compliant core financial system installed with interfaces to major feeder systems. USAID's target is to expand this system to as many overseas field missions as budgetary resources allow.

Performance Goal 1.2

Allocate full costs to the strategic goals of the Agency's operating units.

Indicator 1.2.1: All costs allocated to strategic objectives. USAID's target is to install a system capable of allocating costs to strategic objectives in Washington and the field.

Performance Goal 1.3

Program performance assessment systems and capabilities increased.

Indicator 1.3.1: USAID program performance tracked.

Program Performance Goal 1.4

Knowledge to plan and implement USAID's programs acquired and shared effectively.

Indicator 1.4.1: Knowledge.

Program Performance Goal 1.5

Agency operations guided by effective policies and procedures.

Indicator 1.5.1: Assessment and audits validate implementation of policies and procedures.

More refined goals indicators for PG 1.3-1.5 are currently being developed. These goals and indicators are consistent with the FY 2001 ASP.

Modified Performance Plan for FY 2001

Performance Goal 1.1

Core financial management system certified compliant with Federal requirements.

Indicator 1.1.1: Integrated, automated financial systems worldwide. USAID's revised FY 2001 target is to obtain Federal certification of the general control environment and system security of the accounting operations of approximately one half of the Agency's overseas Missions.

Indicator 1.1.2: A fully operational, secure, and compliant core financial system installed with interfaces to major

feeder systems. USAID's revised FY 2001 target is to have this system fully operational in Washington and two overseas Missions.

Performance Goal 1.2

A system to allocate costs fully to Agency strategic goals installed in Washington and the field.

Indicator 1.2.1: Costs attributable to Agency strategic goals. USAID's revised FY 2001 target is to provide secure, reliable, and accurate financial information at the strategic objective level throughout the Agency.

Objective 2: USAID Staff Skills, Agency Goals, Core Values and Organizational Structures Better Aligned to Achieve Results Efficiently

Human resources have been identified as a critical management challenge for USAID. The first major human resource concern is workforce planning, defined as getting the right person, at the right time, for the right job, and doing the right work.²

Since September 30, 1992, USAID has experienced significant downsizing of its combined Civil Service (CS) and Foreign Service (FS) workforce. During FY 1996, it reduced its level of FS and CS employees by 14 percent (from 2,764 to 2,378) and has continued to downsize since then. Its target employment level is 1,035 CS and 1,000 FS employees, a level 14.6 percent below its 1996 level.

To get to these new, lower levels, the Agency essentially froze new hiring until FY 1999 and allowed voluntary attrition to occur. As a result, a skill imbalance now exists within USAID. USAID offered a "buyout" for the Civil Service in FY 2000 to accelerate voluntary attrition in occupational categories where fewer employees were needed. But more needs to be done to correct the existing skills imbalance and reshape USAID's workforce.

The second major workforce concern confronting USAID is the high number of retirement-eligible employees. The average USAID CS employee is 47 years old. The average USAID FS employee is 49 years old. About 32 percent of USAID's CS workforce and almost 60 percent of its FS employees are eligible to retire now or during the next five years.

In FY 1998, the Agency implemented the first annual recruitment plan for the Foreign Service. The recruitment plan is the result of an analysis of each individual occupation. There are 19 FS occupational categories. The occupational analysis projects the number of employees and number of positions five years out from the beginning of the current fiscal year.

The first plan, developed in FY 1998, for example, projected FS employee needs, by occupational category, out to September 30, 2002. The Agency used data submitted by the Missions on projected staffing needs by occupation and data on attrition to estimate the number of positions and the number of onboard employees five years hence. The Agency set the recruitment level for that plan based on any resulting shortfall and the Agency's ability to absorb career candidates.

The Foreign Service Act of 1980, as amended, requires that the normal entry level into the Foreign Service be at salary class 4 or below. USAID refers to its entry-level employees as New Entry Professionals (NEPs). In the past they were called International Development Interns (IDIs). In addition to the NEPs, the Agency recruited midlevel career candidate contract officers (salary class 3) and career candidate legal officers (salary class 2). In FY 1999, USAID hired 30 career candidates, and in FY 2000, 51. In FY 2001, it plans to hire 109 career candidates.

The Agency has taken a number of steps to build a stronger and more capable human resource base. It initiated its NEP program, successfully increasing its intake of professionals in FY 2000, and increased the number of upper-level managers trained externally through such programs as the Federal Executive Institute and the Foreign Affairs Leadership Seminar. It also developed new in-house training programs designed to enhance the results orientation of program managers, as well as their financial management, acquisition and assistance, and supervisory skills. Although it has been difficult, the Agency staffed every critical position through FY 2000 and believes that its human resource constraints will be substantially eased by the end of FY 2002.

However, work remains to be done to better align Washington staff with USAID's strategic goals and objectives. The Agency is in the process of developing a Washington workforce strategy that systematically and comprehensively assesses its Washington employment needs. It expects to use a process similar to the one it used to analyze and project its FS employment needs. This includes an examination of optimal organization structures in Washington, from which flow the Agency's occupational skills' requirements. It is expected that this analysis will be completed in fall 2001.

During FY 2000, USAID better aligned USAID staff skills with Agency goals and core values by doing the following:

- Approving its third annual Foreign Service Recruitment Plan and identifying the numbers of New Entry

Professionals (NEPs) and midcareer officers to be recruited by Technical Backstop for the coming fiscal year (Sixty-three NEPs came aboard through FY 2000. The plan was to have 1,000 Foreign Service Officers (FSOs) by the end of FY 2000. The Agency came very close to meeting this target: 996 FSOs were on board as of September 2000.)

- Training 101 Senior Executives through either the Federal Executive Institute, Carley Senior Leadership Training, and Foreign Affairs Leadership Seminar
- Training 140 supervisors in courses such as Introduction to Supervision, Supervisory Skills for Foreign Service Nationals (FSNs), and Nuts and Bolts of Supervision
- Training 435 technical staff on funds management, including obligations, expenditures, and accruals
- Training 700 employees in new acquisition and assistance rules and procedures
- Certifying 80 percent of contracting officers
- Outsourcing the automated personnel and payroll functions to the USDA's National Finance Center

In early March, 2001, OMB directed agencies to prepare, as part of their annual 2002 performance plans, a plan for outsourcing not less than 5% of the positions identified as commercial activities in the annual FAIR Act Report. While the 2001 FAIR Act report has yet to be completed, the FY2000 inventory on which it is based has been completed. A total of 631 positions were identified as performing some commercial functions; 5% of that number would require outsourcing/ contracting out a minimum of 32 positions. In light of the preceding discussion regarding the skills shortage already existing within USAID and the increasing recruitment activity underway to deal with that, achieving this goal will not be possible.

USAID at present has a significant non-direct hire workforce. As of December 31, 2000, USAID's total workforce - including USDH, FSN, USPSC, TCNPSC, RASA, PASA, TAACs, IPA and Fellows - was 7495. Of this number, only 2114 are USDH. This translates to a non-direct hire workforce of 72% of the total. Our USDH employees are overseeing institutional contracts and obligating money for the US government, an inherently governmental function. The IRM staff in particular is overseeing the PRIME contract which handles our IT

support; 291 contractors are utilized here. In addition, the IRM staff handles 3 other institutional contracts and a facilities management contract which have a total of 48 contractors. Training instruction and development is contracted out, using 13 contractors. Learning Services Division also contracts for the librarian in the Information Center. Administrative Services utilizes several contracts for such services as the mailroom, printing and reproduction services, office moving, travel and transportation, and management of the Agency directives system. A total of 28 contractors are performing these commercial activities. Our financial management office has already outsourced selected functions to the Riggs Bank and USAID has outsourced the Personnel and Payroll system to the USDA National Finance Center. The Global Bureau utilizes 48 contractors to perform both technical and administrative functions. Overall, since 1995, our USDH workforce has decreased 30%. Further reductions in USDH staff will exacerbate the skills deficit already existing and impair our ability to perform core mission activities.

In February, the White House directed agencies to reduce layering within their organizations. USAID will be reviewing its organizational structures in the near future with a view to decreasing its organizational layering wherever possible. Should this process result in a consolidation of commercial functions to the extent it would become cost effective to look at possible outsourcing or contracting out opportunities, USAID will do so. Currently, however, the majority of employees performing these commercial activities are also performing core mission functions that cannot be outsourced or contracted out. In addition, there are very small numbers of employees performing each activity. It would not be cost effective to contract out these small numbers of employees. Therefore, for the reasons cited above, USAID currently has no plans to conduct any public-private or direct conversion competitions.

Proposed Performance Plan for FY 2002

For FY 2002, USAID intends to strengthen its human resource planning capabilities by achieving the following goals:

Performance Goal 2.1

Human resource planning capabilities strengthened.

Indicator 2.1.1: Recruitment efforts result in rapid deployment of staff in all labor categories and services. USAID's FY 2002 human resources' planning target is to meet all its FS and CS staffing requirements and to make Web-enhanced human resource management tools available to Agency human resource management personnel.

Performance Goal 2.2

Skill shortages addressed.

Indicator 2.2.1: In-house training on critical operational skills continued. USAID's FY 2002 target for in-house training includes acquisition and assistance (A&A) training for approximately 450 technical officers and leadership training for approximately 125 managers.

Modified Performance Plan for FY 2001

Performance Goal 2.1

Human resource planning capabilities strengthened.

Indicator 2.1.1: Recruitment efforts result in rapid deployment of staff in all labor categories and services. USAID's FY 2001 human resources planning target is to bring onboard an additional 151 employees (of which 131 will be NEPs) through March 2002 and to maintain the planned FS staffing level.

Performance Goal 2.2

Skill shortages addressed.

Indicator 2.2.1: In-house training on critical operational skills continued. USAID's FY 2001 training targets include leadership training for 100 executive-level (FS-1/GS-15 and above) employees; operations training for 120 midlevel seniors (FS-2/GS-14, senior Foreign Service National employees, and U.S. personal service contractors); assistance and acquisition training for 425 technical officers; and supervisory training for 300 employees at all levels. In addition, the "Managing for Results Program" will be made available for computer-based self-instruction.

Objective 3: Agency Goals and Objectives Served by Well-Planned and Managed Acquisition and Assistance (A&A)

USAID supplies goods and services to its customers largely through intermediaries, contractors, or recipients of grants and cooperative agreements. Core USAID staff, on the other hand, perform the "inherently governmental functions" for which the Agency is responsible: strategic planning, program oversight, financial management, assessment and reporting, and negotiations with host-country governments. In this environment, efficient and effective acquisition and assistance services are critical to achievement of the Agency's strategic goals. It is for this reason that the Agency's leadership designated developing more efficient and effective A&A services as a priority, and the Agency modified its A&A objective through its revised Strategic Plan. The Agency's new A&A objective is "Agency goals and objectives served by well-planned and managed acquisitions and assistance."

In the recent past, the Agency concentrated on increasing the number of performance-based contracts and results-based assistance instruments as the key to efficient and effective A&A services. While the Agency will continue to emphasize performance-based instruments, it also realizes that more and better integration among those involved in planning and carrying out A&A activities is equally, if not more, important in achieving desired results more quickly. This includes the technical officers responsible for program design and implementation, contract officers responsible for A&A negotiations, and suppliers. In addition, the Agency has expanded its use of more flexible A&A instruments, such as indefinite quantity contracts and an innovative assistance mechanism known as "Leader/Associate Grants." Accordingly, the Agency will not use the number or percentage of performance-based contracts awarded as a measure of its performance in the future.

In line with its revised A&A objective, these are Agency's new A&A performance goals:

1. A&A planning and program development integrated
2. Acquisition and assistance competencies of technical and contract staff strengthened
3. Partnership among USAID technical offices, contract offices, and contractors and recipients improved
4. Consistency in application of A&A policies and procedures

USAID will assess its performance with regard to the first goal by tracking when, and to what extent, technical and contract officers initiate collaboration over particular A&A actions, and the relative value of procurements completed in each quarter of the fiscal year.

It will assess its performance against the second goal by tracking the number and percent of contract officers and cognizant technical officers trained and certified to perform their respective A&A functions effectively.

It will assess its performance against the third goal by tracking the number of postaward meetings among all parties following substantial new awards and the time it takes to resolve audit findings concerning cost disallowances.

It will assess its performance against the fourth performance goal through the findings of a contract review board, evaluations, and feedback received by the Agency's A&A ombudsman.

USAID will develop baseline data for the indicators for its third and fourth A&A performance goals during FY 2001. However, it can report now against select indicators for its first and second A&A performance goals using FY 1999 as the baseline year.

In FY 1999, A&A instruments representing 32 percent of the value of USAID's program procurement for that year were executed during the first three quarters of the year. Instruments for the remaining 68 percent were executed during the fourth quarter, as follows: July, 13 percent; August, 14 percent, and September, 41 percent. The goal of reducing fourth quarter obligations is dependent to some extent on when the OYB is made available. In addition, meeting this goal is not solely within the control of M/OP. M/OP will work with the Bureaus to encourage earlier and better A&A instrument planning.

In support of its A&A objective and revised performance goals, the Agency has emphasized the training and certification of "Cognizant Technical Officers" and Contract Officers to improve their respective management and negotiation of A&A instruments. It is also moving to implement an automated contract-writing system and acquire a new, automated A&A system. Results relevant to these initiatives are described below:

During FY 2000, the Agency

- Trained 700 employees in new acquisition and assistance rules and procedures and
- Obligated 30 percent of funds during the first three quarters of the year, while 70 percent was obligated during the fourth quarter as follows: 14 percent in July, 27 percent in August, and 29 percent in September.

The revised set of indicators for the FY 2002 plan includes better planning and collaboration between M/OP and its client offices, which will enable solicitations for acquisition and assistance to be issued earlier in the year. With appropriate Indefinite Quantity Contracts in place, task orders can be issued as needs arise that, if appropriate planning is occurring, should be spread somewhat more evenly in the second and third quarters. By reducing the amount of obligations during the fourth quarter, we can help ensure better awards because the work will not be as rushed as it often is during the last quarter.

Proposed Performance Plan for FY 2002

For FY 2002, the Agency plans to enhance its acquisition and assistance capabilities by achieving the following goals:

Performance Goal 3.1

A&A planning integrated with program development.

Indicator 3.1.1: Procurement priorities established and modified jointly by technical and contract officers.

USAID's target is to negotiate 38 percent of its FY 2002 A&A instruments within the first three quarters of the year, 20 percent during July, 21 percent during August, and 21 percent in September.

Indicator 3.1.2: Percent of contracts valued at over \$25,000 that are performance-based. USAID's target is 20%.

Indicator 3.1.3: Percent of solicitations valued at over \$25,000 advertised at over \$25,000 via

www.FedBizOpps.gov. USAID's target is 95%.

Performance Goal 3.2

Acquisition and assistance competencies of technical and contract staff strengthened.

Indicator 3.2.1: Percentage of Cognizant Technical Officers (CTOs) and Contract Officers (COs) certified. USAID's target is to have 90 percent of its COs certified by the end of FY 2002. USAID will establish a target for training/certifying CTOs after approval of its CTO certification program in FY 2001.

Performance Goal 3.3

Partnerships among USAID technical offices, contract offices, and contractors and recipients improved.

Indicator 3.3.1: Increase in postaward meetings between all parties to establish relationships when substantial new awards are made. USAID's FY 2002 target will be determined after a baseline is established in FY 2001.

Performance Goal 3.4

Consistency in application of A&A policies and procedures.

Indicator 3.4.1: Contract Review Board findings, special evaluations, and feedback from the Agency's A&A ombudsman validate consistent implementation of policies and procedures. USAID's FY 2002 target will be set following baseline work in FY 2001.

Modified Performance Plan for FY 2001

Performance Goal 3.1

A&A planning integrated with program development.

Indicator 3.1.1: Procurement priorities established and modified jointly by technical and contract officers.

USAID's target is to negotiate 38 percent of its FY 2002 A&A instruments within the first three quarters of the year, 20 percent during July, 21 percent during August, and 21 percent in September.

Performance Goal 3.2

Acquisition and assistance competencies of technical and

contract staff strengthened.

Indicator 3.2.1: Percentage of Cognizant Technical Officers (CTOs) and Contract Officers (COs) certified. USAID's target is to have its CTO certification program approved and 85 percent of its COs certified by the end of FY 2001. USAID also expects the productivity of its contracting officers to be enhanced by a fully operational, automated contract-writing system.

Performance Goal 3.3

Partnerships among USAID technical offices, contract offices, and contractors and recipients improved.

Indicator 3.3.1: Increase in postaward meetings between all parties to establish relationships when substantial new awards are made. USAID's FY 2001 target is to establish a baseline for this indicator that will be used to assess performance beginning in FY 2002.

Performance Goal 3.4

Consistency in application of procurement policies and procedures.

Indicator 3.4.1: Assessments, audits, and feedback validate implementation of policies and procedures. USAID's FY 2001 target is to establish a baseline for this indicator that will be used to assess performance beginning in FY 2002.

Objective 4: Agency Goals and Objectives Supported by Better Information Management and Technology

USAID is faced with several management challenges linked to its ability to improve its information management and technology systems. To address these challenges, the Agency developed an Information Management (IM) Strategic Plan for Fiscal Years 2001–05, mapping a course for more effectively applying information management and technology to the goals and objectives of the Agency.

Based on the precepts of the Plan, IM will achieve its goals of Exemplary Leadership, Superior Performance, and Full Compliance through the implementation of five strategic objectives (SOs): Improved Information Infrastructure, Cost-Effective Support Solutions, Integrated Program Solutions, Effective Knowledge Management, and Comprehensive Information Management.

Implementation of the SOs will be accomplished through phased, modular initiatives with identifiable milestones. During FY 2000, the following key milestones were met on time to support information management and technology objectives:

- Developed an Information Management Strategic Plan

- Established a Capital Investment Portfolio
- Developed a Target Information Architecture
- Completed Year 2000 transition and operations unimpeded
- Completed security risk assessments at a number of Missions
- Developed a Web-based security course
- Completed an analysis of Agency connectivity options

During FY 2000, the following key milestone was met earlier than expected:

- Implemented a pilot electronic-government (e-gov) initiative

Proposed Performance Plan for FY 2002

During the next five years, the Agency will be challenged to realize its goal of providing more effective information resources management. There are a number of IM requirements critical to the success of the IM Strategic Plan that remain unfunded. However, during FY 2002, the Agency plans to support better information management and technology by accomplishing the following goals:

Performance Goal 4.1

Expanded and enhanced use of information management technology.

Indicator 4.1.1: The new core financial management system in Washington linked to remaining legacy financial systems.

Indicator 4.1.2: The security and integrity of legacy core financial management systems in the Missions enhanced.

Indicator 4.1.3: Desktop/network operating systems upgraded at more than half of the Agency's locations worldwide.

Indicator 4.1.4: Telecommunication network equipment upgraded at more than a third of the Agency's locations worldwide.

Performance Goal 4.2

Enhanced compliance with Federal requirements and regulations.

Indicator 4.2.1: Federal certification of the general control environment and system security for half of the Agency's Missions obtained.

Indicator 4.2.2: The development phase of the Agency's Government Paperwork Elimination Act initiative com-

pleted, setting the stage for final implementation and testing in FY 2003.

Objective 5: Collaboration With Partners and Stakeholders Strengthened

USAID's long history of founding and nurturing partnerships serves the Agency well as it develops the ever more complex, innovative, and forward-looking relationships on which success in the 21st century will rest. Indeed, each of the previous chapters of this report identifies (in a chart or narrative) other partners and stakeholders in each goal area with whom we coordinate and collaborate at the country and regional levels. Having established healthy partnerships with a vast array of institutions, donors, developing countries, businesses, and civil society organizations, USAID is poised to meet future challenges.

In terms of Agency systems, the new programming process fully incorporates partners—including nongovernmental organizations—into the planning, implementation, and monitoring of programs. During FY 2000, the Agency worked to lower barriers to that involvement, including the development of new conflict of interest guidance.

Agency coordination with donors to develop strategic consensus around priority development issues was strengthened.

Proposed Performance Plan for FY 2002

Performance Goal 5.1

Compatibility among USAID and other donor programs in select sectors, countries, or regions increased.

Indicator 5.1.1: Donor strategic consensus on key development issues and sectors increased.

Performance Goal 5.2

USAID programs, achievements, and value communicated more effectively to the American people and Congress.

Indicator 5.2.1: Public awareness of USAID programs increased.

Performance Goal 5.3

Role of partners in strategic planning and program implementation enhanced.

Indicator 5.3.1: More SO teams include country partners.

Indicator 5.3.2: Partners perceive that they are being treated as SO Team members, as mandated in Agency regulations.

E. Performance Table

| FY 2000 Annual Performance Table Management | | | | | | | |
|---|------|------|------|------|------|------|------|
| Fiscal Year | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
| Percentage of USAID Development Assistance channeled through private voluntary organizations | | | | | | | |
| Actual | 33.6 | 36.7 | — | — | — | — | — |
| Targets | — | — | — | — | 36.7 | — | — |
| Number of weaknesses outstanding at the end of the fiscal year | | | | | | | |
| Baseline | 8 | 8 | 8 | 4 | — | — | — |
| Targets | — | — | — | 4 | 3 | 2 | 1 |
| Percentage of audit recommendations closed within one year | | | | | | | |
| Baseline | 85 | 85 | 85 | 86.4 | — | — | — |
| Targets | — | — | — | 90 | 95 | — | — |
| <i>Source: USAID</i> | | | | | | | |

Notes

¹See, for example, the General Accounting Office's list of major management functions for "high-performing organizations" (undated exposure draft of "Determining Performance and Accountability and High Risks," p. 2.

²The Office of the Inspector General (OIG) receives a separate appropriation and has separate human resource authorities. Accordingly, this discussion does not include OIG human resource issues.

Introduction

USAID has incorporated four “cross-cutting” themes in its 2000 revision of the Agency Strategic Plan. A critical review of the 1997 Plan found the treatment of important topics that cut across Agency goal areas to be too brief. The cross-cutting themes incorporated in the revision are gender, civil society, institutional and organizational development, and crisis management.

Cross-cutting themes are important as both means and ends in USAID development efforts. Each cross-cutting theme is a manifestation of USAID’s values and philosophy as a *means* to achieving Agency goal areas. As *ends*, these themes represent valuable bellwethers that USAID’s development assistance task has been completed in a country or region.

Cross-cutting themes often do not lend themselves as well as goal area objectives to quantification when measuring results. Moreover, cross-cutting themes often take a significant amount of time to demonstrate aggregate results. Because progress in these theme areas is incremental, USAID will select one theme each year on which to report, using multiyear data. This year, USAID has chosen gender as the theme on which it will report. The data are taken from reports of progress in the years 1995–99.

