

USAID's assistance to sub-saharan Africa : a comparison with Japanese assistance

**USAID'S ASSISTANCE TO SUB-SAHARAN AFRICA:
A COMPARISON WITH JAPANESE ASSISTANCE**

**Overseas Economic Cooperation Fund of Japan (OECF), USA
Japan International Cooperation Agency (JICA), USA**

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This report represents the joint efforts of the Overseas Economic Cooperation Fund of Japan (OECF), USA office and the Japan International Cooperation Agency (JICA), USA office. It was prepared by Kazushi Hashimoto, Sarah Hanson, Carolyn Evans, and Ikufumi Tomimoto.

The views expressed in the report are those of the members of the study team and do not necessarily reflect those of OECF or JICA.

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INTRODUCTION

In the past, despite some perceptions to the contrary, Japan has extended fairly substantial assistance to Sub-Saharan Africa. In FY1990, US\$783.76 million, or 11.4% of Japan's overall bilateral ODA, was extended to Africa. This amount exceeded assistance to all other regions except Asia, which received US\$4,117 million, or 59.3% of Japan's bilateral ODA in FY1990.

The United States has a long-standing and substantial program of assistance to Africa. In CY1990, total US economic assistance to Africa was US\$1061.7 million. It has been extending fairly substantial aid since the early 1960s. In many cases, US ODA to Africa is based upon certain "strategies" of assistance, and USAID has developed assistance plans for many of the African countries in which it is active.

In the future, the U.S., Japan, and other donors will continue to extend assistance to Sub Saharan Africa. In order to improve activities in the region, it is appropriate that all donors consider the experiences of their counterparts. With this possibility in mind, the US representative offices of Japan's Overseas Economic Cooperation Fund (OECF) and Japan International Cooperation Agency (JICA) initiated a study of the US program of assistance to Africa.

The pages which follow provide an overview of USAID in Africa, followed by a description of the Agency's organizational structure and project and budget procedures. After a brief focus on donor coordination, information on assistance to eleven countries in the region is provided. Finally, discussion focuses on several sectors of particular interest or importance. Wherever possible, both US and Japanese assistance is considered.

The Conclusion suggests several areas in which the report's findings may have interesting implications for the Japanese aid community. The discussion focuses on institutional and human resources issues, program and strategy formulation, and donor coordination.

The information presented in this report is based on conversations with a large number of officials within USAID's Africa and Research and Development Bureaus and on official USAID documents. It is hoped that it will provide a comprehensive survey of US assistance to Sub-Saharan Africa and contribute to the improvement of activities in the region.

ACRONYMS

AFR	Africa Bureau, AID
AID	U.S. Agency for International Development
BHN	Basic Human Needs Legislation
CP	Congressional Presentation
CY	Calendar Year
CRSP	Collaborative Research Support Program
DFA	Development Fund for Africa
ESF	Economic Support Funds
FY	Fiscal Year
IARC	International Agriculture Research Center
IMF	International Monetary Fund
JICA	Japan International Cooperation Agency
LDC	Less Developed Country
MOFA	Ministry of Foreign Affairs (Japan)
NGO	Non-government Organization
NPA	Non-project Assistance
ODA	Official Development Assistance
OFDA	Office of Foreign Disaster Assistance, AID
OECF	Overseas Economic Cooperation Fund of Japan
PA	Project Assistance
PL480	Public Law 480 (Food Aid Legislation)
PVO	Private and Voluntary Organization
R&D/Ag	Office of Agriculture, Research and Development Bureau, AID
R&D/POP	Office of Population, Research and Development Bureau, AID
SADCC	South Africa Development Coordination Conference
SARP	South Africa Regional Program
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
WB	World Bank (IBRD/IDA)
WFP	World Food Program

要約

1. サブ・サハラ・アフリカにおける USAID

USAID の対サブ・サハラ・アフリカ(SSA) 援助の歴史

1. 60年代は SSA諸国の独立期にあたり、1961年に設立されたUSAID の対 SSA援助は当該地域国の共産主義化を防ぐための戦略的目的により推進された。USAID の援助規模は62年には1,081.80百万ドルと大規模な水準であったが、比較的少数の国に集中して供与された。内容的には成長の障害を除くためのインフラ（運輸・農業）援助が主体であった。