Gender and Development

The term “gender” refers to “the economic, social, political, and cultural attributes associated with being male and female.”¹ USAID recognizes that the gap between males and females in the measurement of progress on the International Development Targets is significant. This may reflect underlying inequalities in terms of empowerment, social and political access to services, and resource allocation.

In September 1995, the United States was one of 189 countries to participate in the UN Fourth Conference on Women, held in Beijing, China, and to adopt, unanimously, the Beijing Declaration and Platform for Action. Calling for measures that ranged from protecting the rights of the girl child to promoting economic and political opportuni-

ties for women, the Platform for Action was considered the most far reaching and comprehensive statement on women’s rights ever adopted by so many countries. It defined gender equality as “the full and equal participation of women and men in civil, cultural, economic, political, and social life at the local, national and international levels.”²

USAID emphasizes gender equality for both efficiency and equity reasons. It is important both in maximizing the economic development potential of a society and in the realization of individual human development potential and rights. Women and girls constitute more than half of the world’s population, yet on all international development target measures except life expectancy, females lag behind males. USAID focuses on rapidly improving the status of women while males’ status continues to progress at a steady rate, thus narrowing the gap between females and males in all development targets.

There is a clear, tangible payoff for overall development results when the status of women and children improves. An increase in women’s schooling can significantly affect infant and child mortality, for example, and maternal education improves child health and nutrition, which can in turn affect social and economic indicators. Increased girls’ education in Africa, Middle East, and South Asia to match that of boys could increase economic growth rates in these countries by 0.5 to 0.9 percentage points a year. Politically, lower levels of corruption exist in countries where women are more active in the labor force or politics.

Indeed, improving the status of women and girls can enhance all of the Agency’s performance goal areas—from expanding developing-country economies for American exports to reducing global public health crises to protecting U.S. foreign policy interests in creating peaceful, stable, and democratic allies abroad. The United States maintains a compelling interest in reducing gender disparity in order to achieve USAID performance goals. But beyond this, USAID’s gender-related efforts also reflect the fundamental American value and belief that every person—male or female—deserves an equal opportunity to achieve political, social, and economic well-being.

Economic Growth

United Nations Development Fund for Women statistics show that women and girls represent the largest segment of the world's poor—approximately 70 percent of the 1.3 billion people living in absolute poverty today. When women and girls account for such a disproportionate percentage of those most in need, gender equality plays a critical role in the outcome of development efforts.

Although women's employment levels have increased in practically all regions of the world, their wages are 50 to 80 percent those of men's. Only about 20 percent of that gap can be explained by gender differences in education, work experience, and job characteristics. Furthermore, women are greatly underrepresented in better-paying, formal-sector jobs in all regions. It is estimated that women's unpaid household labor accounts for about one third of the world's economic production.

In developing countries, when unpaid agricultural work and housework are considered along with wage labor, women's work hours are estimated to exceed men's by 30 per cent.³

USAID's efforts to promote women's economic participation range from addressing institutional barriers to direct assistance activities. Fourteen USAID operating units have strategic objectives, intermediate results, and/or performance indicators that specifically focus on women in economic growth. The Agency's programs promote institutional reforms to extend basic economic rights to women, such as the right to own or inherit property. USAID-financed microcredit programs enable thousands of women to become small-scale entrepreneurs. The Agency's support for business training helps ensure that participating women not only earn income but also acquire invaluable experience as managers of their own small businesses.

To ensure that poor women as well as men are helped often requires removing gender-based obstacles to economic growth, including addressing both institutional inequalities (limiting access to education and training) and factors of production (such as credit, land, and labor). USAID frequently works through local associations and women's groups that have been organized by women to help them identify and meet their own needs. These groups are often the best methods of delivering the technical and financial resources that USAID has to offer to the women who need them.

Sometimes the resource most urgently needed is basic nutrition. Where the poor are at risk of starvation, USAID helps improve food security. The P.L. 480 Food

Aid Program serves as an international pipeline delivering food and instruction to poor communities around the globe. To help poor women feed their families, the Agency takes special care to work with local community groups. In **India**, for example, 3,000 women's groups participate in a variety of P.L. 480 food program activities, some of which were organized specifically to join the program's grain bank and its savings and credit projects.

USAID also works in the arena of microcredit for microenterprises. The Agency makes \$120 million a year available for microcredit programs in which more than two thirds of the borrowers are women. In **Nicaragua**, these loans have helped 9,000 women find gainful employment in agricultural export processing.

USAID's experience with women's microcredit confirms that of other donors and institutions: women are frugal borrowers, prudent entrepreneurs, and low business risks. Lenders usually extend credit to teams of women who most often operate their separate enterprises individually, but remain jointly responsible for the entire amount borrowed. The experience helps each woman acquire valuable management skills and invaluable self-confidence that comes with success on even the smallest scale. And because the team must repay the full amount of the loan, each member has a stake in the success of the others' enterprises, as well as her own. The results are repayment rates that conventional commercial banks can almost never match.

Working with private banks in **Jordan** and the Jordan River Foundation, founded under the patronage of Her Majesty, Queen Rania Al-Abdullah, USAID is helping extend new credit opportunities to the residents of Jordan's impoverished South. As many as 25,000 active borrowers are expected to qualify for loans by the end of next year, at least half of whom will be women. Already, businesses started with these loans are producing wicker furniture for local and international markets that is recognized for the quality of its construction and design.

Microcredit may be essential to helping women launch small businesses, but by themselves these small loans cannot guarantee success. USAID is also developing training programs for microenterprises and small business. In **Russia**, for example, USAID offers business incubator services that help entrepreneurs develop business plans and acquire basic business skills. These incubators also extend small loans to qualified borrowers, 70 percent of whom have been women.

USAID's efforts in **Jamaica** support a wide variety of services to promote small business formation in the export

sector, including microcredit lending and skills training. Women made up more than 70 percent of the microcredit borrowers, and by 1998 these activities had provided training to 630 women and contributed to the creation of 135,000 jobs for women.

USAID's training efforts support a host of different skill requirements. In **Bolivia**, USAID-funded scholarships allow women to attend technical institutes. Of the 350 women who have received USAID support, 80 percent have taken senior positions in public- and private-sector institutions.

The Global Training for Development Program, the Agency's largest training activity, operates in the former Soviet republics. It provides midcareer and senior professionals experience with Western methods of private- and public-sector management. Although the program carries a mandate to ensure that women make up half of all participants, this level has been achieved only in **Kazakhstan**. In **Turkmenistan**, women make up 43 percent of the participants, while in **Kyrgyzstan**, the figure is 45 percent.

The Agency's agricultural assistance projects help the rural poor combine production for markets with production for home consumption, and women farmers are key participants in a variety of projects. In **Bangladesh**, nongovernmental organizations operating with USAID funding helped 1.25 million poor families, representing 5.4 million beneficiaries, take up small-scale aquaculture and vegetable farming in 1998. Women either headed or maintained more than 70 percent of these families, and the average production of their fishponds, 1,950 kilograms per hectare, was double the national average output.

In **Albania**, USAID supports programs to improve dairy production, and 97 percent of the participants are women dairy operators receiving training in new processing techniques and effective methods of livestock management and artificial insemination. This project has also helped these women dairy operators establish a credit union to promote savings and investment and to further increase their output.

The Agency has recognized that combining technical assistance to small-scale producers with financial innovations, such as creating credit unions to provide credit to producer associations, can increase output, promote more efficient production, and lay a foundation for future growth. Women have proved enthusiastic participants in several such projects. In **Mali**, USAID's Sustainable Economic Growth Program has helped women farmers

gain critical access to irrigated land for rice production. The program has also organized 19 women's credit unions throughout the country, enabling 3,700 women to qualify for small loans in 1998, many of which supported rice farming. Thus rice farming is growing increasingly popular among small-scale women farmers.

Democracy and Governance

Full political participation in democratic processes must include women as well as men; no state can consider itself a true democracy if more than half the population continues to have limited political access and unequal rights under the law. Anything that restricts the scope of public participation not only weakens a country's democratic foundations but also has the immediate effect of limiting debate over its development priorities. No barrier is more pervasive than the laws, institutions, and traditions that relegate women to subordinate roles in public life, and USAID supports a wide variety of initiatives promoting women's political participation.

In 1998, only 8 percent of the world's cabinet ministers were women, and in 1999, women represented only 11 percent of parliamentarians worldwide. Such gender disparities in political power pose a significant barrier to developing truly representative national and local policies and laws. To promote greater gender equality, 17 USAID operating units have strategic objectives, intermediate results, and/or performance indicators that specifically focus on the role of women in democracy and governance. Many USAID activities help train women to stand as candidates for formal political office in village councils, provincial legislatures, and national parliaments. Others support local and national organizations in running public education campaigns to provide women with basic information about their country's electoral process or about pressing public issues, from the details of national budgeting to the issues at stake in constitutional referenda.

By helping women—especially poor women with limited access to information or other political resources—take active roles in public affairs, USAID activities do more than enable women to affirm their basic human rights as citizens. They also increase the likelihood that emerging democracies will adopt policies that reflect the needs and priorities of the entire community.

In 1997, **Thailand** was adopting a new constitution. With USAID support, the Women and the Constitution Network, a coalition of nongovernmental organizations and individuals, sponsored 45 workshops across 32 provinces to provide women voters with information



about the range of individual rights delineated in the charter and the means for having these rights enforced by local and national government agencies. Because 85 percent of the participants at these workshops were themselves women leaders active in local rural women's groups, the project was more than a simple public education campaign. The grassroots network that it helped create and mobilize serves as a public interest watchdog.

Similar workshops have been conducted with USAID support in **Bolivia**, where 2,000 women leaders received training in procedures for registering voters and candidates for local public office. And almost 4,000 women in the **Dominican Republic** participated in a USAID-funded program bringing local women's groups together with municipal authorities to discuss social reform issues.

In the **Philippines**, the Agency supported a regional program provided by the Center for Legislative Development. The Center conducted workshops and seminars in the Province of Cotabato so that women could debate public issues and identify local priorities. Of 30 women who participated in one year's training program, 27 went on to become candidates for municipal or provincial office, and 21 women candidates trained by the Center won local office in North Cotabato.

Training women as candidates was especially important in **Peru**, where recently adopted election laws required that 25 percent of the candidates for town council and congressional offices be women. USAID provided financial and technical support to the four regionally based nongovernmental organizations that coordinated a national campaign to recruit and train women candidates. Working principally in the country's poorest regions, where women's political participation was usually lowest, the program helped generate an unusually high voter turnout. More than 2,200 women were elected to town councils, and the proportion of women among elected officials increased from 8 to 24 percent.

While Peru's elections were shaped by the need to implement electoral quotas, elections in **Russia** were shaped by the elimination of these gender mandates. The Communist Party traditionally apportioned symbolic representation among various party constituencies, including women. The dissolution of the Soviet Union brought an end to party-controlled elections. The number of women holding public office declined dramatically. To help reverse this trend, Russia's Congress of Women of the Kola Peninsula approached the International Republi-

can Institute in 1996, seeking assistance for training women to stand for elective office or manage nongovernmental organization campaigns on women's issues. USAID joined with the Institute to provide communications and campaign management training. By 1997, the Congress of Women of the Kola Peninsula was fielding candidates for the Mumansk City дума. Of the 17 seats that make up the дума, women won 12.

As asserted in the UN charter and reaffirmed at the Beijing conference, universality is a defining feature of human rights. Governments that deny women rights, privileges, and entitlements otherwise conferred upon men violate basic human rights by definition. Thus where women are prohibited from appearing in public without a male family escort or cannot inherit property or own land, where legal or religious codes prohibit the education of girls or women, the offense reaches beyond political issues to strike at a woman's basic right to live.

Ensuring equal protection of women's human rights requires governments to enact and enforce laws that do not discriminate against women. But nondiscriminatory laws are only part of an effective defense of human rights. Women must also be aware that they are entitled to these protections and understand the institutions and procedures involved in enforcing these laws. Protecting human rights thus presumes that women will have basic "legal literacy." Much of USAID's work on behalf of women's human rights has supported locally organized public education campaigns directed at women and at local and national government agencies.

Most of USAID's support to improve the protection of women's human rights works through local nongovernmental organizations. Their activities include encouraging developing country governments to adopt and enforce nondiscriminatory laws protecting women's rights. These nongovernmental organizations conduct public education campaigns to spotlight women's legal vulnerability, draft model legislation to address the failures of their legal systems, and advocate for legislation strengthening the laws protecting women's human rights. When necessary, follow-up public education campaigns are launched to inform women of the means at their disposal for enforcing these rights.

Physical and sexual abuse against women and girls is widespread throughout the world and continues to be underreported. In all countries, 16 to 50 percent of women are likely to be physically harmed from an intimate male partner sometime in their lives. (See chart of violence against women). The United Nations cites violence against women as the single most pervasive

violation of internationally recognized human rights. This violence takes multiple forms, from female infanticide and sex-selected abortion to female genital cutting, “honor” crimes, and rape as a weapon of war.

Because domestic violence violates women’s human rights, threatens their health and that of their children, restricts their labor force participation, and can enforce public silence when women would speak politically, it is becoming a focus of USAID’s efforts in a variety of development sectors. USAID provides training to nongovernmental organizations and government agencies that assist victims with medical treatment, psychological counseling, or legal advice. Technical assistance is extended to local and national agencies so that legal frameworks can be made responsive to gender violence, including training so that judges, prosecutors, and constables can effectively enforce the laws crafted to protect women.

USAID provided critical support to **Honduran** nongovernmental organizations pressing for enactment of the Law Against Domestic Violence, a statute to mandate criminal sanctions against anyone found guilty of domestic violence. In addition, the Agency supported public education seminars on law and other reforms to the country’s Criminal Code affecting women’s rights. As a result, prosecutions of cases involving female victims of crime increased more than 200 percent between 1996 and 1997.

Programs to help prevent violence against women that the Agency has funded in **Bulgaria** have led to the formation of new antiviolence community groups and the creation of local counseling centers. Three cities have won USAID grants to fund community centers that extend state-of-the-art services for supporting abused women and conducting antiviolence public education campaigns.

USAID has learned that combating domestic violence is easier if the issue can be made public and a matter for community concern. Often this requires challenging community norms that rationalize men’s violence and blame women victims for inciting incidents of domestic abuse. Education and outreach efforts are central features of the Agency’s assistance to local indigenous villages in **Ecuador**, where communities are experimenting with innovative dispute resolution methods to help reduce the incidence of domestic violence.

Sexual trafficking of young women and girls for forced prostitution has been an open, if illegal, enterprise in Southeast Asia for years. With the collapse of the Soviet Bloc, and the subsequent opening of borders between

East and West, this trade has taken on global dimensions. The United Nations estimates that in 1997, traffickers extracted nearly \$7 billion in profits from sale of as many as 4 million women, children, and men. USAID has begun to confront this growing menace.

Not all trafficking involves forced prostitution. Children are trafficked not only for sexual exploitation but also for labor, and older women are often subject to confinement as domestic servants. But whether for forced prostitution or manual labor, traffickers commonly lure their unwary victims into coercive situations with the promise of legitimate employment in distant cities or foreign countries. Once the victims have arrived at their destinations, they find themselves put to tasks they cannot refuse under conditions they cannot control.

USAID’s first effort to combat trafficking brought the Agency into partnership with **Ukrainian** authorities to launch public education campaigns warning unsuspecting young women of the dangers of fraudulent employment “brokers.” The Agency also supported community job training centers to help women gain the skills and contacts needed to find legitimate work. And it is helping train law enforcement agencies and border-control officials to detect trafficking transport patterns and fraudulent travel documentation.

USAID supports anti-trafficking initiatives in South and Southeast Asia that focus on prevention. National networks of nongovernmental organizations are emerging across the region. With USAID support, these organizations conduct public education campaigns, provide assistance to victims and advocate for legal reforms.

USAID recently began a new program in South Asia that will strengthen the capacities of South Asian regional and national organizations to initiate and sustain more effective programs for combating trafficking. In **Nepal, India, Bangladesh** and **Sri Lanka**, the program will identify, disseminate and replicate best practices, strengthen data collection, increase public awareness, and strengthen coalitions and regional networks to eliminate trafficking.

Education, Training, and Human Capacity Development

Although limited access to education and training and poor educational quality affect both boys and girls in developing countries, gender imbalances exacerbate the negative impact on girls and women. Today an estimated two thirds of the 300 million children without access to

education are girls, and two thirds of the approximately 880 million illiterate adults are women.⁴

Approximately half of USAID’s support in basic education during 1995–99 went to programs to expand primary education opportunities for girls, as well as local literacy projects for adult women. Currently, more than 20 USAID Missions have basic education components in their strategic objectives, intermediate results, and/or performance indicators, with many USAID Missions adopting strategic objectives, intermediate results, and/or performance indicators that specifically focus on girls’ education.

Literacy training, USAID has learned, promotes a variety of complementary objectives. Local women’s organizations often prove valuable resources for literacy projects. These groups are able to develop curricula that use local knowledge to help women simplify their daily tasks and responsibilities. The groups become more influential as their membership grows and becomes better educated. And women participants acquire more than basic literacy. They also gain essential experience in how to work as a team. Because many of these projects rely on self-instruction, participating women also gain a stronger sense of self-empowerment.

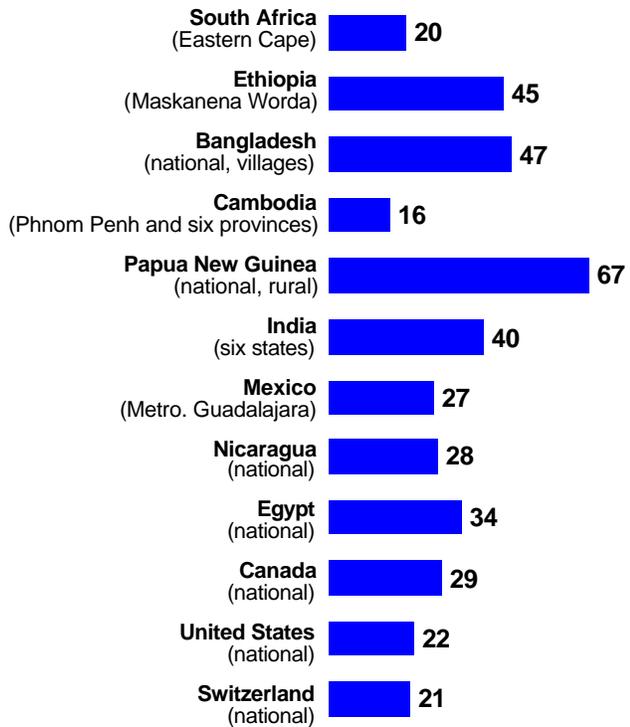
Since 1995, more than 500,000 **Nepalese** women have graduated from a USAID-supported 18-month program that combines basic literacy and numeracy training with legal literacy and advocacy training. Participants in this program have proven eager to put their skills to the test. In 1997, thousands of these newly literate women ran for public office in their local governments, and hundreds were elected.

In **South Africa**, basic literacy instruction uses course materials carried on the Internet. These materials are printed and distributed to local trainers who tutor adult participants. But these materials can be easily revised and new materials distributed at little, if any, additional cost. The ability to substitute new and better literacy tools for less-effective materials ensures that trainers will have available information most appropriate to the students whom they are assisting.

USAID’s adult education assistance often supports groups that apply basic education to improve the skills or the health of participants. The LearnLink Project, for example, is helping local education groups provide training in high technology to school-aged students and

Percentage of Adult Women Reporting Physical Assault by a Male Partner

in any intimate relationship; selected studies



Source: Helse, L., M. Ellsberg and M. Gottemoeller, 1999. *Population Reports, Series L, No. 11*, Baltimore; Johns Hopkins School of Public Health, Population Information Program

adults in 15 countries, but its primary focus is on **Benin**, **Ghana**, and **Paraguay**. In Ghana, three cities operating community learning centers offer instruction in basic computer and Internet operations. Participants learn not only how to type but also how to use the Internet as an information resource. Only one fourth of all LearnLink participants are women, but the project is employing creative outreach measures—street theater and community radio broadcasts—to increase women’s enrollment.

USAID also focuses activities toward girls’ education. While the gender gap is closing in some countries, primary and secondary enrollment rates are still unequal in the developing world. In 22 countries in **Africa** and 9 countries in **Asia**, girls’ enrollment ratios are less than 80 percent of boys’ rates. Far too few young girls in developing countries are attending school, while too many young girls are working or starting families of their own, circumstances that are often closely related.

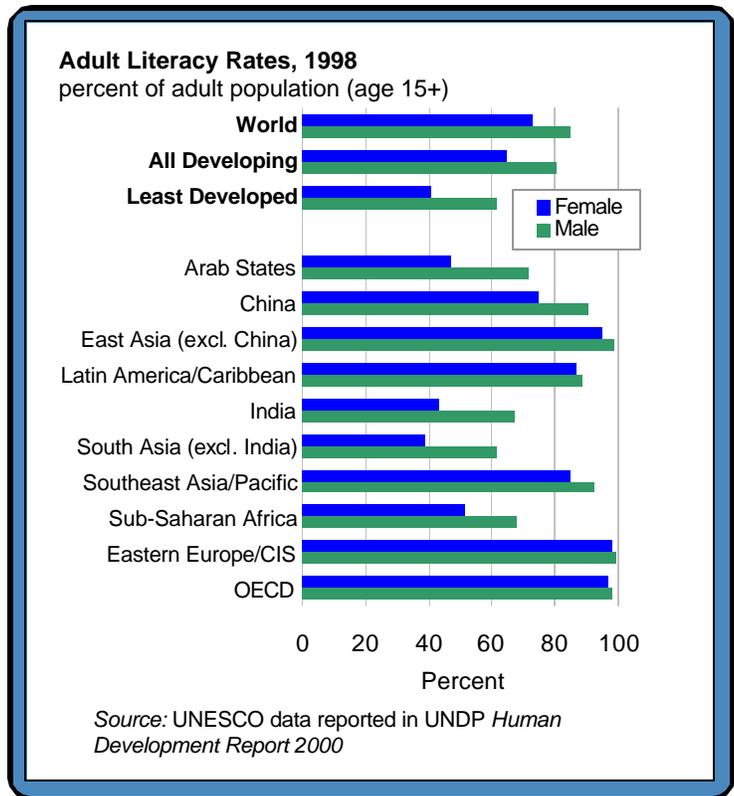
The same year that UN members were meeting in Beijing, USAID launched the Girls' and Women's Education Initiative. Operating in 17 priority countries, the initiative is a major part of USAID's investment in overcoming the social and physical barriers to girls' education. Building more schools, buying new books, and training more teachers expand the educational infrastructure available to developing countries. But USAID has learned that, by themselves, these actions will not sufficiently increase enrollment of girls in primary school or their completion rates. This requires mobilizing human and financial resources from private businesses, religious organizations, the media, and other civil society agencies to complement those of the government.

The International Labor Organization (ILO) believes that working full time in the home explains one third of all girls' nonattendance at primary school. The ILO reports that worldwide, at least 120 million children between the ages of 5 and 14 worked full time in 1998. If part-time work is included, the number rises to 250 million. According to most estimates, three fifths of these children are boys; most estimates, however, fail to take account of unpaid work in family enterprises or within the household. If full-time housework were included, according to the ILO, the number of economically active girls would increase to match that of boys.

The benefits of girls' education are undisputed: labor productivity increases, fertility rates fall, all family members are healthier, and mothers with at least a basic education are more likely to raise educated children, both boys and girls. But parents frequently perceive girls' education as an unaffordable expense, and the benefits to be gained from girls' labor seem more urgently valuable than the longer-term benefits to be gained from their education.

To overcome this disincentive, USAID helps communities design and implement their own programs for encouraging and enabling girls to attend school. Local community control of these programs, USAID has learned, is a critical ingredient in their success. The government of **Guatemala**, for example, has instituted a publicly funded scholarship program for girls' primary education that supports 46,000 girls attending 2,600 schools.

In **Morocco**, the Wafabank and other private-sector organizations have launched the "One-Bank, One-School" campaign. Individual banks "adopt" a local



school and pledge financial support for school maintenance, educational materials, and other needs, such as testing students' eyesight and hearing or supplying schools with clean water. Wafabank officials and staff also assume many of the managerial responsibilities of school administrators. These commitments forge a strong link among the local business community, educators, and parents; one result is an increase in girls' enrollment and retention. There are now 600 bank branches committed to participating in the program.

The Intercultural Bilingual Education Program is one example of community-based education that uses collaborative learning, peer teaching, self-instructional guides, and other active learning techniques to encourage increased participation by girls. The program has been active in **Mali** since 1995. During its first three years, the percentage of school-aged girls enrolled in school increased from 33 to 41 percent. Officials predict that by the end of this year, the percentage of girls attending school will have increased to 43 percent. In **Benin, Guatemala, Guinea, Morocco, Peru**, and other countries, decision makers from the government and private sector, including leaders of religious and media organizations, have formed national girls' education networks that are mobilizing resources to develop projects and programs for girls' education, as well as advocating for stronger policies.

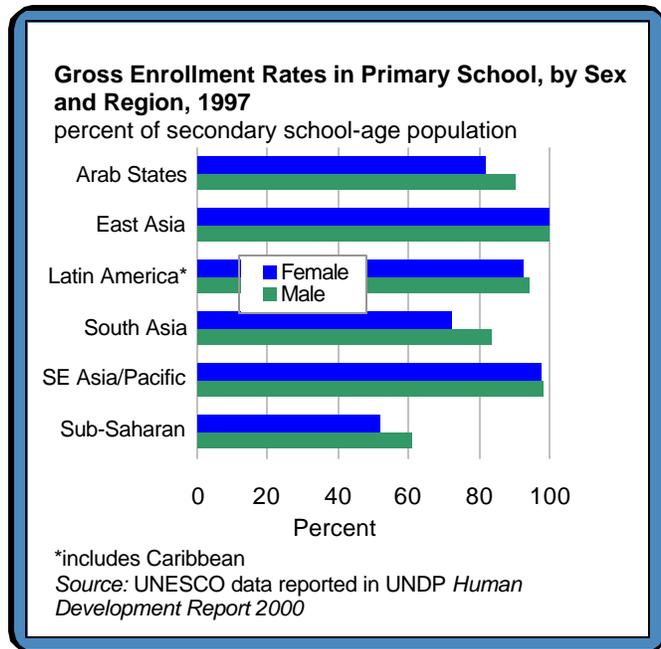
Population, Health, And Nutrition

The health of women and girls, especially in terms of reproductive health, has a significant effect on other development outcomes. Maternal health, for example, directly impacts child and infant health and overall family well-being. Despite this, women and girls continue to lack adequate medical access and care throughout the developing world. Forty-five per cent of women in the developing world do not meet the WHO's minimum daily caloric intake. Overall life expectancy has risen since 1970 due to better diet, better water, and disease control and the gender disparity has decreased in most regions.

Complications of pregnancy and childbirth are the leading cause of death and disability for women aged 15 to 49 in most developing countries. Of all the health statistics monitored by the World Health Organization, maternal mortality shows the largest discrepancy between developed and developing countries: women in developing countries are about 30 times more likely to die from pregnancy-related causes than those in developed countries. Every day almost 1,400 women—at least one woman every minute—die from complications of pregnancy and childbirth, with more than 99 per cent of those deaths occurring in developing countries. Each year more than 50 million pregnancy-related complications lead to long-term illness or disability.⁵ In **Africa**, the maternal mortality rate has reached critical proportions—the death rate from pregnancy-related causes is 1 in 16.

One in four maternal deaths could be prevented by family planning, which postpones early, high-risk pregnancies; gives women's bodies a chance to recover from previous pregnancy; and helps women avoid unintended pregnancies and unsafe abortions. The complications from unsafe abortions are a leading cause of maternal mortality, resulting in 75,000 preventable deaths a year. Furthermore, more than 150 million married women in the developing world still want to limit the number of, or lengthen the interval between, pregnancies, but do not have access to modern methods of contraception.

Thirty-four million people now live with HIV/AIDS, 95 percent of whom are in the developing world. One of the most striking trends in the HIV/AIDS pandemic during the past decade has been its rapid spread among women. Women now account for nearly half of new infections and are becoming infected at faster rates than men. Young women are particularly vulnerable. It is estimated that 70 percent of women infected with HIV are between the ages



of 15 and 24. Women and girls not only face greater biological vulnerability than males, but they also must contend with social and economic forces that increase their likelihood of being infected with HIV.

USAID works in close collaboration with a wide variety of partners to improve the range and quality of preventive health care and essential medical services available to poor women in developing countries. The 60 countries participating in these projects make up 72 percent of the population of the developing world, excluding China. Twenty-seven USAID operating units have strategic objectives, intermediate results, and/or performance indicators that specifically focus on female and/or maternal health.

To ensure that women receive needed family-planning and reproductive health services, USAID has supported innovative service delivery and management systems and training of thousands of providers. USAID has achieved notable success in **Morocco**, for example, where modern contraceptive use since 1983 has more than doubled—to 49 percent of married women of reproductive age. Average family size has declined by almost half to 3.1 children, and maternal deaths have dropped by more than 50 percent, from more than 3,000 to less than 1,500 annually.

A relatively recent development in the past decade for both USAID and the UN Population Fund is the provision of family-planning assistance to countries of **Eastern Europe, Russia, and Central Asia**, where women had

little access to family planning for many years and relied heavily on abortion. With modest inputs of training and technical assistance, the results have been dramatic. In **Romania**, for example, the use of modern contraceptive methods (primarily pills, IUDs, and condoms) has more than doubled between 1993 and 1999, from 14 to 29 percent of married women. During the same period, the incidence of abortion has declined by 35 percent, and abortion-related maternal mortality dropped by more than 80 percent.

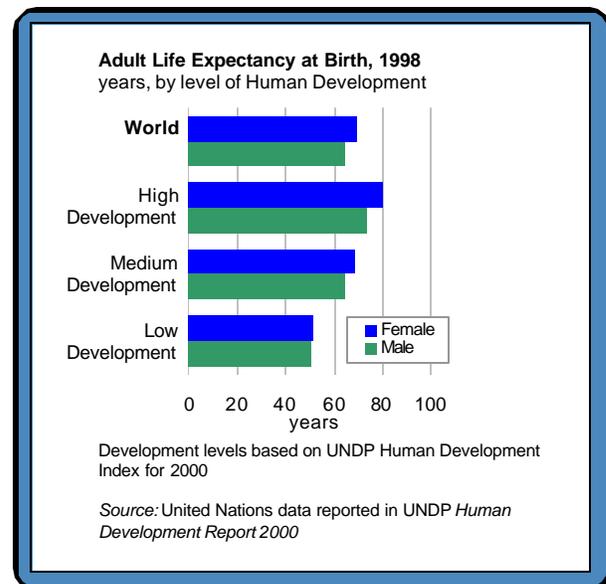
In **El Salvador**, USAID-supported projects are helping 30 nongovernmental organizations provide 90,000 poor women with health services that include prenatal care, midwife assistance, postnatal care, and family-planning counseling. Follow-up services promote healthy infant nutrition and breast-feeding. Twelve thousand working women in

El Salvador now have access to family-planning and other health services, including cervical cancer screening and counseling for victims of domestic violence, through the Demographic Association Rural Program.

Each year, more than 13 million adolescent girls become pregnant in developing countries. This event can double a young girl's family responsibilities, and for most girls it shuts forever the doors to education and opportunity. To help discourage premature sexual activity by adolescent girls, USAID's Focus on Young Adults Program encourages health officials and community leaders to introduce reproductive health classes in schools, establish outreach programs for young people at youth centers, and to provide "youth-friendly" services at health clinics.

One example can be found in **Jamaica**, where USAID is funding a local program to help teenage mothers return to school, complete their education, and avoid future unexpected pregnancies. More than 22,000 adolescent mothers have returned to school since the program's inception in 1997, and only 1.4 percent of participating girls experience a second pregnancy during any given year. A recognized success by U.S. and Jamaican authorities, the program is now active islandwide and funded primarily by the Jamaican government.

USAID also recognizes the importance of helping women gain access to methods of disease prevention. The female condom is one such method, and the Agency's work in **Latin America and the Caribbean** and in **Africa** has demonstrated not only that this method is an effective approach to disease prevention but also that it can be successfully marketed in developing countries. The Agency first test-marketed the female condom in Latin America in 1995. Subsequent programs have demon-



strated the success of this device in **Bolivian, Brazilian, and Haitian** markets. Sales in **Madagascar** began in July 1996. Through the end of 1999, more than 12 million units had been sold through a network of 400 wholesale and 16,000 retail distributors nationwide. The Madagascar program is now active in all cities with high HIV/AIDS risk and along major transport routes.

In **Uganda**, the use of radio spots, voluntary counseling, and testing has encouraged young women ages 15 to 24 to delay the onset of sexual activities and encourage safer sex practices. As a result, their HIV prevalence has declined by 35 percent. In **Kenya**, it is estimated that more than 1.1 million women are infected with HIV—13 percent of the adult female population. The unmet need for contraception and the rapid transmission of HIV/AIDS lend special urgency to efforts to increase the use of condoms. A USAID-funded program to promote subsidized sales of condoms now sells more than 12 million condoms annually, triple the sales of just three years ago.

Female health also includes protection from physical harm and mutilation. Every minute, four women and girls undergo female genital cutting. Each year, as many as 2 million girls are at risk of becoming victims of this practice, with severe consequences for chronic physical and psychological health. Practiced by many communities around the world, including the Bohra of **India** and some ethnic groups in **Sri Lanka** and **Indonesia**, the highest prevalence of female genital cutting occurs in 28 **African** countries, where it ranges from 43 percent in **Côte d'Ivoire** to 97 percent in **Egypt**. Tightly woven into the fabric of many societies, the practice crosses religious, ethnic, and cultural lines. USAID recognizes female

genital cutting as a harmful, although traditional, practice that violates the health and human rights of women and hinders development.

USAID opposes any practice of, or support for, female genital cutting and works toward the goal of total elimination of this practice. Under no circumstances does USAID support the practice of female genital cutting by medical personnel.

In **Egypt**, USAID supported a “positive deviance approach” to identify positive role models who had withstood social pressures and not had their daughters cut or who advocate against the practice. Through a systematic interview process with these women, nongovernmental organization staff and community leaders were able to determine the factors that allowed women and men to go against the traditional demands of society. The process of the positive deviance approach, used for the first time in the context of female genital cutting, has broken the traditional silence and acceptance surrounding the practice and resulted in innovative programs and new advocates willing to actively participate in efforts to end the practice.

In **The Gambia**, USAID supported nongovernmental organizations to work in collaboration with a variety of stakeholders—community members, circumcisers, and religious and local leaders—to design an alternative rite-of-passage curriculum for the traditionally important girls’ initiation ceremonies. The new curriculum emphasizes important aspects of Gambian culture and provides instruction in health, hygiene, and religion, yet eliminates the cutting of young girls. This new curriculum, combined with reproductive health education classes for women, has led more than 30 circumcisers to abandon their profession and take on new roles as village health educators.

In the Kolda region of **Senegal**, 88 percent of young girls are subject to this practice. USAID has funded village empowerment projects in other areas of Senegal, focusing on a human rights approach to health education. Extending these projects into Kolda, villagers are informed about the practice’s long-term health effects and the growing number of neighboring villages that have repudiated female genital cutting. These education campaigns, which brought together local religious leaders, traditional village elders, and government representatives, produced a public declaration to discontinue this practice adopted by a delegation of 2,500 men and women representing 80,000 villagers living in 105 communities.

Environmental Sustainability And Agricultural Development

Agricultural development and sustainable natural resource management require the full participation of all of a country’s citizens, both female and male. Agricultural policies can have a strong impact on whether the natural resource base is sustainably managed. Often, approaches that devolve management decision making to the resource users are most effective in promoting sustainability. Despite being the backbone of the world’s agricultural labor force and the local natural resource managers, women seldom have any role in setting the agricultural policies or priorities of developing country governments. Via Campesina is a worldwide network of peasant associations linking small- and medium-scale farmers, farm workers, rural women, and indigenous agrarian communities devoted to increasing the role of these groups in national policy making. With USAID support, the Via Campesina Women’s Working Group was formed in 1996 to address the cultural, economic, and social barriers to women’s participation in the larger organization and to assist it in becoming a more effective advocate for small producers.

Among the group’s concerns are national agricultural policies that often have the unintended effect of diminishing food security by encouraging the production of cash crops for export, rather than diversified crop production to supplement household food needs. Food security is commonly understood as a function of three interrelated variables: availability, access, and utilization. Families that farm to meet their food needs may be reluctant to divert acreage into cash crop production that cannot serve their own nutritional requirements, but the extra income generated by cash crops ought to improve their overall food security. This result is achieved, however, only if adequate supplies of food are available at local markets at affordable prices. These choices and tradeoffs are often determined by a developing country’s agricultural policies. By strengthening the role of women in Via Campesina, USAID helps strengthen the ability of local organizations to set local development priorities.

No resource, for example, is more precious to the poorest members of developing societies than reliable access to clean water, and women are the water gatherers in most developing countries. So when USAID supports such resource management efforts as the River Basin Authority in **Morocco**, the Agency is helping to do more than increase supplies of fresh water, improve distribution to poorer urban neighborhoods, and extend plumbing

systems to schools and other public buildings. It is helping increase girls' attendance at schools equipped with basic sanitation facilities, for example. By relieving women and young girls of the domestic responsibility of hauling water, it is freeing their time for other pursuits, such as gaining an education or generating income. By including women in local resource-management decision making, environmental programming helps women acquire experience with, and self-confidence in, public recognition.

In the Yammouneh area of **Lebanon**, USAID is assisting conservative Muslim and Christian women who make up 30 percent of the membership of community committees that oversee irrigation projects and determine local water management issues. For many of these women, this is their first substantial role in helping set the pace and determine the direction of their community's development. The communities gain a new appreciation for the experience and judgment of these women committee members, and the region as a whole enjoys better access to more abundant supplies of fresh water.

Humanitarian Assistance

Countries in transition from armed conflict and crisis often represent situations ripe for abuses toward women and girls. Approximately 80 per cent of refugees fleeing from conflict are women and children. International institutions for prosecuting and punishing those who commit crimes against humanity now must cope with the emergence of systematic rape as a weapon of war. These attacks pose an unusually stark challenge to women's internationally recognized human rights. The U.S. government supports efforts to prosecute these atrocities as human rights violations, and USAID is providing humanitarian assistance to help the victims of these campaigns. USAID seeks to promote the role of women in bringing peace to their countries and also to protect women, such as refugees or internally displaced persons, who live under conflict conditions.

USAID is taking steps to ensure that a full appreciation of the importance of gender informs Agency initiatives in postconflict and transition programming. For example, the Women in Transition Initiative in **Rwanda** from 1995 to 1999 (organized by an international donor) was the first project to be designed specifically to deliver development resources to women in such postconflict settings. Working in tandem with a national network of women's groups, itself organized with USAID support, this initiative

provided housing assistance, food assistance, skills training, and microcredit so that women could take leadership roles in rebuilding the war-torn country. The initiative has helped the women of Rwanda defend their homes and their homeland against the threat of incipient civil war.

Future Challenges

Not every USAID effort has met with equal success. The Agency has achieved laudable progress in some sectors, notably education and human rights. In others—the environment, for example—efforts to integrate gender into project design and implementation have proven more difficult. Even in these areas, however, USAID is making progress. Agency experts have recently completed two reports that examine the connections linking natural resource management, gender, and development. These contributions to development literature will help ensure that an awareness of the importance of gender issues results in more effective environmental programming.

In **Angola, Bosnia, Sri Lanka, Sierra Leone**, and nearly a dozen other countries, OTI is working, and its activities present a unique opportunity to help women participate in the rebirth of their own countries. Sadly, there is no shortage of such opportunities; as the millennium dawns, much of the world is cultivating an uncertain peace, and there is every likelihood that more complex humanitarian emergencies will arise in the future. But USAID will be better prepared to respond because it is taking measures to ensure that gender is an integral component of its relief and development programming.

The job of mainstreaming gender into USAID's activities is occurring even as the Agency contends with economic globalization and the expansion of international trade relations. USAID is working alongside women's nongovernmental organizations in many countries to make sure that women benefit from the economic and social opportunities that accompany globalization.

The explosive growth of information technologies carries the potential for transforming the domestic and international relations of even the most remote and least developed countries. The challenge is to provide women the opportunities to share in the freedom that comes with access to knowledge.

Notes

¹“DAC Guidelines for Gender Equality and Women’s Empowerment in Development Co-operation,” OECD, Paris, 1998, p. 12.

²“Beijing Declaration” of the Fourth UN World Conference on Women (1995).

³Sources: 1) United Nations Children’s Fund. 1999. *Programming for Safe Motherhood: Guidelines for Maternal and Neonatal Survival*. New York: Health Section, Programme Division, United Nations Children’s Fund. 2) UNFPA. 1998a. *Hopes and Realities: Closing the Gap between Women’s Aspirations and Their Reproductive Experiences*. New York: UNFPA. 3) McCauley et al. 1994. 4) UNFPA. 1997. *A New Role for Men: Partners for Women’s Empowerment*. New York: UNFPA. 5) United Nations 2000a.

⁴Sources: 1) McCauley et al. 1994. 2) United Nations. 2000b. *World Population Monitoring 2000: Population, Gender and Development* (ESA/P/WP.159). Draft paper. New York: Population Division, Department of Economic and Social Affairs, United Nations. 3) United Nations. 1996. *World Population Monitoring 1996: Selected Aspects of Reproductive Rights and Reproductive Health* (ESA/P/WP.131), pp. 14ff. New York: Population Division, Department for Economic and Social Information and Policy Analysis, United Nations. 4) UNFPA. 2000. *Working to Empower Women: UNFPA’s Experience in Implementing the Beijing Platform for Action*. New York: UNFPA.

⁵Sources: 1) United Nations. 1999a. *Concise Report on World Population Monitoring 2000: Population, Gender and Development: Report of the Secretary-General* (E/CN.9/2000/3). New York: United Nations. 2) The World Bank. 1993. *World Development Report 1993: Investing in Health*. Washington, D.C.: The World Bank. 3) World Health Organization. 1993.

Annex A
USAID-Assisted^a Country List

| Sub-Saharan Africa | Asia/Near East | Europe/Eurasia | Latin America/Caribbean |
|---------------------------|-----------------------|-----------------------------------|--------------------------------|
| Angola | Bangladesh | Albania | Bolivia |
| Benin | Burma (Myanmar) | Armenia | Brazil |
| Burkina Faso | Cambodia | Azerbaijan | Colombia |
| Burundi | Egypt | Belarus | Dominican Republic |
| Congo (Kinshasa) | India | Bosnia/Herzegovina | Ecuador |
| Eritrea | Indonesia | Bulgaria | El Salvador |
| Ethiopia | Israel | Croatia | Guatemala |
| Ghana | Jordan | Cyprus | Guyana |
| Guinea | Laos | Federal Republic of Yugoslavia | Haiti |
| Kenya | Lebanon | Georgia | Honduras |
| Liberia | Mongolia | Hungary | Jamaica |
| Madagascar | Morocco | Ireland | Mexico |
| Malawi | Nepal | Kazakhstan | Nicaragua |
| Mali | Pakistan | Kyrgyzstan | Panama |
| Mozambique | Philippines | Latvia | Paraguay |
| Namibia | Sri Lanka | Lithuania | Peru |
| Nigeria | Thailand | Macedonia | |
| Rwanda | Vietnam | Moldova | |
| Senegal | West Bank/Gaza | Poland | |
| Sierra Leone | | Romania | |
| Somalia | | Russia | |
| South Africa | | Slovak Republic | |
| Tanzania | | Tajikistan | |
| Uganda | | Turkey | |
| Zambia | | Turkmenistan | |
| Zimbabwe | | Ukraine | |
| | | Uzbekistan | |

^aUSAID-assisted countries: Included are countries with at least \$500,000 in obligated funds for combined DA, ESF, and SEED and FSA accounts.

Note: For FY 2001 Request: Countries with at least \$500,000 in obligated funds for DA, ESF, SEED and/or FSA accounts. These include the following new countries: **China (P.R.C.), Cuba, East Timor, Federal Republic of Yugoslavia (Serbia, Montenegro, Kosovo), Venezuela,** and **Yemen** and are not included above.