70年代には、BHN(Basic Human Needs)に重点を置くべしとする議会の New Directions 立法化(1973年)により、社会開発(教育・保健・人口)及び農業(小農民)に重点が移る一方、インフラ援助が減少し、その後増加しないまま現在に至っている。なお、70年代に米国の援助全体は削減されたが、貧困問題の重視によりSSA 向け援助のシェアは増加し、対象国も増加した。

2. 80年代に入ると、レーガン政権は民間セクター主導の成長による貧困解消を重視し、伝統的な社会開発プロジェクトにおいても民間の参加を奨励するに至った。80年代には、SSA 諸国における経済改革の進展や、早魃等に対応する必要から、USAID の対SSA 援助は増加し、85年には1,678.66百万ドルに達した。更に、米国の財政事情が苦しい中で SSAに対する援助レベルを確保するため、88年にUSAID は議会の承認を経て Development Fund for Africa (DFA)を設立した。これは、アフリカ援助を通常の援助予算の別枠とし、その中で他地域には無いフレキシビリティをUSAID に 与えるものであるが、USAID はその援助が実際に平均的アフリカ人の生活に与えた効果を議会に対し証明する義務を負うこととなった(パラ8.9.10. 参照)。93年春にはUSAID はDFA の過去5カ年の進捗レポートを議会に提出することになっており、その内容が注目される。

USAID の対 SSA援助の内訳(日本の対 SSA援助との対比)

3. USAID の90年度(米国財政年度)の 対 SSA援助は約12億ドル、日本の90年(歴年)の 対 SSA援助は約 8億ドルであった。両国の全援助に占める対 SSA援助の比率は、米国が 13%であり、日本の11.4%をやや上回っている。受取国を見るとケニア、セネガル、ガーナ、ザイールが両国にとっての大口の受取国となっている。これまでの変遷を見ると米国においては、過去ソマリア、スーダン、リベリアが、最近ではモザンビークの受取額が大きくなっているが、これは共産化防止等の戦略的な理由(ソマリア、スーダン、モザンビーク)や歴史的理由(リベリア)による。なお、90年度には南アフリカ共和国が USAIDの援助受取額の第10位となっているが、これは同政府への直接支援ではなく、NGO等民間団体を通じて供与しているものである。

米国の対外援助は、一般に戦略的な性格がつよい、と言われており、その代表的な例は「経済支援基金」(ESF)である。イスラエル及びエジプトに対する援助が、米国の 2国間援助の約 30%を占めることは良く知られているが、これらは全て ESF予算の下での援助である(イスラエルの場合は、全額キャッシュ・グラント。エジプトの場合は、キャッシュ・グラントとプロジェクト援助の混合。ESF の下でのエジプトに対するプロジェクト援助は、他国に対する USAIDの援助とは対照的に、インフラものが多いのが特長)。ESF の国別配分額については、USAID ではなく国務省が決定権を有している。しかし、対SSA 援助においては、ESF 援助は殆ど無く、USAID が自ら配分を決定出来るものが大部分を占めており、その意味で、USAID の対 SSA援助は戦略的性格よりもかなり開発援助的性格が強い、といえよう。

4. USAID と日本(OECF借款と無償援助)ではセクターの分類法が異なるという問題はあるが、セクター別に比較すると日本特にOECF借款の場合は、運輸・通信等の経済インフラストラクチャー援助のシェアが大きいのに対し、USAID の場合は、民間セクター開発、農業および教育・保健(人口対策を含む)等の社会セクターが大部分を占め、脱インフラ援

助となっているのが特長である。

USAID の対 SSA 援助手法の特長

5. USAID の援助は全て無償化されている。一方、日本の 2 国間援助は「自助努力を支援する」という日本の援助哲学から、借款の比率が高いことに特徴があり、貧困国が多い SSA 向け 2 国間援助においても、借款(OECD)のシェアが 40%を占めている。

6. USAID においてもプロジェクト援助が主体であるが、DFA の設立に際し、対アフリカ援助の 30%はノン・プロジェクト援助に使うことを議会から認められている。ただし、USAID のノン・プロジェクト援助はセクター・レベルでの改革プログラムにリンクしたもの(セクター調整支援)でなければならず、世銀や IMF のようなマクロ・レベルでの構造調整支援は供与出来ないことになっている。日本のノン・プロジェクト援助の場合は、いずれのレベルにもリンクが可能である。