Annex B
Country Development Trends: Selected Performance Indicators

- 1. Economic Growth and Agricultural Development**
- 2. Democracy and Governance**
- 3. Human Capacity Development**
- 4a. Population, Health, and Nutrition**
- 4b. Selected Trend Data from IMPACT/Behavioral Surveillance Surveys**
- 5. Environment**
- 6. Humanitarian Assistance**

Table B.1. Economic Growth and Agricultural Development
Selected Development Indicators

| | Average Annual Growth (Percent) 1996–99 | | | Average Annual Growth (Percent) 1996–98 | | | Economic Freedom Scores | | | Foreign Direct Investment Net Inflows (US\$000s) | | | Trade Goods and Services Average Annual Growth (Percent) ³ | | | Aid Percent of GNP | |
|---------------------------|---|------------------|----------------|---|------------------|------------------------|-------------------------|-------------|-------------|--|-------------------|-------------------|---|--------------------|--------------------|--------------------|-------------|
| | Real GDP | Total Population | GDP Per Capita | Agriculture | Total Population | Agriculture Per Capita | 1998 | 1999 | 2000 | 1996 | 1997 | 1998 | Exports 1995/98 | Imports 1995/98 | Total 1995/98 | 1990 | 1998 |
| | | | | | | | | | | | | | | | | | |
| Sub-Saharan Africa | 3.78 | 2.75 | 1.00 | 4.36 | 2.80 | 1.51 | 3.50 | 3.48 | 3.49 | 3,366,400 | 6,612,900 | 2,887,000 | 4.07 | 4.68 | 5.03 | 16.7 | 11.0 |
| Angola | 6.18 | 3.00 | 3.09 | 9.91 | 2.99 | 6.72 | 4.40 | 4.50 | 4.50 | 181,000 | 350,000 | 360,000 | -2.45 | -13.05 | -7.78 | 3.3 | 8.2 |
| Benin | 5.18 | 2.80 | 2.32 | 6.48 | 2.76 | 3.62 | 3.10 | 3.00 | 2.90 | 36,000 | 27,000 | 33,500 | 5.90 | 4.90 | 5.33 | 14.8 | 9.2 |
| Burkina Faso | 5.15 | 2.43 | 2.66 | 3.80 | 2.39 | 1.38 | 3.60 | 3.50 | 3.40 | 0 | 0 | 0 | 8.71 | 5.34 | 6.42 | 12.0 | 15.5 |
| Burundi | 0.16 | 2.05 | -1.85 | 2.40 | 2.06 | 0.33 | 4.20 | 4.20 | 4.00 | 1,000 | 1,000 | 1,000 | -2.09 | -6.40 | -4.97 | 23.6 | 8.8 |
| Congo (Kinshasa) | -6.18 | 3.22 | -9.11 | 0.96 | 3.17 | -2.14 | 4.55 | 4.70 | 4.70 | 2,000 | 1,000 | 500 | 5.10 | 0.26 | 2.95 | 10.5 | 2.0 |
| Eritrea | 5.35 | 2.80 | 2.48 | — | — | — | — | — | — | 0 | 0 | 0 | -7.58 | 13.06 | 8.23 | — | 20.6 |
| Ethiopia | 5.27 | 2.65 | 2.55 | — | — | — | 3.50 | 3.50 | 3.50 | 5,000 | 5,000 | 4,000 | 12.77 | 11.28 | 11.85 | 15.0 | 10.0 |
| Ghana | 4.44 | 2.63 | 1.76 | 4.94 | 2.60 | 2.28 | 3.20 | 3.10 | 3.10 | 120,000 | 83,000 | 56,000 | 12.04 | 11.97 | 12.00 | 9.7 | 9.3 |
| Guinea | 4.42 | 2.40 | 1.97 | 4.93 | 2.40 | 2.47 | 2.90 | 3.10 | 3.10 | 24,000 | 1,000 | 1,000 | 6.41 | 1.91 | 4.03 | 11.3 | 10.3 |
| Kenya | 2.53 | 2.43 | 0.10 | 2.41 | 2.45 | -0.04 | 3.10 | 3.10 | 3.05 | 13,000 | 20,000 | 11,000 | -5.20 | -0.01 | -2.32 | 14.7 | 4.2 |
| Liberia | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Madagascar | 3.56 | 3.14 | 0.41 | 1.41 | 3.09 | -1.63 | 3.35 | 3.25 | 3.20 | 10,000 | 14,000 | 16,000 | -5.06 | 4.19 | 0.39 | 13.6 | 13.4 |
| Malawi | 5.90 | 2.54 | 3.28 | 12.95 | 2.55 | 10.14 | 3.70 | 3.65 | 3.65 | 1,000 | 2,000 | 1,000 | 10.92 | 13.89 | 12.62 | 28.6 | 24.4 |
| Mali | 4.35 | 2.97 | 1.34 | 1.88 | 2.93 | -1.02 | 3.10 | 3.00 | 2.90 | 84,000 | 39,000 | 17,000 | 14.45 | 8.05 | 10.49 | 20.0 | 13.1 |
| Mozambique | 10.02 | 2.21 | 7.64 | 8.48 | 2.29 | 6.05 | 4.10 | 3.90 | 3.80 | 73,000 | 64,000 | 213,000 | 7.41 | 8.52 | 8.21 | 42.4 | 28.2 |
| Namibia | 2.39 | 2.47 | -0.08 | -2.69 | 2.48 | -5.04 | 2.90 | 2.85 | 2.90 | — | — | — | 3.74 | 1.14 | 2.36 | 4.9 | 5.8 |
| Nigeria | 3.10 | 2.72 | 0.37 | 3.26 | 2.74 | 0.51 | 3.20 | 3.20 | 3.30 | 1,593,000 | 1,593,000 | 1,051,000 | 1.22 | 8.45 | 4.87 | 1.0 | 0.5 |
| Rwanda | 10.72 | 6.75 | 3.72 | 11.31 | 7.72 | 3.33 | 4.20 | 4.00 | 4.00 | 2,000 | 3,000 | 7,000 | 22.61 | 17.75 | 18.59 | 11.3 | 17.4 |
| Senegal | 5.23 | 2.75 | 2.41 | 1.10 | 2.72 | -1.58 | 3.30 | 3.15 | 3.05 | 8,000 | 176,000 | 40,000 | 2.95 | 5.05 | 4.09 | 14.9 | 10.8 |
| Sierra Leone | -5.76 | 2.35 | -7.92 | 3.68 | 2.46 | 1.19 | 3.60 | 3.70 | 3.80 | 5,000 | 4,000 | 5,000 | -23.55 ¹ | 2 | 2 | 7.6 | 16.9 |
| Somalia | — | — | — | — | — | — | 4.70 | 4.80 | 4.80 | — | — | — | — | — | — | 59.1 | — |
| South Africa | 2.12 | 1.85 | 0.27 | 7.96 | 1.89 | 5.96 | 2.80 | 2.90 | 2.90 | 816,300 | 3,811,000 | 550,000 | 5.64 | 5.35 | 5.50 | — | 0.4 |
| Tanzania | 4.18 | 2.65 | 1.49 | 3.38 | 2.68 | 0.68 | 3.20 | 3.20 | 3.40 | 150,100 | 157,900 | 172,000 | -3.36 | -12.12 | -8.89 | 29.3 | 12.4 |
| Uganda | 6.38 | 2.89 | 3.39 | 2.40 | 2.88 | -0.47 | 2.50 | 2.50 | 3.00 | 121,000 | 175,000 | 200,000 | 11.92 | 5.92 | 8.16 | 15.8 | 7.0 |
| Zambia | 2.22 | 2.42 | -0.20 | -3.98 | 2.45 | -6.28 | 2.90 | 2.90 | 2.90 | 58,000 | 70,000 | 72,000 | 3.57 | 1.80 | 2.63 | 16.0 | 11.0 |
| Zimbabwe | 3.80 | 1.97 | 1.79 | 8.85 | 1.99 | 6.73 | 4.00 | 3.90 | 3.90 | 63,000 | 70,000 | 76,000 | 11.53 | 10.44 | 10.97 | 4.0 | 4.7 |
| Asia/Near East | 3.99 | 1.94 | 2.01 | 3.43 | 1.92 | 1.49 | 3.34 | 3.35 | 3.41 | 15,769,200 | 17,101,300 | 10,219,400 | 6.18 | 7.00 | 6.52 | 7.7 | 6.2 |
| Bangladesh | 4.87 | 1.61 | 3.21 | 4.16 | 1.59 | 2.53 | 3.50 | 3.75 | 3.75 | 14,000 | 141,000 | 308,000 | 12.05 | 6.13 | 8.48 | 6.9 | 2.8 |
| Burma (Myanmar) | 7.00 | 1.23 | 5.70 | 3.80 | 1.21 | 2.56 | 4.20 | 4.10 | 4.10 | 100,000 | 80,000 | 70,000 | — | — | — | — | — |
| Cambodia | 3.22 | 2.39 | 0.81 | 1.37 | 2.41 | -1.02 | 3.10 | 3.00 | 3.00 | 293,600 | 203,000 | 121,000 | — | — | — | 3.7 | 11.9 |
| Egypt | 5.14 | 1.78 | 3.30 | 3.41 | 1.80 | 1.58 | 3.35 | 3.40 | 3.50 | 636,000 | 891,000 | 1,076,000 | -1.36 | 1.52 | 0.25 | 12.9 | 2.2 |
| India | 6.10 | 1.78 | 4.24 | 5.24 | 1.76 | 3.42 | 3.80 | 3.80 | 3.80 | 2,426,000 | 3,577,000 | 2,635,000 | 5.83 | 11.78 | 9.26 | 0.4 | 0.4 |
| Indonesia | -0.45 | 1.64 | -2.06 | 1.71 | 1.63 | 0.08 | 2.85 | 3.15 | 3.50 | 6,194,000 | 4,677,000 | -356,000 | 9.06 | 8.40 | 8.73 | 1.6 | 1.5 |
| Israel | 2.88 | 2.38 | 0.49 | — | — | — | 2.75 | 2.75 | 2.75 | 1,382,000 | 1,622,200 | 1,850,400 | 4.38 | 3.79 | 4.02 | 2.7 | 1.1 |
| Jordan | 1.61 | 2.84 | -1.20 | -5.76 | 2.80 | -8.33 | 2.90 | 2.90 | 2.90 | 15,500 | 361,000 | 310,000 | 4.23 | 1.79 | 2.82 | 24.3 | 7.1 |
| Laos | 6.23 | 2.57 | 3.57 | 4.46 | 2.57 | 1.84 | 4.50 | 4.50 | 4.60 | 160,000 | 91,000 | 46,000 | — | — | — | 17.3 | 23.0 |
| Lebanon | 2.74 | 1.62 | 1.10 | 2.33 | 1.67 | 0.65 | 3.25 | 3.25 | 3.20 | 80,000 | 150,000 | 200,000 | 11.24 | 5.77 | 6.64 | 7.5 | 1.4 |
| Mongolia | 3.40 | 1.71 | 1.66 | 4.20 | 1.76 | 2.40 | 3.15 | 3.25 | 3.15 | 16,000 | 25,000 | 19,000 | — | — | — | — | 20.6 |
| Morocco | 3.99 | 1.71 | 2.24 | 17.41 | 1.71 | 15.44 | 3.05 | 2.85 | 2.75 | 357,000 | 1,079,000 | 322,000 | -4.32 | 2.00 | -0.73 | 4.2 | 1.5 |
| Nepal | 3.72 | 2.39 | 1.30 | 3.18 | 2.39 | 0.77 | 3.40 | 3.30 | 3.60 | 19,200 | 23,100 | 12,000 | 2.68 | 4.00 | 3.46 | 11.5 | 8.3 |
| Pakistan | 3.15 | 2.44 | 0.69 | 5.11 | 2.42 | 2.63 | 3.20 | 3.40 | 3.40 | 939,000 | 729,000 | 500,000 | -0.37 | -1.04 | -0.73 | 2.9 | 1.7 |
| Philippines | 3.39 | 2.24 | 1.12 | -0.08 | 2.25 | -2.28 | 2.65 | 2.85 | 2.85 | 1,517,000 | 1,222,000 | 1,713,000 | 6.71 | 5.77 | 6.20 | 2.9 | 0.9 |
| Sri Lanka | 4.73 | 1.18 | 3.51 | 0.24 | 1.20 | -0.95 | 2.75 | 2.65 | 2.90 | 119,900 | 430,000 | 193,000 | 5.41 | 8.18 | 6.99 | 9.3 | 3.2 |
| Vietnam | 6.09 | 1.52 | 4.50 | 4.08 | 1.58 | 2.46 | 4.35 | 4.10 | 4.30 | 1,500,000 | 1,800,000 | 1,200,000 | 24.76 ¹ | 32.89 ¹ | 29.42 ¹ | — | 4.3 |
| West Bank/Gaza | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 13.9 |

— not available ¹ data for 1995–97 ² not available, data only through 1996 ³ 1995/98–1998 as compared with 1995

Table B.1. Notes

Economic Growth and Agricultural Development

Average annual growth rates in **real GDP** and **population**: Rates are averages for four years from 1996 through 1999. **GDP per capita** figure is based on comparisons of the average GDP and average population rates. Sources: for GDP, IMF, *World Economic Outlook, May 2000*, population from World Bank, *WDI 2000*. Per capita GDP based on USAID/PPC calculations. Average annual rates for GDP and population growth calculated using geometric mean, based on end points and are four-year rolling averages.

Average annual growth in **agriculture** and **population**: Agriculture, value added in constant local currency and population data from World Bank, *WDI 2000*. Per capita calculations are USAID/PPC. Per capita average

annual rates calculated comparing average annual rates for agriculture and population using geometric mean (end-points) method, 1995–98.

Economic Freedom Index scores: Data are for previous three annual scores. Source: Heritage Foundation.

Foreign direct investment: Data for latest three years. Foreign direct investment is net inflows of investment to acquire a lasting management interest (10% or more of voting stock) in an enterprise operating in an economy other than that of the investor. Source: World Bank, *WDI 2000*.

Average annual growth rates of **exports** and **imports** of goods and services: Trade data are in constant US\$ 1995 valuation from World Bank, *WDI 2000*. Growth rates are based on geometric mean (end points) rate calculation.

Aid as a percent of GNP: Aid is defined as concessional foreign assistance. Data for 1990 and 1998. Source: OECD DAC as reported in World Bank, *WDI 2000*.

Table B.2. Democracy and Governance
Selected Development Indicators

| | Overall Freedom Classification 1=free, 2=partly free, 3=not free | | | | | | Civil Liberties Score Scale=1-7 (7 is least free) | | | | | | Political Rights Score Scale=1-7 (7 is least free) | | | | | |
|-----------------------|---|-------------|-------------|-------------|-------------|-------------|--|-------------|-------------|-------------|-------------|-------------|---|-------------|-------------|-------------|-------------|-------------|
| | 1990 | 1995 | 1996 | 1997 | 1998 | 1999 | 1990 | 1995 | 1996 | 1997 | 1998 | 1999 | 1990 | 1995 | 1996 | 1997 | 1998 | 1999 |
| | Sub-Saharan Africa | 2.56 | 2.19 | 2.15 | 2.15 | 2.08 | 2.15 | 5.24 | 4.73 | 4.58 | 4.58 | 4.27 | 4.38 | 5.84 | 4.69 | 4.62 | 4.62 | 4.42 |
| Angola | 3 | 3 | 3 | 3 | 3 | 3 | 7 | 6 | 6 | 6 | 6 | 6 | 7 | 6 | 6 | 6 | 6 | 6 |
| Benin | 2 | 1 | 1 | 1 | 1 | 1 | 4 | 2 | 2 | 2 | 2 | 3 | 6 | 2 | 2 | 2 | 2 | 2 |
| Burkina Faso | 3 | 2 | 2 | 2 | 2 | 2 | 5 | 4 | 4 | 4 | 4 | 4 | 6 | 5 | 5 | 5 | 5 | 4 |
| Burundi | 3 | 3 | 3 | 3 | 3 | 3 | 6 | 7 | 7 | 7 | 6 | 6 | 7 | 6 | 7 | 7 | 7 | 6 |
| Congo (Kinshasa) | 3 | 3 | 3 | 3 | 3 | 3 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 7 | 7 |
| Eritrea | — | 2 | 2 | 2 | 2 | 3 | — | 4 | 4 | 4 | 4 | 5 | — | 6 | 6 | 6 | 6 | 7 |
| Ethiopia | 3 | 2 | 2 | 2 | 2 | 2 | 7 | 5 | 5 | 5 | 4 | 5 | 7 | 4 | 4 | 4 | 4 | 5 |
| Ghana | 3 | 2 | 2 | 2 | 2 | 2 | 5 | 4 | 4 | 3 | 3 | 3 | 6 | 4 | 3 | 3 | 3 | 3 |
| Guinea | 3 | 3 | 3 | 3 | 3 | 3 | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 6 | 6 | 6 | 6 | 6 |
| Kenya | 3 | 3 | 3 | 3 | 3 | 3 | 6 | 6 | 6 | 6 | 5 | 5 | 6 | 7 | 7 | 6 | 6 | 6 |
| Liberia | 3 | 3 | 3 | 2 | 2 | 2 | 7 | 6 | 6 | 5 | 5 | 5 | 7 | 7 | 7 | 4 | 4 | 4 |
| Madagascar | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 2 | 2 | 2 | 2 | 2 |
| Malawi | 3 | 1 | 1 | 1 | 1 | 2 | 6 | 3 | 3 | 3 | 3 | 3 | 7 | 2 | 2 | 2 | 2 | 3 |
| Mali | 3 | 1 | 1 | 1 | 1 | 1 | 5 | 3 | 2 | 3 | 3 | 3 | 6 | 2 | 2 | 3 | 3 | 3 |
| Mozambique | 3 | 2 | 2 | 2 | 2 | 2 | 6 | 4 | 4 | 4 | 4 | 4 | 6 | 3 | 3 | 3 | 3 | 3 |
| Namibia | 1 | 1 | 1 | 1 | 1 | 1 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 2 |
| Nigeria | 2 | 3 | 3 | 3 | 2 | 2 | 5 | 7 | 6 | 6 | 4 | 3 | 5 | 7 | 7 | 7 | 6 | 4 |
| Rwanda | 3 | 3 | 3 | 3 | 3 | 3 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 7 | 7 |
| Senegal | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 5 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Sierra Leone | 2 | 3 | 2 | 3 | 2 | 2 | 5 | 6 | 5 | 6 | 5 | 5 | 6 | 7 | 4 | 7 | 3 | 3 |
| Somalia | 3 | 3 | 3 | 3 | 3 | 3 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| South Africa | 2 | 1 | 1 | 1 | 1 | 1 | 4 | 2 | 2 | 2 | 2 | 2 | 5 | 1 | 1 | 1 | 1 | 1 |
| Tanzania | 3 | 2 | 2 | 2 | 2 | 2 | 5 | 5 | 5 | 5 | 4 | 4 | 6 | 5 | 5 | 5 | 5 | 4 |
| Uganda | 2 | 2 | 2 | 2 | 2 | 2 | 5 | 4 | 4 | 4 | 4 | 5 | 6 | 5 | 4 | 4 | 4 | 5 |
| Zambia | 2 | 2 | 2 | 2 | 2 | 2 | 5 | 4 | 4 | 4 | 4 | 4 | 6 | 3 | 5 | 5 | 5 | 5 |
| Zimbabwe | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 5 | 5 | 5 | 4 | 4 | 6 | 5 | 5 | 5 | 5 | 6 |
| Asia/Near East | 2.18 | 2.29 | 2.28 | 2.28 | 2.17 | 2.22 | 4.76 | 4.94 | 4.89 | 4.83 | 4.72 | 4.56 | 4.76 | 4.53 | 4.39 | 4.44 | 4.33 | 4.44 |
| Bangladesh | 2 | 2 | 2 | 2 | 2 | 2 | 5 | 4 | 4 | 4 | 4 | 4 | 5 | 3 | 2 | 2 | 2 | 3 |
| Burma (Myanmar) | 3 | 3 | 3 | 3 | 3 | 3 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Cambodia | 3 | 3 | 3 | 3 | 3 | 3 | 7 | 6 | 6 | 6 | 6 | 6 | 7 | 6 | 6 | 7 | 6 | 6 |
| Egypt | 2 | 3 | 3 | 3 | 3 | 3 | 4 | 6 | 6 | 6 | 6 | 5 | 5 | 6 | 6 | 6 | 6 | 6 |
| India | 1 | 2 | 2 | 2 | 1 | 1 | 3 | 4 | 4 | 4 | 3 | 3 | 2 | 4 | 2 | 2 | 2 | 2 |
| Indonesia | 2 | 3 | 3 | 3 | 2 | 2 | 5 | 6 | 5 | 5 | 4 | 4 | 6 | 7 | 7 | 7 | 6 | 4 |
| Israel | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 3 | 3 | 3 | 3 | 2 | 2 | 1 | 1 | 1 | 1 | 1 |
| Jordan | 2 | 2 | 2 | 2 | 2 | 2 | 5 | 4 | 4 | 4 | 5 | 4 | 5 | 4 | 4 | 4 | 4 | 4 |
| Laos | 3 | 3 | 3 | 3 | 3 | 3 | 7 | 6 | 6 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 7 | 7 |
| Lebanon | 3 | 3 | 3 | 3 | 3 | 3 | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 6 | 6 | 6 | 6 | 6 |
| Mongolia | 2 | 1 | 1 | 1 | 1 | 1 | 4 | 3 | 3 | 3 | 3 | 3 | 4 | 2 | 2 | 2 | 2 | 2 |
| Morocco | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 5 | 5 | 5 | 4 | 4 | 4 | 5 | 5 | 5 | 5 | 5 |
| Nepal | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 |
| Pakistan | 2 | 2 | 2 | 2 | 2 | 3 | 4 | 5 | 5 | 5 | 5 | 5 | 4 | 3 | 4 | 4 | 4 | 7 |
| Philippines | 2 | 2 | 1 | 1 | 1 | 1 | 3 | 4 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 2 |
| Sri Lanka | 2 | 2 | 2 | 2 | 2 | 2 | 5 | 5 | 5 | 4 | 4 | 4 | 4 | 4 | 3 | 3 | 3 | 3 |
| Vietnam | 3 | 3 | 3 | 3 | 3 | 3 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| West Bank/Gaza | — | — | 3 | 3 | 3 | 3 | — | — | 6 | 6 | 6 | 6 | — | — | 5 | 5 | 5 | 5 |

— not available
see notes for sources and comments

Table B.2. Democracy and Governance
Selected Development Indicators

| | Overall Freedom Classification 1=free, 2=partly free, 3=not free | | | | | | Civil Liberties Score Scale=1-7 (7 is least free) | | | | | | Political Rights Score Scale=1-7 (7 is least free) | | | | | |
|----------------------|---|-------------|-------------|-------------|-------------|-------------|--|-------------|-------------|-------------|-------------|-------------|---|-------------|-------------|-------------|-------------|-------------|
| | 1990 | 1995 | 1996 | 1997 | 1998 | 1999 | 1990 | 1995 | 1996 | 1997 | 1998 | 1999 | 1990 | 1995 | 1996 | 1997 | 1998 | 1999 |
| | Europe/Eurasia | 2.20 | 2.24 | 2.20 | 2.23 | 2.12 | 2.16 | 4.76 | 4.88 | 4.77 | 4.77 | 4.58 | 4.50 | 5.07 | 4.56 | 4.38 | 4.53 | 4.31 |
| Albania | 3 | 2 | 2 | 2 | 2 | 2 | 6 | 4 | 4 | 4 | 5 | 5 | 7 | 3 | 4 | 4 | 4 | 4 |
| Armenia | — | 2 | 2 | 2 | 2 | 2 | — | 4 | 4 | 4 | 4 | 4 | — | 4 | 5 | 5 | 4 | 4 |
| Azerbaijan | — | 3 | 3 | 2 | 2 | 2 | — | 6 | 5 | 4 | 4 | 4 | — | 6 | 6 | 6 | 6 | 6 |
| Belarus | — | 2 | 3 | 3 | 3 | 3 | — | 5 | 6 | 6 | 6 | 6 | — | 5 | 6 | 6 | 6 | 6 |
| Bosnia & Herzegovina | — | 3 | 2 | 2 | 2 | 2 | — | 6 | 5 | 5 | 5 | 5 | — | 6 | 5 | 5 | 5 | 5 |
| Bulgaria | 2 | 1 | 1 | 1 | 1 | 1 | 4 | 2 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 2 |
| Croatia | — | 2 | 2 | 2 | 2 | 2 | — | 4 | 4 | 4 | 4 | 4 | — | 4 | 4 | 4 | 4 | 4 |
| Cyprus | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| FRY (Serbia/Mont.) | 2 | 3 | 3 | 3 | 3 | 2 | 4 | 6 | 6 | 6 | 6 | 5 | 5 | 6 | 6 | 6 | 6 | 5 |
| Georgia | — | 2 | 2 | 2 | 2 | 2 | — | 5 | 4 | 4 | 4 | 4 | — | 4 | 4 | 3 | 3 | 3 |
| Hungary | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 1 |
| Ireland | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Kazakhstan | — | 3 | 3 | 3 | 3 | 3 | — | 5 | 5 | 5 | 5 | 5 | — | 6 | 6 | 6 | 6 | 6 |
| Kyrgyzstan | — | 2 | 2 | 2 | 2 | 2 | — | 4 | 4 | 4 | 5 | 5 | — | 4 | 4 | 4 | 5 | 5 |
| Latvia | — | 1 | 1 | 1 | 1 | 1 | — | 2 | 2 | 2 | 2 | 2 | — | 2 | 2 | 1 | 1 | 1 |
| Lithuania | — | 1 | 1 | 1 | 1 | 1 | — | 2 | 2 | 2 | 2 | 2 | — | 1 | 1 | 1 | 1 | 1 |
| Macedonia | — | 2 | 2 | 2 | 2 | 2 | — | 3 | 3 | 3 | 3 | 3 | — | 4 | 4 | 4 | 3 | 3 |
| Moldova | — | 2 | 2 | 2 | 2 | 2 | — | 4 | 4 | 4 | 4 | 4 | — | 4 | 3 | 3 | 2 | 2 |
| Poland | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 1 |
| Romania | 3 | 2 | 1 | 1 | 1 | 1 | 5 | 3 | 3 | 2 | 2 | 2 | 6 | 4 | 2 | 2 | 2 | 2 |
| Russia | — | 2 | 2 | 2 | 2 | 2 | — | 4 | 4 | 4 | 4 | 5 | — | 3 | 3 | 3 | 4 | 4 |
| Slovak Republic | — | 1 | 1 | 2 | 1 | 1 | — | 3 | 4 | 4 | 2 | 2 | — | 2 | 2 | 2 | 2 | 1 |
| Tajikistan | — | 3 | 3 | 3 | 3 | 3 | — | 7 | 7 | 6 | 6 | 6 | — | 7 | 7 | 6 | 6 | 6 |
| Turkey | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 5 | 5 | 5 | 5 | 5 | 2 | 5 | 4 | 4 | 4 | 4 |
| Turkmenistan | — | 3 | 3 | 3 | 3 | 3 | — | 7 | 7 | 7 | 7 | 7 | — | 7 | 7 | 7 | 7 | 7 |
| Ukraine | — | 2 | 2 | 2 | 2 | 2 | — | 4 | 4 | 4 | 4 | 4 | — | 3 | 3 | 3 | 3 | 3 |
| Uzbekistan | — | 3 | 3 | 3 | 3 | 3 | — | 7 | 6 | 6 | 6 | 6 | — | 7 | 7 | 7 | 7 | 7 |

| | Overall Freedom Classification 1=free, 2=partly free, 3=not free | | | | | | Civil Liberties Score Scale=1-7 (7 is least free) | | | | | | Political Rights Score Scale=1-7 (7 is least free) | | | | | |
|--------------------|---|-------------|-------------|-------------|-------------|-------------|--|-------------|-------------|-------------|-------------|-------------|---|-------------|-------------|-------------|-------------|-------------|
| | 1990 | 1995 | 1996 | 1997 | 1998 | 1999 | 1990 | 1995 | 1996 | 1997 | 1998 | 1999 | 1990 | 1995 | 1996 | 1997 | 1998 | 1999 |
| | Latin America/ Caribbean | 1.63 | 1.75 | 1.75 | 1.63 | 1.44 | 1.56 | 3.25 | 3.56 | 3.31 | 3.38 | 3.25 | 3.25 | 3.00 | 3.25 | 2.94 | 2.88 | 2.63 |
| Bolivia | 1 | 2 | 1 | 1 | 1 | 1 | 3 | 4 | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 1 | 1 | 1 |
| Brazil | 1 | 2 | 2 | 2 | 2 | 2 | 3 | 4 | 4 | 4 | 4 | 4 | 2 | 2 | 2 | 3 | 3 | 3 |
| Colombia | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 4 | 4 | 4 | 3 | 4 |
| Dominican Republic | 1 | 2 | 2 | 2 | 1 | 1 | 3 | 3 | 3 | 3 | 2 | 3 | 2 | 4 | 3 | 3 | 2 | 2 |
| Ecuador | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 3 | 4 | 3 | 3 | 3 | 2 | 2 | 2 | 3 | 2 | 2 |
| El Salvador | 2 | 2 | 2 | 1 | 1 | 1 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 2 |
| Guatemala | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 5 | 4 | 4 | 4 | 4 | 3 | 4 | 3 | 3 | 3 | 3 |
| Guyana | 2 | 1 | 1 | 1 | 1 | 1 | 4 | 2 | 2 | 2 | 2 | 2 | 5 | 2 | 2 | 2 | 2 | 2 |
| Haiti | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 5 | 5 | 5 | 5 | 5 | 4 | 5 | 4 | 4 | 4 | 5 |
| Honduras | 1 | 2 | 2 | 1 | 1 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 3 | 3 | 2 | 2 | 3 |
| Jamaica | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Mexico | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 4 | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 3 | 3 |
| Nicaragua | 2 | 2 | 2 | 2 | 1 | 2 | 3 | 4 | 3 | 3 | 3 | 3 | 3 | 4 | 3 | 3 | 2 | 3 |
| Panama | 2 | 1 | 1 | 1 | 1 | 1 | 2 | 3 | 3 | 3 | 3 | 2 | 4 | 2 | 2 | 2 | 2 | 1 |
| Paraguay | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 | 4 |
| Peru | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 4 | 3 | 4 | 4 | 4 | 3 | 5 | 4 | 5 | 5 | 5 |

— not available
see notes for sources and comments

Table B.2. Notes

Democracy And Governance

Freedom classifications are “free,” “partly free,” and “not free.” For 1995–96 no data available for West Bank/Gaza. Source: Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the title.

Political Rights scores: Scale of 1 to 7, where 1 is the highest degree of political rights and 7 is the lowest. For 1995–96 no data available for West Bank/Gaza. Source: Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the title.

Civil Liberties scores: Scale of 1 to 7, where 1 is the highest degree of civil liberties and 7 is the lowest. For 1995–96 no data available for West Bank/Gaza. Source: Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the title.

Table B.3. Human Capacity Development
Selected Development Indicators

| | Net Enrollment Ratio | | | | | | | | | Gender Parity Ratio | | | | | | | | |
|--------------------------------|----------------------|------|------|------|------|------|------|------|------|---------------------|------|------|------|------|------|------|------|------|
| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |
| Europe/Eurasia | | | | | | | | | | | | | | | | | | |
| Albania | — | — | — | — | — | 102 | — | — | — | 100 | — | — | 103 | 101 | 102 | — | — | — |
| Armenia | — | — | — | — | — | — | — | — | — | — | — | — | 105 | — | — | — | — | — |
| Azerbaijan | — | — | — | — | — | — | — | — | — | 99 | 100 | 99 | 95 | 112 | 108 | 97 | — | — |
| Belarus | — | — | — | — | 85 | — | — | — | — | — | — | 100 | 99 | 96 | 96 | 96 | — | — |
| Bosnia & Herzegovina | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Bulgaria | 86 | 84 | 82 | 85 | 86 | 90 | 92 | — | — | 97 | 97 | 97 | 97 | 96 | 98 | 98 | — | — |
| Croatia | 79 | — | — | — | 82 | — | — | — | — | 99 | 99 | 99 | 100 | 99 | 99 | 99 | — | — |
| Cyprus | — | — | — | — | — | — | — | — | — | 100 | 100 | 100 | 100 | 100 | 100 | 100 | — | — |
| FRY(Serbia/Mont.) | 69 | — | — | — | — | — | — | — | — | 103 | 101 | 101 | 104 | 103 | 103 | 101 | — | — |
| Georgia | — | — | — | — | 84 | 85 | 87 | — | — | 100 | 100 | 101 | 94 | 99 | 102 | 99 | — | — |
| Hungary | 91 | 90 | — | — | — | 97 | — | — | — | 100 | 100 | 100 | 99 | 98 | 98 | — | — | — |
| Ireland | 91 | 90 | 91 | 91 | 91 | 91 | 92 | — | — | 100 | 100 | 100 | 100 | 100 | 100 | 99 | — | — |
| Kazakhstan | — | — | — | — | — | — | — | — | — | — | — | — | 100 | 100 | 100 | 101 | — | — |
| Kyrgyzstan | — | — | — | — | — | 95 | — | — | — | 100 | 101 | 101 | 102 | 101 | 98 | — | — | — |
| Latvia | — | — | 83 | — | 81 | 84 | 89 | — | — | 99 | 99 | 100 | 97 | 95 | 95 | 95 | — | — |
| Lithuania | — | — | — | — | — | — | — | — | — | 95 | 97 | 98 | 95 | 97 | 98 | 97 | — | — |
| Macedonia | 94 | — | — | — | 94 | 95 | 95 | — | — | 98 | 99 | 98 | 98 | 99 | 98 | 98 | — | — |
| Moldova | — | — | — | — | — | — | — | — | — | 100 | 100 | 100 | 100 | 99 | 99 | 99 | — | — |
| Poland | 97 | 96 | 97 | 97 | 95 | 95 | — | — | — | 99 | 98 | 98 | 98 | 98 | 98 | — | — | — |
| Romania | — | — | 77 | 80 | 87 | 92 | 95 | — | — | 100 | 99 | 99 | 99 | 99 | 98 | 99 | — | — |
| Russia | — | — | — | 95 | 93 | — | — | — | — | 100 | 100 | 100 | 100 | 99 | — | — | — | — |
| Slovak Republic | — | — | — | — | — | — | — | — | — | — | — | 100 | 100 | 100 | 100 | 100 | — | — |
| Tajikistan | — | — | — | — | — | — | — | — | — | 98 | 98 | 97 | 97 | 97 | 97 | 98 | — | — |
| Turkey | 89 | 91 | 91 | 94 | 96 | — | 99 | — | — | 94 | 94 | 94 | 95 | 95 | 94 | 94 | — | — |
| Turkmenistan | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Ukraine | — | — | — | — | — | — | — | — | — | 100 | 99 | 98 | 99 | — | — | — | — | — |
| Uzbekistan | — | — | — | — | — | — | — | — | — | 99 | 100 | 100 | 99 | 96 | — | — | — | — |
| | | | | | | | | | | | | | | | | | | |
| | Net Enrollment Ratio | | | | | | | | | Gender Parity Ratio | | | | | | | | |
| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |
| Latin America/Caribbean | | | | | | | | | | | | | | | | | | |
| Bolivia | 91 | — | — | — | — | — | — | — | — | 91 | — | — | — | — | — | — | — | — |
| Brazil | 86 | 86 | 88 | 88 | 90 | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Colombia | — | 69 | 77 | 77 | 78 | 80 | 85 | — | — | 115 | 103 | 105 | 102 | 100 | 99 | 99 | — | — |
| Dominican Republic | — | — | — | — | — | — | — | — | — | — | — | — | 99 | 100 | — | 100 | — | — |
| Ecuador | — | — | — | — | — | — | — | — | — | — | — | 98 | 98 | 102 | 99 | 89 | — | — |
| El Salvador | — | — | 75 | — | — | 78 | — | — | — | 101 | 101 | 101 | 100 | 100 | 101 | 99 | 98 | — |
| Guatemala | — | — | — | — | — | — | — | 72 | — | — | 88 | 87 | 88 | 87 | 88 | 87 | 88 | — |
| Guyana | 93 | 90 | 88 | — | 90 | 87 | — | — | — | 99 | 98 | 99 | 100 | 99 | 99 | 99 | — | — |
| Haiti | 22 | — | — | — | — | — | — | — | — | 94 | — | — | — | — | — | — | — | — |
| Honduras | — | 89 | — | 90 | — | — | — | — | — | — | 105 | 103 | 101 | 102 | — | — | — | — |
| Jamaica | 96 | — | 95 | — | — | — | — | — | — | 99 | — | 97 | 97 | 98 | 99 | 99 | — | — |
| Mexico | 101 | 101 | 101 | 101 | 101 | 101 | 101 | — | — | 97 | 98 | 97 | 97 | 97 | 97 | 97 | — | — |
| Nicaragua | 72 | 75 | 79 | 79 | 80 | 78 | 76 | 77 | — | 105 | 105 | 103 | 103 | 103 | 103 | 102 | 103 | 102 |
| Panama | 91 | — | — | — | — | — | — | — | — | 96 | — | — | — | — | — | — | — | — |
| Paraguay | 93 | 94 | 95 | 94 | 89 | 88 | 91 | — | — | 96 | 97 | 97 | 96 | 97 | 97 | 97 | 97 | — |
| Peru | — | — | — | 87 | — | 91 | 91 | 91 | — | — | 97 | — | — | — | 97 | — | — | — |



Table B.3. Notes

Human Capacity Development

Net primary enrollment rates are from UNESCO/USAID Global Education Database 2000. **Net enrollment ratio** is the ratio of the number of children of official primary school age (as defined by the national education

system) who are enrolled in school to the population of the corresponding official primary school age. Very few 1997 rates have been added to the database, as recent UNESCO surveys have been limited.

The **gender parity ratio** is the ratio of female gross enrollment rate to the male gross enrollment rate, where 1 represents full equity. Gross enrollment ratio is the ratio of total enrollment, regardless of age, to the population of the age group that officially corresponds to the primary level of education. Source: UNESCO/USAID Global Education Database 2000.

Table B.4a. Population, Health, and Nutrition
Selected Development Indicators

| | Total Fertility Rate | | | Under-5 Mortality Rate | | | Infant Mortality Rate | | | Maternal Mortality Rate | Adult HIV Prevalence Rate | | Tuberculosis Cases per 100,000 Population | |
|---------------------------|----------------------|------------|------------|------------------------|------------|------------|-----------------------|-----------|-----------|-------------------------|---------------------------|--------------|---|------------|
| | 1990 | 1996 | 1998 | 1990 | 1996 | 1998 | 1990 | 1996 | 1998 | 1990 | 1997 | 1999 | 1990 | 1998 |
| Sub-Saharan Africa | | | | | | | | | | | | | | |
| Angola | 6.7 | 6.7 | 6.6 | 307 | 292 | 292 | 208 | 198 | 198 | 1,500 | 2.12 | 2.78 | 111 | 102 |
| Benin | 7.1 | 6.6 | 6.5 | 187 | 169 | 164 | 107 | 96 | 93 | 990 | 2.06 | 2.45 | 45 | 41 |
| Burkina Faso | 7.2 | 6.8 | 6.6 | 205 | 189 | 184 | 126 | 115 | 112 | 930 | 7.17 | 6.44 | 17 | 18 |
| Burundi | 7.0 | 6.6 | 6.4 | 167 | 153 | 149 | 80 | 75 | 73 | 1,300 | 8.30 | 11.32 | 84 | 101 |
| Congo (Kinshasa) | 7.0 | 7.2 | 7.0 | 183 | 165 | 159 | 121 | 109 | 106 | 870 | 4.35 | 5.07 | — | 120 |
| Eritrea | 6.2 | 6.0 | 6.0 | 163 | 143 | 137 | 93 | 83 | 80 | 1,400 | 3.18 | 2.87 | 128 | 218 |
| Ethiopia | 7.1 | 7.1 | 7.1 | 171 | 162 | 159 | 117 | 107 | 104 | 1,400 | 9.31 | 10.63 | 184 | 116 |
| Ghana | 5.7 | 4.6 | 4.3 | 126 | 108 | 106 | 69 | 61 | 59 | 740 | 2.38 | 3.60 | 42 | 53 |
| Guinea | 6.1 | 5.7 | 5.6 | 240 | 220 | 213 | 150 | 139 | 135 | 1,600 | 2.09 | 1.54 | 35 | 65 |
| Kenya | 5.7 | 4.8 | 4.4 | 101 | 110 | 110 | 67 | 72 | 70 | 650 | 11.64 | 13.95 | 50 | 169 |
| Liberia | 6.6 | 6.2 | 6.6 | 242 | 242 | 212 | 147 | 147 | 139 | 560 | 3.65 | 2.80 | — | 66 |
| Madagascar | 6.2 | 6.0 | 5.9 | 170 | 150 | 144 | 101 | 92 | 89 | 490 | 0.12 | 0.15 | 54 | 97 |
| Malawi | 6.9 | 5.9 | 5.6 | 239 | 226 | 223 | 134 | 127 | 125 | 560 | 14.92 | 15.96 | 132 | 220 |
| Mali | 7.3 | 7.2 | 7.0 | 262 | 239 | 231 | 141 | 131 | 127 | 1,200 | 1.67 | 2.03 | 33 | 39 |
| Mozambique | 6.0 | 5.4 | 5.2 | 214 | 218 | 222 | 146 | 142 | 141 | 1,500 | 14.17 | 13.22 | 112 | 104 |
| Namibia | 5.5 | 5.1 | 5.0 | 93 | 121 | 130 | 61 | 66 | 68 | 370 | 19.94 | 19.54 | 198 | 480 |
| Nigeria | 6.5 | 6.0 | 5.8 | 172 | 155 | 152 | 84 | 77 | 76 | 1,000 | 4.12 | 5.06 | 23 | 19 |
| Rwanda | 6.6 | 6.5 | 5.4 | 191 | 197 | 195 | 123 | 121 | 120 | 1,300 | 12.75 | 11.21 | 91 | 93 |
| Senegal | 6.1 | 5.6 | 5.4 | 148 | 124 | 117 | 73 | 64 | 61 | 1,200 | 1.77 | 1.77 | 68 | 94 |
| Sierra Leone | 6.6 | 6.4 | 6.2 | 261 | 240 | 233 | 170 | 157 | 153 | 1,800 | 3.17 | 2.99 | 16 | 72 |
| Somalia | 7.3 | 6.5 | 7.0 | 213 | 213 | 213 | 126 | 126 | 126 | 1,600 | 0.25 | — | — | 44 |
| South Africa | 3.4 | 2.8 | 2.6 | 87 | 93 | 107 | 51 | 51 | 55 | 230 | 12.92 | 19.94 | 236 | 326 |
| Tanzania | 6.3 | 5.9 | 5.7 | 147 | 135 | 131 | 95 | 87 | 84 | 770 | 9.42 | 8.10 | 87 | 160 |
| Uganda | 7.3 | 7.2 | 7.1 | 190 | 178 | 170 | 108 | 101 | 97 | 1,200 | 9.52 | 8.30 | 90 | 142 |
| Zambia | 6.5 | 6.0 | 5.8 | 191 | 177 | 173 | 106 | 98 | 95 | 940 | 19.77 | 19.95 | 316 | — |
| Zimbabwe | 4.9 | 3.8 | 3.5 | 101 | 123 | 128 | 54 | 59 | 61 | 570 | 25.84 | 25.06 | 93 | 416 |
| Region Average | 6.2 | 5.8 | 5.7 | 170 | 161 | 158 | 104 | 98 | 96 | — | 7.59 | 8.85 | 96 | 123 |
| | | | | | | | | | | | | | | |
| | Total Fertility Rate | | | Under-5 Mortality Rate | | | Infant Mortality Rate | | | Maternal Mortality Rate | Adult HIV Prevalence Rate | | Tuberculosis Cases per 100,000 Population | |
| | 1990 | 1996 | 1998 | 1990 | 1996 | 1998 | 1990 | 1996 | 1998 | 1990 | 1997 | 1999 | 1990 | 1998 |
| Asia/Near East | | | | | | | | | | | | | | |
| Bangladesh | — | 3.2 | 3.0 | 140 | 117 | 111 | 92 | 78 | 75 | 850 | 0.034 | 0.019 | 44 | 58 |
| Burma (Myanmar) | 3.1 | 2.7 | 2.5 | 133 | 118 | 114 | 93 | 82 | 79 | 580 | 1.786 | 1.993 | 31 | 33 |
| Cambodia | 5.8 | 5.1 | 5.0 | 195 | 118 | 113 | 116 | 73 | 70 | 900 | 2.401 | 4.042 | 75 | 158 |
| Egypt | 4.2 | 3.6 | 3.4 | 117 | 99 | 92 | 84 | 72 | 67 | 170 | 0.026 | 0.023 | 4 | 19 |
| India | 3.8 | 3.4 | 3.2 | 122 | 106 | 100 | 80 | 72 | 69 | 570 | 0.822 | 0.697 | 179 | 115 |
| Indonesia | 3.0 | 2.8 | 2.7 | 96 | 63 | 59 | 69 | 48 | 45 | 650 | 0.046 | 0.045 | 41 | 20 |
| Israel | 3.0 | 2.8 | 2.7 | 12 | 10 | 10 | 10 | 9 | 8 | 7 | 0.072 | 0.076 | 5 | 10 |
| Jordan | 5.4 | 4.2 | 3.8 | 40 | 29 | 27 | 33 | 25 | 23 | 150 | 0.024 | 0.021 | 10 | 6 |
| Laos | 6.4 | 5.6 | 5.4 | 171 | 155 | 149 | 112 | 103 | 99 | 650 | 0.044 | 0.054 | 44 | 42 |
| Lebanon | 2.8 | 2.3 | 2.2 | 55 | 44 | 41 | 42 | 34 | 32 | 300 | 0.091 | 0.087 | — | 23 |
| Mongolia | 4.5 | 2.6 | 2.4 | 112 | 93 | 87 | 73 | 62 | 58 | 65 | 0.007 | 0.004 | 71 | 113 |
| Morocco | 4.4 | 3.6 | 3.4 | 90 | 74 | 69 | 69 | 57 | 53 | 610 | 0.034 | 0.033 | 116 | 106 |
| Nepal | 5.7 | 5.1 | 4.9 | 142 | 122 | 116 | 94 | 84 | 80 | 1,500 | 0.244 | 0.290 | 54 | 106 |
| Pakistan | 6.2 | 5.3 | 4.9 | 166 | 140 | 133 | 106 | 91 | 87 | 340 | 0.090 | 0.100 | 132 | 60 |
| Philippines | 4.1 | 3.7 | 3.6 | 59 | 51 | 47 | 41 | 34 | 32 | 280 | 0.064 | 0.069 | 522 | 219 |
| Sri Lanka | 2.4 | 2.2 | 2.1 | 29 | 29 | 27 | 19 | 19 | 18 | 140 | 0.067 | 0.071 | 39 | 38 |
| Vietnam | 3.7 | 2.7 | 2.6 | 62 | 51 | 48 | 42 | 35 | 33 | 160 | 0.218 | 0.236 | 75 | 113 |
| West Bank/Gaza | — | — | — | 48 | 37 | 30 | — | — | — | — | — | — | — | 2 |
| <i>West Bank</i> | 5.9 | 5.2 | 5.3 | 47 | 38 | 28 | 34 | 29 | 24 | — | 0.535 | 0.480 | — | — |
| <i>Gaza Strip</i> | 8.1 | 7.8 | 6.8 | 49 | 36 | 33 | 36 | 28 | 27 | — | 0.357 | 0.462 | — | — |
| Region average | 3.9 | 3.4 | 3.3 | 119 | 99 | 93 | 79 | 69 | 65 | — | 0.540 | 0.480 | 144 | 93 |

Table B.4a. Population, Health, and Nutrition
Selected Development Indicators

| | Total Fertility Rate | | | Under-5 Mortality Rate | | | Infant Mortality Rate | | | Maternal Mortality Rate | Adult HIV Prevalence Rate | | Tuberculosis Cases per 100,000 Population | |
|---------------------------------|----------------------|------------|------------|------------------------|------------|------------|-----------------------|-----------|-----------|-------------------------|---------------------------|--------------|---|-----------|
| | 1990 | 1996 | 1998 | 1990 | 1996 | 1998 | 1990 | 1996 | 1998 | 1990 | 1997 | 1999 | 1990 | 1998 |
| Europe/Eurasia | | | | | | | | | | | | | | |
| Albania | 3.1 | 2.6 | 2.5 | — | 61 | 59 | 42 | 44 | 44 | 65 | 0.005 | 0.005 | 20 | 22 |
| Armenia | 2.6 | 1.6 | 1.5 | — | 54 | 56 | 36 | 40 | 41 | 50 | 0.005 | 0.013 | 17 | 39 |
| Azerbaijan | 2.9 | 2.2 | 2.0 | — | 92 | 93 | 59 | 80 | 82 | 22 | 0.003 | 0.005 | 37 | 61 |
| Belarus | 1.9 | 1.3 | 1.3 | — | 16 | 17 | 12 | 14 | 14 | 37 | 0.171 | 0.276 | 30 | 60 |
| Bosnia & Herzegovina | — | 1.5 | 1.8 | — | 34 | 31 | — | 30 | 28 | — | 0.035 | 0.035 | 95 | 74 |
| Bulgaria | — | 1.3 | 1.1 | — | 20 | 21 | — | 16 | 16 | 27 | 0.007 | 0.008 | 26 | 55 |
| Croatia | — | 1.9 | 2.0 | — | 10 | 9 | — | 8 | 8 | — | 0.013 | 0.016 | 57 | 47 |
| Cyprus | 2.4 | 2.1 | 2.0 | — | 9 | 9 | 10 | 9 | 8 | 5 | 0.262 | 0.105 | 4 | 6 |
| FRY(Serbia/Mont.) | — | — | — | — | — | — | — | — | — | — | 0.096 | 0.096 | — | — |
| Serbia | — | 1.8 | 1.8 | — | 21 | 21 | — | 18 | 18 | — | — | — | — | — |
| Montenegro | — | 2.0 | 2.0 | — | 15 | 14 | — | 12 | 12 | — | — | — | — | — |
| Georgia | 2.2 | 1.5 | 1.5 | — | 55 | 58 | 21 | 49 | 51 | 33 | 0.003 | 0.005 | 28 | 96 |
| Hungary | 1.9 | 1.4 | 1.3 | — | 12 | 11 | 15 | 11 | 10 | 30 | 0.039 | 0.052 | 35 | 34 |
| Ireland | 2.1 | 1.9 | 1.9 | — | 7 | 7 | 8 | 6 | 6 | — | 0.092 | 0.104 | 18 | 10 |
| Kazakhstan | 2.8 | 2.1 | 2.1 | — | 67 | 69 | 49 | 57 | 58 | 80 | 0.028 | 0.041 | 66 | 126 |
| Kyrgyzstan | 3.8 | 3.4 | 3.3 | — | 92 | 98 | 60 | 72 | 75 | 110 | 0.003 | 0.005 | 52 | 123 |
| Latvia | 2.0 | 1.2 | 1.1 | — | 21 | 20 | 18 | 18 | 17 | 40 | 0.008 | 0.111 | 34 | 81 |
| Lithuania | 2.0 | 1.4 | 1.4 | — | 18 | 18 | 12 | 15 | 15 | 36 | 0.005 | 0.017 | 39 | 82 |
| Macedonia | — | 2.1 | 1.9 | — | 19 | 18 | — | 16 | 16 | — | 0.008 | 0.005 | — | 31 |
| Moldova | 2.4 | 1.7 | 1.7 | — | 49 | 50 | 34 | 43 | 44 | 60 | 0.108 | 0.199 | 40 | 60 |
| Poland | 2.0 | 1.6 | 1.4 | — | 14 | 12 | 16 | 12 | 10 | 19 | 0.059 | 0.065 | 42 | 34 |
| Romania | — | 1.3 | 1.3 | — | 27 | 25 | — | 22 | 21 | 130 | 0.008 | 0.018 | 70 | 114 |
| Russia | 2.0 | 1.3 | 1.3 | — | 26 | 25 | 22 | 22 | 21 | 75 | 0.052 | 0.176 | 34 | 82 |
| Slovak Republic | — | 1.5 | 1.4 | — | 12 | 12 | — | 10 | 10 | — | 0.003 | 0.005 | 28 | 21 |
| Tajikistan | 5.4 | 4.6 | 4.5 | — | 125 | 131 | 75 | 106 | 112 | 130 | 0.003 | 0.005 | 46 | 41 |
| Turkey | 3.1 | 2.5 | 2.3 | — | 70 | 66 | 68 | 56 | 53 | 180 | 0.006 | 0.007 | 44 | 35 |
| Turkmenistan | 4.3 | 3.8 | 3.7 | — | 90 | 92 | 70 | 72 | 73 | 55 | 0.005 | 0.010 | 63 | 89 |
| Ukraine | 1.9 | 1.3 | 1.3 | — | 26 | 26 | 19 | 22 | 22 | 50 | 0.432 | 0.958 | 32 | 62 |
| Uzbekistan | 4.3 | 3.2 | 3.2 | — | 86 | 88 | 63 | 70 | 71 | 55 | 0.003 | 0.005 | 46 | 62 |
| Region Average | 2.4 | 1.8 | 1.7 | — | 48 | 48 | 38 | 41 | 41 | — | 0.080 | 0.170 | 40 | 65 |
| | | | | | | | | | | | | | | |
| | Total Fertility Rate | | | Under-5 Mortality Rate | | | Infant Mortality Rate | | | Maternal Mortality Rate | Adult HIV Prevalence Rate | | Tuberculosis Cases per 100,000 Population | |
| | 1990 | 1996 | 1998 | 1990 | 1996 | 1998 | 1990 | 1996 | 1998 | 1990 | 1997 | 1999 | 1990 | 1998 |
| Latin America/ Caribbean | | | | | | | | | | | | | | |
| Bolivia | 4.9 | 4.2 | 3.9 | 97 | 89 | 85 | 79 | 67 | 64 | 650 | 0.070 | 0.104 | 170 | 127 |
| Brazil | 2.6 | 2.4 | 2.3 | 58 | 54 | 51 | 51 | 43 | 41 | 220 | 0.950 | 0.566 | 50 | 51 |
| Colombia | 2.9 | 2.8 | 2.8 | 45 | 34 | 32 | 36 | 28 | 27 | 100 | 0.359 | 0.314 | 36 | 22 |
| Dominican Republic | 3.3 | 3.1 | 3.1 | 63 | 52 | 48 | 50 | 42 | 39 | 110 | 1.890 | 2.799 | 37 | 52 |
| Ecuador | 4.0 | 3.5 | 3.3 | 67 | 54 | 51 | 48 | 40 | 38 | 150 | 0.284 | 0.287 | 80 | 75 |
| El Salvador | 3.8 | 3.6 | 3.5 | 47 | 42 | 39 | 44 | 33 | 31 | 300 | 0.576 | 0.602 | 46 | 28 |
| Guatemala | 5.3 | 5.0 | 4.8 | 97 | 82 | 77 | 61 | 53 | 50 | 200 | 0.515 | 1.384 | 44 | 26 |
| Guyana | 2.5 | 2.2 | 2.2 | 66 | 58 | 58 | 48 | 42 | 40 | — | 2.130 | 3.010 | 21 | 37 |
| Haiti | 5.7 | 4.8 | 4.7 | 186 | 167 | 161 | 115 | 104 | 101 | 1,000 | 5.168 | 5.169 | — | 124 |
| Honduras | 5.4 | 4.7 | 4.5 | 51 | 45 | 86 | 40 | 34 | 64 | 220 | 1.461 | 1.917 | 75 | 80 |
| Jamaica | 2.7 | 2.5 | 2.3 | 23 | 19 | 17 | 21 | 17 | 16 | 120 | 0.989 | 0.708 | 5 | 5 |
| Mexico | 3.4 | 2.9 | 2.8 | 48 | 38 | 36 | 37 | 30 | 28 | 110 | 0.354 | 0.288 | 17 | 8 |
| Nicaragua | 4.6 | 3.8 | 3.5 | 72 | 49 | 50 | 54 | 40 | 41 | 160 | 0.192 | 0.203 | 77 | 54 |
| Panama | 3.1 | 2.6 | 2.5 | 37 | 29 | 27 | 30 | 24 | 22 | 55 | 0.614 | 1.542 | 35 | 53 |
| Paraguay | 4.6 | 4.3 | 4.3 | 60 | 46 | 43 | 46 | 36 | 33 | 160 | 0.126 | 0.111 | 51 | 36 |
| Peru | 4.1 | 3.4 | 3.2 | 81 | 63 | 59 | 58 | 46 | 43 | 280 | 0.563 | 0.353 | 176 | 176 |
| Region Average | 3.2 | 2.9 | 2.8 | 61 | 52 | 50 | 48 | 40 | 39 | — | 0.750 | 0.610 | 52 | 48 |
| USAID Summary | 3.9 | 3.4 | 3.3 | 110 | 103 | 100 | 78 | 71 | 68 | — | 1.530 | 1.650 | 108 | 88 |

Table B.4a. Notes

Population, Health, And Nutrition

Total fertility rate is the number of children that would be born to a woman if she were to live to the end of her childbearing years and bear children in accordance with current age-specific fertility rates. Estimates from U.S. BUCEN *International Database*, May 2000.

Under-5 mortality rate is the probability that a newborn baby will die before reaching age 5, if subject to current age-specific mortality rates. Expressed as number of deaths per 1,000 live births in a given year. Estimates from U.S. BUCEN *International Database*, May 2000.

Infant mortality rate is the number of infants who die before reaching one year of age, per 1,000 live births in a given year. Estimates from U.S. BUCEN *International Database*, May 2000.

Maternal mortality rate is the number of woman who die during pregnancy and childbirth, per 100,000 live births. Source is WHO/UNICEF Revised Estimates to 1990 Maternal Mortality Rates, 1995. Note: these 1990 rates are considered the best, most recent data on maternal mortality. WHO expects to publish updates (1995 rates) soon.

Adult HIV prevalence rate, the estimated number of adults living with HIV/AIDS at the end of 1999, is divided by the 1999 adult population (aged 15–49). Source: UNAIDS, *Report on the Global HIV/AIDS Epidemic – June 1998 and June 2000*. Note: UNAIDS publishes country-level HIV/AIDS estimates every two years. Regional estimates are estimated on an annual basis. See www.unaids.org.

Tuberculosis cases per 100,000 population.

Estimated number of notified TB cases. Source: WHO, *Global Tuberculosis Report*, 2000.

Table B.4b. Selected Trend Data From IMPACT/Behavioral Surveillance Surveys

| Condom Usage in Indonesia | Percent | | | Sample Size | | |
|--|---------|------|------|--------------|--------------|--------------|
| | 1996 | 1997 | 1998 | 1996 | 1997 | 1998 |
| Percent of male factory workers using condoms | | | | | | |
| always use with female prostitutes | 5.0 | nc | 3.3 | <i>n=401</i> | | <i>n=400</i> |
| used condom at last sex with female prostitute | 7.0 | nc | 17.0 | | | |
| Percent of female prostitutes using a condom at last commercial sex | | | | | | |
| Jakarta | | | | | | |
| Locally based prostitute (LP)* | 48.0 | 40.0 | 35.0 | <i>n=200</i> | <i>n=200</i> | <i>n=200</i> |
| Non-locally based (NLP)** | 55.0 | 55.0 | 41.0 | <i>n=199</i> | <i>n=200</i> | <i>n=198</i> |
| Surabaya | | | | | | |
| Locally based prostitute | 42.0 | 43.0 | 50.0 | <i>n=201</i> | <i>n=200</i> | <i>n=200</i> |
| Non-locally based | 22.0 | 19.0 | 18.0 | <i>n=200</i> | <i>n=203</i> | <i>n=201</i> |
| Manado | | | | | | |
| Locally based prostitute | n/a | n/a | n/a | | | |
| Non-locally based | 15.0 | 30.0 | 49.0 | <i>n=200</i> | <i>n=200</i> | <i>n=200</i> |

*LP is female having sex in exchange for remuneration in a formalized setting for commercial sex, such as a brothel.

**NLP is female having sex in exchange for remuneration in an informal setting, such as the street or a bar.

Source: USAID/IMPACT FHI BSS executive summaries and related support documents

| Condom Usage in Senegal | Percent | | Sample Size | |
|--|---------|------|--------------|----------------|
| | 1997 | 1998 | 1997 | 1998 |
| Percent of male youths (15–19yrs) <i>always</i> using condoms with nonregular partners | 54.3 | 63.6 | <i>n=444</i> | <i>n=1181*</i> |
| Percent of female prostitutes registered with the government <i>always</i> using condoms | | | | |
| with regular client | 90.2 | 94.5 | <i>n=449</i> | <i>n=681</i> |
| with nonregular client | 71.2 | 51.4 | | |
| always use with one-time client | 93.9 | 98.0 | | |

*six provinces were added in 1998 survey

Source: USAID/IMPACT FHI BSS executive summaries and related support documents

Table B.4b. Selected Trend Data From IMPACT/Behavioral Surveillance Surveys

| Condom Usage in Tamil Nadu, India | Percent | | | Sample Size | | |
|---|---------|------|------|-----------------|-----------------|------------------|
| | 1996 | 1997 | 1998 | 1996 | 1997 | 1998 |
| Percent condom use during last nonregular (commercial) or casual sexual intercourse | | | | | | |
| Female commercial prostitutes (FCP)* | 56.0 | 74.0 | 80.0 | <i>n</i> =400 | <i>n</i> =400 | <i>n</i> =406 |
| Truckers/helpers | 44.0 | 51.0 | 65.9 | <i>n</i> =689 | <i>n</i> =864 | <i>n</i> =863 |
| Male factory workers (MFW)** | 17.0 | 25.0 | 50.3 | <i>n</i> =1,386 | <i>n</i> =1,963 | <i>n</i> =1,956 |
| Female factory workers (FFW)*** | 20.0 | 13.0 | 26.3 | <i>n</i> =1,873 | <i>n</i> =1,691 | <i>n</i> =41,720 |

*FCP females who have engaged in sex in exchange for remuneration during the previous three months.

**MFW male factory workers aged 18–35 who worked in past three months at factories that have functioned for more than 12 months and employed more than 10 persons.

***FFW (same as male factory workers)

Source: USAID/IMPACT FHI BSS executive summaries and related support documents

| Condom Usage in Bangkok, Thailand (34 districts) | Percent | | | Sample Size | | |
|--|---------|------|------|-----------------|-----------------|-----------------|
| | 1994–95 | 1995 | 1996 | 1994–95 | 1995 | 1996 |
| Percent of women reporting condom use during most recent sexual intercourse in the past year | | | | | | |
| Antenatal clinic attenders | 6.0 | 6.0 | 7.0 | <i>n</i> =391 | <i>n</i> =389 | <i>n</i> =386 |
| Factory workers (all are single) | 17.0 | 9.0 | 17.0 | <i>n</i> =1,256 | <i>n</i> =1,249 | <i>n</i> =1,259 |
| Vocational students (all are single) | 23.0 | 30.0 | 35.0 | <i>n</i> =1,165 | <i>n</i> =1,141 | <i>n</i> =1,163 |

Note: BSS data for Côte d'Ivoire (1998) and Cambodia (1999) are available but are only for baseline year and will not show trends until subsequent "waves" of the survey are completed.

Source: USAID/IMPACT FHI BSS executive summaries and related support documents



Table B.4b. Notes

Selected Trend Data From IMPACT/Behavioral Surveillance Surveys

USAID funds Behavioral Surveillance Surveys (BSS) to track the behavior patterns of HIV/AIDS high-risk

populations. Currently a limited number of surveys have been conducted. Among the populations targeted are female prostitutes, truck drivers, and factory workers. Condom usage data is reported here in annex B for four survey sites where more than one survey “wave” has been conducted. Source: USAID/IMPACT/Family Health International, *BSS Executive Summaries* and related support documentation.

Table B.5. Notes

Environment

Government Commitment Index is a 20-point index scale is used to rate government commitment. This index is a proxy, as the existence of a NEAP or ratification if a treaty does not necessarily mean that a country is willing or able to carry it out. Averaging this scale across regions serves only to give a general idea of political commitment to environmental issues there. Regional Index scores are straight averages.

The strategies and treaties include (with the number of points awarded for each item and for total)

- 2 National Environmental Action Plans or Conservation Strategies (2 points or 1 if in preparation)
- 2 Country Environmental Profiles
- 2 Biological diversity strategies or action plans

Treaties (2 points if ratified, 1 if signed)

- 2 Convention on Biological Diversity
- 2 Convention on International Trade of Endangered Species
- 2 Framework Convention on Climate Change
- 2 Vienna Convention on the Protection of the Ozone Layer
- 2 Montreal Protocol for CFC Control
- 2 Law of the Sea
- 2 Frequency of reporting on trade in endangered species (calculated from four years of reporting requirements)
- 20 Total points

Source: For NEAPs, profiles, and strategy plans updates were obtained from the World Bank, *World Development Indicators, 2000*. For status of treaty ratification, updates were obtained from treaty secretariat www sites. Generally

the updates reflect the status at mid-2000 and vary by treaty.

Nationally protected areas, the biodiversity indicator, is measured in two ways: as land area in thousands of square kilometers and as the percent of total land area. The regional percent values for each measure are constructed as the sum of the area of protected land by the total land area. Source: WCMC as reported by World Resources Institute in *World Resources 1998–99* and *World Resources 2000–01* (forthcoming).

CO₂ emissions. Data on emissions are reported as thousands of metric tons, an average annual growth rate since 1990, and the per capita emissions ratio. CO₂ emissions are from fossil-fuel burning, cement manufacture, and gas flaring. The latest year of data is 1997. The per capita averages are weighted by population. Source: Carbon Dioxide Information Analysis Center Oak Ridge National Laboratory.

Urban access to safe water and sanitation services. Reported data for both indicators are most recent data. Percent and year of survey/ estimate are reported. Source is World Health Organization data published in the World Bank, *World Development Indicators, 2000*.

GDP per unit of energy is the GDP per kilogram of oil equivalent of commercial energy use. GDP is gross domestic product converted to international dollars using purchasing power parity rates. Latest data are for 1997. Source is World Bank, *World Development Indicators, 2000*. Original commercial energy usage data are primarily from International Energy Agency files and UN, *Energy Statistics Yearbook*.

Total forest area and the average annual change in total forest area, or annual deforestation, are reported for the period 1990–95 and are measured in thousands of square kilometers and square kilometers, respectively. Updates for years after 1995 not yet available. Updates are expected on completion of FAO Forest Resources Assessment 2000. Source: FAO, *State of the World's Forests, 1999*.

Table B.6. Humanitarian Assistance
Selected Development Indicators for USAID Postconflict Countries

| | Refugees and Asylum Seekers | | | Internally Displaced Persons | | | Total Displaced Persons ¹ | | |
|-------------------------------------|-----------------------------|------------------|------------------|------------------------------|------------------|------------------|--------------------------------------|------------------|-------------------|
| | 1995 | 1998 | 1999 | 1995 | 1998 | 1999 | 1995 | 1998 | 1999 |
| Sub-Saharan Africa | | | | | | | | | |
| Angola | 313,000 | 303,300 | 339,300 | 1,500,000 | 1,250,000 | 1,750,000 | 1,813,000 | 1,553,300 | 2,089,300 |
| Burundi | 290,000 | 281,000 | 311,000 | 300,000 | 500,000 | 800,000 | 590,000 | 781,000 | 1,111,000 |
| Congo (Kinshasa) | 58,600 | 136,000 | 229,000 | 225,000 | 300,000 | 800,000 | 283,600 | 436,000 | 1,029,000 |
| Liberia | 725,000 | 310,000 | 249,000 | 1,000,000 | 75,000 | 50,000 | 1,725,000 | 385,000 | 299,000 |
| Rwanda | 1,545,000 | 12,000 | 37,000 | 500,000 | 500,000 | 600,000 | 2,045,000 | 512,000 | 637,000 |
| Sierra Leone | 363,000 | 480,000 | 454,000 | 1,000,000 | 300,000 | 500,000 | 1,363,000 | 780,000 | 954,000 |
| Somalia | 480,300 | 416,600 | 415,600 | 300,000 | 250,000 | 350,000 | 780,300 | 666,600 | 765,600 |
| Sudan | 448,100 | 352,200 | 423,200 | 4,000,000 | 4,000,000 | 4,000,000 | 4,448,100 | 4,352,200 | 4,423,200 |
| Total | 4,223,000 | 2,291,100 | 2,458,100 | 8,825,000 | 7,175,000 | 8,850,000 | 13,048,000 | 9,466,100 | 11,308,100 |
| Asia/Near East | | | | | | | | | |
| Burma (Myanmar) | 160,400 | 238,100 | 240,100 | 750,000 | 750,000 | 750,000 | 910,400 | 988,100 | 990,100 |
| Cambodia | 26,300 | 51,000 | 15,000 | 55,000 | 22,000 | 15,000 | 81,300 | 73,000 | 30,000 |
| Indonesia | 9,500 | 8,000 | 8,000 | — | — | 440,000 | 9,500 | 8,000 | 448,000 |
| West Bank/Gaza | 3,286,100 | 3,816,500 | 3,931,400 | — | — | — | 3,286,100 | 3,816,500 | 3,931,400 |
| Total | 3,482,300 | 4,113,600 | 4,194,500 | 805,000 | 772,000 | 1,205,000 | 4,287,300 | 4,885,600 | 5,399,500 |
| Europe/Eurasia | | | | | | | | | |
| Azerbaijan | 390,000 | 218,000 | 230,000 | 670,000 | 576,000 | 568,000 | 1,060,000 | 794,000 | 798,000 |
| Bosnia & Herzegovina | 1,105,500 | 342,600 | 260,350 | 1,300,000 | 836,000 | 830,000 | 2,405,500 | 1,178,600 | 1,090,350 |
| Croatia | — | 309,000 | 336,000 | 240,000 | 61,000 | 50,000 | 240,000 | 370,000 | 386,000 |
| FRY(Serbia/Montenegro) | 5,100 | 132,600 | 376,400 | — | 257,000 | 600,000 | 5,100 | 389,600 | 976,400 |
| Georgia | 105,000 | 23,000 | 41,000 | 280,000 | 280,000 | 280,000 | 385,000 | 303,000 | 321,000 |
| Tajikistan | 170,400 | 15,100 | 62,500 | — | — | — | 170,400 | 15,100 | 62,500 |
| Total | 1,776,000 | 1,040,300 | 1,306,250 | 2,490,000 | 2,010,000 | 2,328,000 | 4,266,000 | 3,050,300 | 3,634,250 |
| Latin America/ Caribbean | | | | | | | | | |
| El Salvador | 12,400 | 250,150 | 253,000 | — | — | — | 12,400 | 250,150 | 253,000 |
| Guatemala | 34,150 | 151,300 | 146,000 | 200,000 | — | — | 234,150 | 151,300 | 146,000 |
| Haiti | 900 | 600 | 23,000 | — | — | — | 900 | 600 | 23,000 |
| Nicaragua | 15,950 | 18,000 | 18,000 | — | — | — | 15,950 | 18,000 | 18,000 |
| Total | 63,400 | 420,050 | 440,000 | 200,000 | 0 | 0 | 263,400 | 420,050 | 440,000 |

¹ total displaced is sum of refugees and internally displaced persons

Table B.6. Notes

Humanitarian Assistance

Twenty-two countries are analyzed in Humanitarian Assistance performance reporting:

- Sub-Saharan Africa: Angola, Burundi, Congo (Kinshasa), Liberia, Rwanda, Sierra Leone, Somalia, Sudan
- Asia/Near East: Burma (Myanmar), Cambodia, Indonesia, West Bank/Gaza
- Europe/Eurasia: Azerbaijan, Bosnia and Herzegovina, Croatia, Former Republic of Yugoslavia (Serbia/Montenegro), Georgia, Tajikistan
- Latin America/Caribbean: El Salvador, Guatemala, Haiti, Nicaragua

Indicators

1. **Persons displaced by open conflict** includes refugees and asylum seekers as well as internally displaced

persons. Latest data are for 1999. Source: U.S. Committee for Refugees, *World Refugee Surveys* (various issues).

2a. **Freedom classifications** are “free,” “partly free,” and “not free.” For 1995–96 no data available for West Bank/Gaza. Source: Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the title.

2b. **Political Rights scores** are unweighted averages of countries. Scale of 1 to 7, where 1 is the highest degree of political rights and 7 is the lowest. For 1995–96 no data available for West Bank/Gaza. Source: Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the title.

2c. **Civil Liberties scores** are unweighted averages used. Scale of 1 to 7, where 1 is the highest degree of civil liberties and 7 is the lowest. For 1995–96 no data available for West Bank/Gaza. Source: Freedom Foundation, *Freedom in the World* (various issues). Year headings reflect title of publication. Generally the data reflect the situation at the end of the first year in the title.



Annex C

Status of Agency Evaluations

Learning from experience and understanding why programs are succeeding or failing are essential parts of managing for results at USAID. To do its job effectively, USAID needs to carefully examine its programs and experience to learn what approaches work best. Each year, the Agency identifies its critical policy, technical, and operational problems, and evaluations are designed to find the answers. AID has a several tiers of evaluation: central, technical, regional, and operating unit.

Central Evaluation Findings

Agency central evaluations are generally cross-cutting, multicountry, and oriented toward management and implementation decisions. They are designed to

- Help USAID managers determine the need for modifications of the Agency's strategic framework;
- Provide guidance to senior managers as they develop strategic approaches and new program designs;
- Identify measures to improve program efficiency and effectiveness;
- Assess beneficiary impact and improve implementation techniques; and
- Disseminate Agency experience and lessons among partners, other U.S. government agencies, donors, and the wider public.

The Agency's central evaluations examine the effectiveness of activities in achieving results across country settings and goal areas. They are designed to provide guidance to policy makers, senior managers, and operating units on how to improve strategic planning and how to design better program approaches. Such evaluations can also have an impact on Agency policy and strategy.

Each year, USAID develops an agenda of evaluation topics that reflects the most significant issues emerging from the Agency's annual goal reviews and from broader consultations with USAID managers, technical staff, and external audiences. Evaluations fully or substantially

completed in FY 2000 include Capital Markets, Urban and Industrial Pollution, Women and Postconflict Societies, and Poverty Reduction.

CAPITAL MARKETS

The Center for Development Information and Evaluation (CDIE) led evaluation teams to examine the effectiveness of USAID programs in capital markets, completing extensive fieldwork and analyzing USAID capital markets programs in **India, Romania, Kenya, Morocco, and the Philippines**. They also examined USAID efforts throughout the past three decades in **Central America**. The evaluation concluded that an efficient capital market is an important ingredient of a long-term successful development strategy. The failure to provide strong oversight of capital markets, evident in the Asian financial crisis of 1997–98, can sharply retard economic growth and create adverse consequences for the poor. Specific lessons were learned from the study:

- Effective capital market development should not be left solely to the private sector. Government oversight is needed to prevent market intermediaries from self-dealing and rigging the marketplace. Such monopolistic arrangements lead to lack of trust, high transaction costs, insufficient information for potential investors, and inefficient allocation of investment resources.
- Donor support should focus primarily on strengthening the government regulatory framework. The benefits of such support are likely to be much higher than those from direct support of individual enterprises or investment houses.
- Capital markets projects are unlikely to stimulate economic growth where economic conditions are unfavorable. Inflation, large government budget deficits, and uncertainty about the path of future government policies all deter investment. Capital market reforms will not produce growth in a stagnant economy; rather, such projects are best suited to rapidly growing economies where existing capital structures are limiting investment and where firms are actively interested in additional financing.

- In the longer term, creation of long-term debt markets is essential to reduce the risk of financial crises like the recent Asian experience. This will require improvements in government policy to eliminate inflationary expectations and to prevent government financing needs from crowding out the private sector from the debt market.

URBAN AND INDUSTRIAL POLLUTION

Cities in many developing countries are unhealthy places to live because of industrial pollution, emissions from vehicles, and untreated sewage and solid waste. There is a direct link between urban environmental degradation and deteriorating public health. This is due to factories that send waste chemicals, particulates, and metals out their smokestacks into the air or out their drains into rivers. These chemicals cause neurological damage and a variety of cancers, other illnesses, and even premature death.

Pollution control is an extremely cost-effective public health approach. The economic value of health damage from air pollution represents 3 to 10 percent of urban income. By reducing water pollution, illness from diarrhea and other diseases can be reduced by 25 percent and death by 65 percent. The gains from pollution control can be large, while costs are not that great. The cost per life saved is low, often \$1,000 or less.

A CDIE evaluation examined USAID urban pollution control projects in the **Philippines, Chile, India, Czech Republic, Poland, and Russia**. By helping industry reduce and reclaim industrial waste, change to cleaner production processes, reduce water and energy use, and use cleaner fuels, firms saved money and averted pollution. In many cases, firms achieved high financial rates of return, and pollution reductions were substantial. The following factors tended to be associated with successful pollution prevention activities:

- Economic policies (e.g., through price incentives) can encourage (through subsidies) or discourage (through taxes) the level (and type) of pollution that industries produce. The evaluation found that companies did not invest in pollution control measures unless they were convinced that it was in their own business interest. They needed to know that they would save money. Economic policies need to make it profitable for firms to reduce pollution.

- Environmental laws and regulations and governmental capacity to enforce compliance are essential if industry is to be “encouraged” to reduce pollution. Cost savings alone did not always prove a strong enough incentive to encourage firms to adopt waste minimization and pollution prevention programs. The threat of environmental fines and penalties—and their strict enforcement—are necessary.
- Strong public and private institutions are indispensable to ensure clean air and water. They are necessary to develop and enforce environmental regulations and to develop and encourage the adoption of pollution-reducing techniques.
- Education and awareness campaigns are useful to convince industry, the government, and the general population about the economic and health costs associated with air and water pollution.
- Pollution control technologies are the essential tools that allow industry to reduce pollution. But industrial firms need to be able to identify the technologies that work best and to install them in their factories.
- Financing may not be a constraint for large firms that want to purchase pollution reduction technology. But it is often a constraint for small and medium-sized firms and municipalities.
- Replication is the process of spreading pollution control techniques to new firms. But there is often a problem: individual firms that have successfully reduced pollution and increased profits are reluctant to share the newly learned techniques with their competitors.

WOMEN AND GENDER IN POSTCONFLICT SOCIETIES

This CDIE assessment examined the impact of intrastate conflicts (civil war) on women, the role of women’s organizations in dealing with the problems and opportunities created by the conflicts, and the contributions of international assistance to women’s organizations. CDIE conducted fieldwork in six countries: **Bosnia/Herzegovina, Cambodia, El Salvador, Georgia, Guatemala, and Rwanda**. The key issues identified by the assessment focus on the effects of intrastate conflict on women, women’s organizations, and international donor responses:

Impacts of Intrastate Conflict

- In all case-study countries, women—particularly in war zones—suffered from physical insecurity. Conditions only marginally improved when hostilities ceased. Continuing animosity and distrust among belligerent ethnic groups compounded the problem of physical security. In many countries, soldiers violated women as a tool of warfare. Throughout **Africa**, belligerents with HIV/AIDS combined it with rape as a devastating tool of warfare. Abject poverty, population migration, and social disorganization contributed to the growth of prostitution in many postconflict societies.
- Conflict resulted in a significant portion of traumatized women. Women in **Bosnia/Herzegovina**, **Guatemala**, and **Rwanda** in particular experienced high levels of stress and anxiety during the postconflict period. They displayed typical signs of trauma, including depression, listlessness, chronic fatigue, anguish, psychological disabilities, and recurrent recollections of traumatic incidents.
- Conflicts profoundly affected the family, often increasing the household burdens of women. They led to the growth of households headed by single women as men were killed, disabled, imprisoned, or off fighting. Women-headed households faced many economic and social constraints during the postconflict transition.
- All case-study countries witnessed an expansion of women's public roles and responsibilities during conflict. The challenges of surviving, the absence of men, and the opportunities created by the conflict contributed to this expansion.

Women's Organizations

- Organizations led and managed by women to promote women's welfare and gender equality emerged in all case-study countries because of several factors. During the conflicts, social, economic, and political transformation took place. Conflict undermined the traditional social order, facilitating increased participation of women in public affairs. Moreover, reforms initiated as part of the peace process created political space for women's organizations. In addition, the international community provided generous financial assistance to these organizations.

- Women's organizations were active in almost every important sector: social, educational, economic, and political. They established health clinics, provided reproductive health care, and organized mass vaccination programs. They carried out income-generation and employment programs for women, particularly focusing on vocational training and microcredit. They also addressed problems such as domestic violence, prostitution, and the plight of returning refugees and internally displaced women. Another active area of women's organizations was the promotion of democracy and human rights. Finally, they undertook advocacy activities to fight discrimination and promote gender equality.

The emergence of women's organizations and their myriad activities empowered women in several ways. The organizations directly assisted women who were victims of conflict, including returning refugees, internally displaced women, and sexually abused women. Their income generation activities prevented women beneficiaries from poverty and deprivation. Moreover, by encouraging political participation through political education, voter registration drives, and assistance to women candidates, women's organizations contributed to political empowerment. Finally, they raised gender awareness.

AGENCY TECHNICAL/PROGRAMMATIC STUDIES

Hurricane Mitch

Central America

Hurricane Mitch was the worst natural disaster in the recorded history of Central America, and no one was prepared for it. The high-level involvement of U.S. government officials in the relief period led to several reviews on coordination and management issues within USAID and the role of other U.S. government agencies in the immediate aftermath of the hurricane. Although there were initial problems, there was overall good coordination with host government counterparts, the U.S. military, and the USAID field Missions to assess needs, identify interventions, and provide resources to save lives and alleviate suffering.

A number of issues were identified that should be addressed in future humanitarian assistance programming: USAID Missions expressed the need for

- 1) increased—and a longer period of—management assistance from USAID/Washington; 2) clearer policy on the use of development assistance resources in an emergency to supplement IDA resources in large-scale disasters; 3) clarity on lines of authority and respective roles of U.S. agencies in international disaster response; and
- 4) availability of detailed disaster plans to assist rapid start-up of activities across a range of sectors, with the roles of key implementing partners outlined.

The early warning systems did not prepare countries for the disaster because of human error and institutional weakness. These systems must be an integral part of a coordinated disaster-response training to ensure that they are properly maintained. In the Mitch disaster, most deaths were caused by mudslides burying communities built on steep hillside slopes or in low-lying areas such as the foothills. Vulnerability mapping should be done in countries and maintained by host-government institutions responsible for disaster response.¹

The Balkans

The Kosovo crisis provoked criticism of the international community's handling of this situation. The main criticism centered on the poor coordination of humanitarian action, critical to planning a standardized response. This was due in part to the unprecedented number of agencies involved, including UN agencies, donors, NATO, and more than 350 nongovernmental organizations.²

Coordination was a problem in part because of the massive and sudden influx of ethnic Albanian Kosovars in March 1999 that took the humanitarian community by surprise. The quantity of food stocks and equipment fell short of the requirement, and donor positioning did not sufficiently take into account the rupture of transport routes caused by the war. While the prepositioning of Title II emergency food in the region helped to ensure that sufficient stocks were available, logistic constraints—specifically, inadequate port, road, and border infrastructures—proved to be the greatest constraints to a consistent pipeline. Close coordination and intra-agency loans between organizations funded by USAID helped to prevent serious food distribution delays.

One lesson learned is that the rapid deployment of experienced staff ensured a quick and effective response. However, this involved a high financial cost to the Agency's limited operating expenses and imposed a sacrifice on other operations. The Kosovo crisis highlights

the need for mechanisms to move staff even more quickly to assist in the start-up of an emergency operation. Another lesson learned is that when the military is a key player, close coordination with the military needs to be organized early in the operation. WFP's collaboration with NATO and other military forces greatly enhanced the quality of support to Kosovars and reduced the disruptions to local communities. Early high-level political contacts, such as in Albania, expedited critical decision-making processes. The Kosovo experience proved that field communications were key to effective programming and staff security and that comprehensive radio and electronic mails facilitated the coordinating and sharing of updated information. Finally, strong partnerships between organizations helped to accomplish a common task.³

POPULATION, HEALTH, AND NUTRITION

During 1999, the Agency reviewed its global research priorities and developed a research agenda to address major constraints on progress in child health and nutrition. Under this prioritized research agenda, key research activities were completed or continued:

- Initiating the first field trial of pneumonia vaccine to measure mortality, a study of *Haemophilus influenzae* type b disease (HIB) among 10,000 children in **Indonesia** that found carriage rates (long argued to be nonexistent) to be similar to those in the developed world prior to vaccine introduction
- Finding among children in **New Guinea** that vitamin A supplements reduced clinical malaria by 35 percent and that zinc supplements reduced severe malaria by 40 percent and diarrhea by 20 percent
- Meta-analysis of additional studies of zinc supplementation, revealing 25 percent reduction in ARI, 41 percent reduction in diarrhea, and 34 percent reduction in mortality among low-birth-weight infants
- Technical assistance and active participation in the WHO global evaluation of IMCI (With support from the Gates Foundation, the evaluation of IMCI in four countries will now be expanded to nine countries.)
- The final design, site selection, and baseline data collection for a prospective “gold standard” study of IMCI in **Uganda**

- A multicenter study documenting causes and signs of serious neonatal infection in developing countries; developing a neonatal research agenda with partners

The child health research (CHR) initiative is using information technology to facilitate its research goals. Through an Internet-based approach, investigators and health practitioners in the developing world confer with U.S. and European colleagues on radiographic diagnoses. The CHR publications and achievements are posted on the Web site <http://www.childhealthresearch.org>.

Research and evaluation efforts focus on new and improved technologies and approaches for contraceptive methods and family-planning programs. The purpose is to build the scientific and technological base for successful, high-quality family-planning and reproductive health programs. Tracking the impact of research on fertility reductions over the short term is not feasible; however, three areas of activity that will eventually lead to long-term gains are contraceptive development, operations research, and data collection and evaluation technologies.

For example, in contraceptive research, 24 leads into new and improved technologies were under development during 1999, and 4 (a new female condom; a hormone-releasing vaginal ring for breastfeeding women; a novel, loose-fitting, thermoplastic male condom; and a new spermicide/microbicide) moved to the next stage of development. Because of redesign delays, FEMCAP did not receive FDA approval in 1999, as expected. The clinical evaluation of novel hormonal subdermal implants is ongoing. Preliminary results are excellent, and progress to the next stage of clinical trials is anticipated.

A worldwide USAID initiative in operations research coordinated programmatic research on key topics such as integration of family planning with other reproductive health services and improving quality, access, and sustainability of service-delivery programs. First, during FY 1999, a simple checklist assessing whether a client is pregnant and giving new clients a family-planning method was pilot-tested in **Kenya** and is now being implemented nationwide. Second, survey instruments to collect information on women's status and domestic violence have been designed and tested as an optional part of the demographic and health survey (DHS). Third, four large-scale research and services programs are being implemented in all major regions of the world to improve the reproductive health of adolescents. To date, detailed baseline information has been collected on patterns of behavior and knowledge of youth. These data have been used to design innovative programs that are being implemented and will be evaluated

approximately 18–24 months after start of implementation.

The focus of global research and evaluation programs has been on filling critical gaps in knowledge related to the design and implementation of cost-effective maternal/neonatal health programs. Results of interventions in 19 countries to test new approaches and to improve access to, and quality of, maternal newborn services have been published in 2000 to provide a large body of evidence for programming. This compilation of results includes a research trial on streamlined antenatal care in **Thailand**, family-centered maternity care in **Ukraine**, iron supplementation strategies to reduce anemia in **India**, and integrated service delivery and community strategies in **Indonesia, Guatemala, and Bolivia**. Some important findings from research during the past year are listed below:

- A policy environment index, the Maternal and Neonatal Performance Index (MNPI), was developed and field-tested to measure overall Safe Motherhood programs in terms of political support, service-related activities, availability of intervention, record keeping, and evaluation.
- A multicenter research trial on antenatal care was completed. It will be used to inform worldwide provision of care to pregnant women.
- With Agency support, the Institute of Medicine has developed a report on “Improving Birth Outcomes,” which was scheduled to be released in September 2000.

“USAID-supported research helped to identify interventions proven to curb the spread of HIV/AIDS that have become the basic tools for the international response to the epidemic.” (GAO Report: *HIV/AIDS: USAID and UN Response to the Epidemic in the Developing World*, p. 4, July 1998) Presently, 39 operations research studies in 19 countries seek to improve established intervention approaches such as school-based HIV education, as well as STI services for high-risk populations. These are some of the most important research reports during the past year:

- Rehle, T.; M. Lynch; C. K. Sow; and T. Saidel. “Outcome Analysis of Targeted Behavior Change Interventions.” Poster at HIV/AIDS Conference in Durban, South Africa, July 2000.
- Harrison, Abigail; Salim Abdool Karim; Katherine Floyd; Carol Lombard; Mark Lurie; Nelly Ntuli; and

David Wilkinson. "Syndrome Packets and Health Worker Training Improve Sexually Transmitted Disease Case Management in Rural South Africa, Randomized Controlled Trial." Forthcoming in *AIDS*, July (?) 2000.

- Steen, Richard; Bea Vuylsteke; Tony DeCoito; et al. "Evidence of Declining STD Prevalence in a South African Mining Community Following a Core Group Intervention." USAID, 2000.

FUTURE PLANS

USAID EVALUATION AGENDA FOR FY 2000–01

The Policy and Program Coordination Bureau prepares and updates annually a two-year agenda of central evaluation studies. The agenda addresses issues of high priority to managers across the Agency. Evaluation of a topic should also be feasible in terms of available data and experience. Studies should likewise produce actionable lessons. The Program Operations and Assessment Division, USAID's central evaluation unit located in the Center for Development Information and Evaluation, is responsible for undertaking the studies, in collaboration with other bureaus.

The agenda includes two types of studies: experience reviews and evaluations, as described below:

Experience Reviews

These are assessments of what USAID (and/or others) have done, accomplished, and learned in particular development areas, relying mostly on secondary data and written primarily for technical and professional audiences. These topics may also be candidates for later evaluations based on experience review findings. These experience reviews were initiated in FY 2000:

- a. A review of *poverty reduction* efforts across development sectors (The study will summarize USAID's and other donors' experiences and examine new ways of looking at poverty and poverty reduction.)
- b. A review of the Agency's role in promoting *the development of civil society* (This will include work in democracy and governance, as well as attempt to capture USAID's experience in a number of development sectors.)

- c. A review of the nature and scope of USAID's *global climate change* activities and the results of our investments
- d. A review of USAID's experience in *child survival programs*, focusing on upscaling pilot activities

The following topics, among others, *will be considered* for initiation in FY 2001:

- a. An update of the 1996 review of USAID's experience with *endowments*
- b. A review of the effectiveness of *regional programs* and efforts to promote *regional integration*
- c. A review of USAID's and other donors' experiences in *developing land markets* and *establishing related property rights* and the impact of these activities across a range of program areas
- d. A review of the effectiveness of USAID's programs in *nonpresence countries*
- e. A review of *graduated PHN programs*, focusing on *sustainability*
- f. A review of what USAID and other donors have done to enhance *early childhood development*, with what results, across a range of sectors
- g. A broad review of *USAID's research investments*, what they have accomplished, and how they have affected policies and programs

Evaluations

These are assessments of what USAID (and others) have done, accomplished, and learned in particular development areas, based mostly on primary data collection and aimed largely at technical and professional audiences. This year, analytical work will be completed on four ongoing evaluations:

- *Durable partnerships between U.S. and partner country nongovernmental organizations*
- *Urban and industrial pollution*
- *Cross-sectoral democracy program linkages*
- *Women in postconflict societies*

Operating Unit Evaluation Findings

Evaluations managed by operating units examine the effectiveness of activities in achieving results within specific country or regional settings and strategic objectives. They are designed to provide insights and reach judgments about the effectiveness of certain activities, the validity of a development hypothesis, the utility of performance-monitoring efforts, or the impact of other changes in the development setting on achievement of results. With USAID's emphasis on managing for results, program evaluations have become less descriptive and more evidence based.

In consultation with partners and customers, operating units conduct evaluations when there are distinct and clear management needs to address an issue. Situations that may require an evaluation include the following:

- A key management decision must be made, and there is inadequate information.
- Performance information indicates an unexpected result (positive or negative) that should be explained (e.g., gender-differential results).
- Customer, partner, or other informed feedback suggests that there are implementation problems, unmet needs, or unintended consequences or impacts.
- Issues of sustainability, cost-effectiveness, or relevance arise.
- Periodic portfolio reviews have identified key questions that need to be answered or that need consensus.
- Extracting lessons is important for the benefit of other operating units or future programming.

USAID will also complete final write-ups for studies of *complex emergencies* and *capital markets*. The following new evaluations will be initiated in FY 2000:

- An operations assessment of *USAID's role in transitional programs*
- A study of *poverty reduction programs*

Notes

¹USAID, Bureau for Humanitarian Response, Office of Planning, Program, and Evaluation, “Management Assessment of Hurricane Mitch Activities in Honduras and Nicaragua,” July 31, 2000.

²“Report on the Nutrition Situation of Refugees and Displaced Populations,” RNIS 27, United Nations Subcommittee on Nutrition, July 7, 1999.

³*Sources:* 1) USAID, Bureau for Humanitarian Response, Office of Food for Peace – Emergency Response Division, Results Review and Resource Request, FY 2002. 2) The WFP’s Balkan Operations, Progress Report No. 1, July–September 1999 and Progress Report No. 2, October–December 1999. 3) Reports from PVOs.

Annex D

Data Quality Verification and Validation

A. Introduction

USAID is committed to ensuring that those who use our reported performance information to make decisions can do so with the assurance that our data are valid and reliable. During FY 2000, USAID continued working energetically to improve the quality and availability of performance data within and beyond the Agency. Some important accomplishments include the following:

- Development of an Agencywide training on planning for performance management, including a session on data quality assessment (This training will enhance the skill of managers in identifying data needs, improving data quality, and expanding the use of performance data in decision making.)
- Revision of the Automated Directives System Series 200 to include more extensive guidance on data quality assessments and performance monitoring
- Expansion of technical assistance for Missions and offices
- The selective review of operating unit performance reports and monitoring plans

B. Reliability of Data Collection and Reporting

Data Sources

USAID operating units and strategic objective teams typically use three different sources of data (which require different approaches to assessing data quality):

- In some instances, a Mission will contract for **primary data** to be collected scientifically to serve as a baseline or an interim or final evaluation of SO achievement. Typical examples of these include the demographic and health surveys, as well as educational achievement testing or agricultural surveys.
- **Partner data** include data coming from implementing partners, including contractors, cooperating agencies, and grantees. Line ministries, such as

Ministries of Health, Education, and Agriculture, may also provide partner data if USAID is working closely enough with the government body to have some control over its data collection, analysis, and reporting processes. Partner data are typically data derived from ongoing performance-monitoring systems established as part of the work flow of a particular activity.

- **Secondary data** come from sources over which the Agency has no control. Typically, these include government sources, such as Ministries of Finance or Planning or the Central Bank, where USAID cannot audit the sources or intensively review the data collection and analysis procedures. Some line ministries—or some programs in line ministries—may also be beyond what USAID can reasonably inspect. Similarly, data from other bodies, such as The World Bank or UN agencies, are also beyond USAID's control.

Data Reporting

The annual Results Review and Resource Request (R4) is the Agency's principal tool for assessing program progress on an annual basis and communicating progress information to higher management levels. The Resource Request portion of the R4 is the standard mechanism used by operating units to request annual funding increments. In addition, R4 reports provide core information for Agency reporting to Congress, OMB, and the broader public. The Results Review portion of the R4 is used to prepare the annual Agency Performance Overview and the Budget Justification document, which justifies annual Agency budget requests.

R4s are used to satisfy information needs at several levels:

- Operating units use them to determine whether programs and resources need adjustment to maximize impact.
- Regional Bureaus use them to allocate resources across countries to meet development and foreign policy goals.
- Regional and Central Bureaus use them for external Agency reporting and budget preparation.

Results Review by Strategic Objective (SO)

This includes the operating unit's overall assessment of the SO (as described by one of three possible summary statements: "on track," "exceeding expectations," or "not meeting expectations"), a brief summary of the SO, a description of performance during the past year relative to the plan, and a sense of USAID's relative role and contribution to overall performance. The role of other donors and partners in contributing to results achievement must be clearly stated here.

A high-quality narrative report is important to complement information in the performance data tables. It provides an opportunity to impart information not contained in the indicators, thereby providing a more comprehensive understanding of the SO and its progress. The narrative section is also critical to highlight important crosscutting issues, as well as instructive success stories and lessons learned. All significant evaluation findings, positive and negative, must be referenced in the narrative.

The R4 also includes performance data tables for three to four indicators. Indicators reported in these data tables are subject to the indicator selection and data quality criteria. Any data quality limitations must be noted in either the text or in the "notes" section of the data table.

C. Data Verification And Validation Procedures

Formal Data Quality Assessment At the Operating Unit Level

Performance data reported in the R4 should be as complete, accurate, and consistent as management needs and resources permit. In addition, to be useful in managing for results and credible for reporting, R4 performance data should meet reasonable standards of validity, reliability, timeliness, precision, and integrity.

Operating units assess data quality when establishing the performance indicators and when choosing data collection sources and methods. For each indicator reported in the R4 performance data tables, data quality must be reassessed as needed, but no less than once every three years. These assessments are intended to ensure that performance information is sufficiently complete, accurate, and consistent and meet the indicator quality requirements described in ADS 203.3.6.3. Three data validation

procedures work together to ensure data integrity:

- Development of periodic Performance Monitoring Plans (PMPs) by operating units
- Initial assessment of indicator quality during strategy development
- Data quality assessment conducted at least once every three years

Informal Assessment Through Review and Use of Data

In addition, to help ensure the integrity of performance information, line managers and staff throughout the Agency also review performance data regularly to identify anomalies and to correct reporting problems.

Collaborative Performance Audits Examined Reliability of Data Collection and Reporting

Another method of verifying and validating USAID performance information is through performance audits conducted by the Office of the Inspector General (OIG). In FY 2000, the OIG conducted a wide-ranging assessment of the quality of operational-level performance indicators and data for FY 1999. The purpose of the audit was to determine whether the USAID unit implemented adequate management controls to monitor performance indicators and to assess the quality of data reported for the indicators. The audits focused on the reliability of FY 1999 data reported in the Results Review and Resource Request performance data tables. The audit examined the operating unit's performance-monitoring plan, establishment of baselines, data quality assessments, and R4 reporting process. Operating units reviewed included **Ghana, Malawi, Brazil, G/EGAD, Egypt, Romania, and Nepal.**

Overall, the performance audits were a positive experience for the operating units and the auditor teams. The Inspector General (IG) noted USAID's progress in collecting performance data and managing for results. However, operating units can do better in terms of preparing, using, and documenting plans and reports. The auditors noted several opportunities for improvement:

PMPs

- Some not done or updated

- Often not used for management or reporting
- Often have inadequate indicator definitions
- Often have inadequate data collection methodologies
- Often have no documentation or reporting changes in indicator definitions or collection methodologies

R4 Reporting

- Data limitations not being reported
- Some inaccurate results—not supported or based on incomplete data
- Often no data trails from which data could be reconstructed at a later date
- Data often inconsistent and inaccurate because of poor definitions

Baselines

- Often not established in a timely fashion
- Often evolve as activity progresses, but definition changes not documented

Data Quality Assessments

- Underappreciation of need for quality data
- Often found not being done, documented, and/or used

D. Data Limitations And Significance

As noted above, the data used to measure USAID performance come from a wide variety of sources. Most of the data originate from sources outside of the Agency and therefore outside the direct control of the Agency.

Like other organizations whose mission is to produce sustainable changes in the conditions of people's lives, USAID faces a complex problem when it comes to assessing results and reporting progress. Four main issues contribute to this complexity:

- *Attribution:* USAID does not work alone. Its activities enable host-country institutions to meet social needs. This is often in collaboration with other donors. As we do this, we need to define results that both represent significant change and reflect the aspirations and desires of others. We must then work in partnership with individuals and institutions to collaboratively coproduce these development results. We rarely, if ever, have complete control over outcomes, and we can rarely, if ever, claim results solely as our own. In this setting, it is difficult to measure the relative impact of our specific contributions to the development results that we seek to achieve.

- *Data Availability:* We typically work in data-poor environments. This stems in part from limitations in resources and institutional capacity in host countries. It can be very difficult to find reliable and practical indicators that measure incremental progress or final outcomes. This often means that we need to establish simple, low-maintenance data collection and analysis systems, rather than rely on existing ones. Limitations in our own resources often preclude us, however, from completely filling existing gaps.

- *Unstable Environments:* We often work in unstable environments. Conditions constantly change because of events at a local, national, and even international level. Our programming system helps us stay flexible and adjust to change. It is important that our performance measurement systems be flexible enough to remain useful when changes occur.

- *Delayed Impact:* Finally, when we are most successful, the full development impact of our work is not realized immediately. Sometimes full impact is not felt until years after our investments were made and activities completed. This means that complete information on the positive impact of activities is typically not available at the time that management decisions on these activities have to be made. It also means that the best learning may not take place without monitoring and review of activities and SOs even after they are completed. Nonetheless, while final impact data may be hard to attain, one can monitor other information about progress using intermediate outcome data.

Significance of Data Limitations

E. USAID Is Actively Addressing Data Quality Limitations

USAID takes appropriate action to correct any reported deficiencies. These actions may include disclosure of data gaps, changes in performance indicators, improvements or additions of data collection systems, or combination thereof.

USAID Is Adopting a Refined Approach to “Assessing And Learning” From Performance Information

“Assessing and learning” is the process of systematically collecting information about the progress of development work, analyzing it so that it can be used for management decisions, and reporting so that the rest of the Agency can profit from the lessons learned. Managers cannot know whether they are on the road to achieving their goals unless they have ways to track progress. There are two steps in this process: 1) performance of ongoing activities must be assessed by collecting and analyzing qualitative and quantitative information about what activities are achieving and 2) the data from these assessments must be reviewed in the context of a broader analytical framework to make judgments about overall progress and to learn how to improve performance.

Excerpt ADS 203.3.2.2 “Principles of Assessing And Learning”

The following overarching principles guide the Agency’s work in assessing and learning. These principles guide our plans, actions, and decisions as we assess our programs and report on progress:

a. Self-assessment: SO Teams and other management units are responsible for actively and systematically assessing their contribution to program results and for taking corrective action when necessary, within the scope of their authority and responsibility. They encourage partner organizations to do likewise.

b. Performance-informed decision making: We seek to ensure that management decisions at all levels are informed by the best available performance information. In planning performance measurement, we seek to anticipate information needs for future decisions and put in place the mechanisms to obtain the best, most timely information from a variety of sources. Timeliness of the data depends upon the decisions to be made and the events measured. Daily data may be needed in the case of humanitarian interventions. Other data may be needed or obtainable only at multiyear intervals (e.g., participation rates in elections).

c. Candor and transparency in reporting: We strive for candor and transparency when reporting our progress. This involves three interrelated actions: 1) assessing the quality of data that we use to report progress and stating known limitations, 2) conveying clearly and accurately the problems that impede progress and our efforts to address them, and 3) avoiding the appearance of claiming those results achieved with or by others as our own.

d. Information sharing: Each SO Team learns best practices, approaches, and techniques when it implements a strategy. If teams make available the most important and useful insights and knowledge from experience, others will be able to apply them to improve success elsewhere. Dissemination of R4s, evaluations, and SO closeout reports through the Bureau for Policy and Program Coordination, Center for Development Information and Evaluation (PPC/CDIE), and provision of related program information and experience on external and internal USAID Web pages are ways to promote learning.

e. Economy of effort: Data collection and reporting should be limited to what is most directly useful for managing performance at the operating unit level. More data are not necessarily more useful than fewer data because they markedly increase the management burden and cost to collect and analyze. When partner organizations work with several operating units on the same activity, reporting burdens should be minimized by coordinating and agreeing on a manageable and reasonable set of reporting information.

F. For More Information

For more information about the means that USAID uses to verify and validate measured performance values:

- TIPS No. 12, Guidelines for Indicator and Data Quality

-
- Automated Directives System (ADS), Chapter 203, Assessing and Learning

For information on the quality of specific performance indicators and data:

- R4 database
- www.usaidresults.org



Annex E

Involvement Of Non-Federal Parties

PricewaterhouseCoopers (PwC) was a contractor to the Bureau for Policy and Program Coordination during FY 2000. PwC has experience in assisting USAID and other Federal agencies with the preparation of agency performance reports, in compliance with the Government Performance and Results Act and guidance from the Office of Management and Budget. For this report, PwC suggested timelines, provided logistical support, and edited the first and second drafts.

DevTech Systems, Inc., under a contract funded by USAID PC/Center for Information and Evaluation, manages an Economic and Social Data Service (ESDS) that maintains (i.e., collects, warehouses, updates, and disseminates) statistical data on developing countries for use by Agency staff. Agency staff, in benchmarking USAID-assisted country performance across all development program sectors, use the developing country statistics maintained by ESDS.

The Academy for Educational Development manages the Research and Reference Services contract for PPC. The Academy compiled a list of all Agency evaluations that

took place during the calendar year, and it provided research and analytic support for the APR process.

LTS Corporation manages the Development Experience Clearinghouse (DEC) contract for PPC/CDIE. The DEC played several roles to support the FY 2000 Performance Overview. The DEC populated the R4 database with both narrative and performance indicator data provided by the USAID operating unit's FY 2002 R4s. Various search tools were made available to users to make both the narrative and performance indicator data more accessible to users to assist in quickly and comprehensively gathering all relevant information across all Agency operating units by country, region, and Agency goal and objective areas. Cross-tab reports assessing the distribution of strategic objectives by regional bureau were also provided. The DEC is also responsible for maintaining the Development Experience System (DEXS), which contains records for more than a hundred thousand Agency technical and program documents, including all Agency evaluations.

Goodway Inc. printed, bound, and produced this report.



Annex F

Abbreviations and Acronyms

| | |
|-----------------|--|
| A&A | Acquisition and Assistance |
| ACC/SCN | (United Nations) Administrative Coordinating Committee/Subcommittee on Nutrition |
| ADB | Asian Development Bank |
| ADEA | Association for the Development of Education in Africa |
| ADS | Automated Directives System |
| AIDS | Acquired Immunodeficiency Syndrome |
| AMR | Antimicrobial Resistance |
| ANE | Asia and the Near East |
| APP | Annual Performance Plan |
| APR | Annual Performance Report |
| ARI | Acute Respiratory Illness |
| ASP | Agency Strategic Plan |
| AUBG | American University of Bulgaria |
| BCI | Behavioral Change Intervention |
| BHR | Bureau for Humanitarian Response |
| BJ | Budget Justification |
| BUCEN | U.S. Bureau of the Census |
| CAMPFIRE | Communal Areas Management Program for Indigenous Resources |
| CBNRM | Community-Based Natural Resource Management |
| CDC | Centers for Disease Control and Prevention |
| CDIAC | Carbon Dioxide Information Analysis Center |
| CDIE | Center for Development Information and Evaluation |
| CECT | Chobe Enclave Conservation Trust |
| CFC | Chlorofluoro Carbon |
| CGIAR | Consultative Group on International Agricultural Research |
| CHR | Child Health Research |
| CITES | Convention on International Trade in Endangered Species |
| CMR | Crude Mortality Rate |
| CNG | Compressed Natural Gas |
| CO | Contract Officer |
| CO ₂ | Carbon Dioxide |
| CPR | Contraceptive Prevalence Rate |
| CS | Civil Service |
| CSM | Condom Social Marketing |
| CTO | Cognizant Technical Officer |
| CUES | Credit Union Empowerment and Strengthening (Philippines) |
| CYP | Couple-Year of Protection |
| DA | Development Assistance |
| DAC | Development Assistance Committee |
| DCA | Development Credit Authority |
| DEC | Development Experience Clearinghouse |
| DEXS | Development Experience System |
| DFI | Direct Foreign Investment |
| DHS | Demographic and Health Survey |

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|--------|---|
| DOE | U.S. Department of Energy |
| DOTS | Directly Observed Treatment, Short-course |
| DRC | Democratic Republic of the Congo (or Disaster Response Corps) |
| DRG | Diagnosis-Related Group |
| E&E | Europe and Eurasia |
| EC | European Commission |
| ECOWAS | Economic Community of West African States |
| EGAD | Economic Growth and Agricultural Development |
| EHA | Emergency and Humanitarian Action |
| EPA | Environmental Protection Agency |
| ESDS | Economic and Social Data Service |
| ESF | Economic Support Fund |
| FEWS | Famine Early Warning System |
| FP | Family Planning |
| FS | Foreign Service |
| FSA | Freedom Support Act |
| FSN | Foreign Service National |
| FSO | Foreign Service Officer |
| FY | Fiscal Year |
| G/HCD | Global Bureau Center for Human Capacity Development |
| G/WID | Global Bureau Center for Women in Development |
| GAVI | Global Alliance for Vaccines and Immunizations |
| GCC | Global Climate Change |
| GDP | Gross Domestic Product |
| GER | Gross Enrollment Ratio |
| GHG | Greenhouse Gas |
| GIN | Greening of Industry Network |
| GPRA | Government Performance and Results Act |
| GTN | Global Technology Network |
| HCD | Human Capacity Development |
| HDI | Historically Disadvantaged Institution |
| HIB | Haemophilus Influenza Type B Disease |
| HINAP | Health Intelligence Network for Advanced Planning |
| HIV | Human Immunodeficiency Virus |
| IASP | International Affairs Strategic Plan |
| IDA | International Development Agency |
| IDB | Inter-American Development Bank |
| IDI | International Development Intern |
| IDP | Internally Displaced Persons |
| IEC | Information, Education, and Communication |
| ILO | International Labor Organization |
| IM | Information Management |
| IMCI | Integrated Management of Childhood Illness |
| IMF | International Monetary Fund |
| IMR | Infant Mortality Rate |
| IMTP | Irrigation Management Transfer Project |
| IPAA | International Partnership against AIDS in Africa |
| LAC | Latin American and Caribbean |
| LIFE | Leadership and Investment in Fighting an Epidemic |

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|-------|---|
| LOL | Land O'Lakes |
| M/OP | Management Bureau, Office of Procurement |
| MDB | Multilateral Development Bank |
| MDR | Multidrug-Resistant |
| MNPI | Maternal and Neonatal Performance Index |
| MoH | Ministry of Health |
| NEAP | National Environmental Action Plan |
| NEP | New Entry Professional |
| NER | Net Enrollment Ratio |
| NGO | Nongovernmental Organization |
| NICO | Nabunturan Integrated Cooperative |
| NID | National Immunization Day |
| NIS | Newly Independent States |
| NLRC | Nursing Learning Resource Center |
| NOAA | National Oceanic and Atmospheric Administration |
| OECD | Organization for Economic Cooperation and Development |
| OFDA | Office of U.S. Foreign Disaster Assistance |
| OIG | Office of the Inspector General |
| ORT | Oral Rehydration Therapy |
| OTI | Office of Transition Initiatives |
| OYB | Operating Year Budget |
| P.L. | Public Law |
| PAHO | Pan-American Health Organization |
| PERA | Partnership for Educational Revitalization in the Americas |
| PHCP | Primary Health Care Practice |
| PHN | Population, Health, and Nutrition |
| PMP | Performance Monitoring Plan |
| PPC | Bureau of Policy and Program Coordination |
| PRM | Population, Refugees, and Migration |
| PVC | Private and Voluntary Cooperation |
| PVO | Private Voluntary Organization |
| QA | Quality Assurance |
| R4 | Results Review and Resource Request |
| RBM | Roll Back Malaria |
| RH | Reproductive Health |
| RNIS | Refugee Nutrition Information Network |
| RUDO | Regional Urban Development Office |
| SARI | South Asia Regional Initiative |
| SEED | Support for East European Democracy |
| SIGN | Safe Injection Global Network |
| SMEs | Small and Medium Enterprises |
| SNNPR | Southern Nations, Nationalities, and Peoples Region (in Ethiopia) |
| SO | Strategic Objective |
| State | U.S. Department of State |
| STD | Sexually Transmitted Disease |
| STI | Sexually Transmitted Infection |
| TAP | Technical Assistance Project |
| TB | Tuberculosis |
| TCAPP | Technology Cooperation Agreement Pilot Project |

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|--------|---|
| TFR | Total Fertility Rate |
| U5MR | Under-5 Mortality Rate |
| UNAIDS | Joint United Nations Programme on HIV/AIDS |
| UNDP | United Nations Development Program |
| UNEP | United Nations Environment Program |
| UNESCO | United Nations Educational, Scientific, and Cultural Organization |
| UNFCCC | United Nations Framework Convention on Climate Change |
| UNICEF | United Nations Children’s Fund |
| US-AEP | U.S.–Asia Environmental Partnership |
| USAID | U.S. Agency for International Development |
| USDA | U.S. Department of Agriculture |
| USFWS | U.S. Fish and Wildlife Service |
| VCT | Voluntary Counseling and Testing |
| WCMC | World Conservation Monitoring Centre |
| WFP | World Food Programme |
| WHO | World Health Organization |
| WID | Women in Development |
| WOCCU | World Council of Credit Unions |
| WTO | World Trade Organization |
| WUA | Water Users Association |
| WWF | World Wildlife Fund |



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