7. USAID は、政策レベルの改革だけでは持続的開発には不十分であり、大衆レベルでの参加が必要、との観点から、米国内外及び受取国の NGO [USAID の用語では PVOs(Private Volunteer Organizations)] を活用している。DFA 援助の 18% が NGO 向けであり、又、食糧援助(PL480)の 75%は NGO を通して行われている。これに対し、日本では、公的援助における NGO の参加はまだ少ない。

II. USAID の対 SSA 援助戦略

DFA(Development Fund for Africa)の設立

8. 80年代における SSA 諸国の経済困難(貧困、飢餓、一次産品価格下落、国営企業の非効率と対外債務累積)の深刻化と、その中で生じた政治的・経済的自由化への動きに対応するため、USAID は議会の承認を経て88年に Development Fund for Africa (DFA)を設立した。DFA の下では、他の地域におけるように議会が各国及び各セクターに対する援助額をイヤマークすることはなく、USAID のアフリカ局がその裁量によりフレキシブルに援助対象国及びセクターを決めることが出来る。その代わりに、USAID は DFA 援助の効果(SSA の一般大衆に与えた効果)を議会に対して証明する義務を負っている。DFA 設立の結果、USAID の対 SSA 援助はあらゆる面で大幅に変化し、よりノン・プロジェクト指向、援助効果上がる国への集中化、現地事務所への権限委譲が進んだ。

9. DFA では、持続的経済成長は民間セクターの強化によってのみ達成される、との考え方に立ち、以下の 4 点を DFA の「目的」としてあげている。

- ① SSA 諸国政府が公共サービスを効率的に提供するための政策・組織機構の改革を支援する。
- ② 競争的なマーケットを創出し、あるいは民間企業活動を育成するためのアクションを支援する。
- ③ 長期的な開発のための基盤強化。
- ④ 食糧安全保障の改善。

10. 重点国(Focus Country)アプローチ。USAID は、予算審議の過程で、議会から、援助対象国を最も援助効果上がる国に限定するよう求められていることもあり、重点国主義を強めている。当初 23 の重点国(focus countries)を選んだが、議会はこれを更に 15 カ国位に絞るよう求めている。重点国の選定基準については、USAID でもまだ試行段階であるが、ニーズ、経済政策の適切性、民主化と governance の良し悪し等をもとにレーティングをして選んでいる。

11. 国別援助プログラム。上記 9. 及び 10. の大枠のもとで、個別国毎にどのような援助

戦略を立てどのようなプロジェクトを実施するかは、USAID の現地事務所に委ねられている。現地事務所は、その調査や経験をもとに、当該国において USAID が最も比較優位を発揮する対象分野（重点国の場合 3-4 分野、非重点国の場合 1-2 分野）を選び、それを中心に今後 5 年間の国別プロジェクト戦略ペーパー作成し、USAID 本部（ワシントン）に送付し、承認を得ている。同ペーパーが承認されれば、その枠内で、現地事務所は個々のプロジェクトやプログラムを自ら承認し実施することが出来る。

その他の援助プログラム

12. 南部アフリカ地域プログラム(SARP)。SARP は、南部アフリカ開発調整会議(SADCC) を支援するもので、年間予算は 50 百万ドル。SAPR は、USAID のハラレ（ジンバブエ）事務所が取り扱っており、USAID の SSA 援助の中では例外的に運輸・通信等のインフラを主な対象としている。

13. アフリカ地域プログラムは、各国の USAID 現地事務所が必要とする調査、分析、トレーニングを国横断的に提供するもので、USAID 本部が管理し、主に、農業・保健・教育分野、最近では民主化と governance や民間セクター開発の分野において各種プロジェクトが実施されている。93 年度から予定されている Africa Private Enterprise Fund (Phase 2) もその一つである。

14. 小国プログラムは、USAID の事務所がない小国でかつ貧困国を対象とし、USAID 本部ないしナイロビおよびアビジャンにある地域経済開発支援事務所(REDSO)により、管理されている。

15. 経済支援基金(ESF)は、戦略的に重要な国に国際収支支援を行うもので、USAID と国務省の協議によりアロケーションが決定されるが、SSA の受け取りは最近では少なくなっている。食糧援助(PL480)は開発プログラム及び緊急援助のために食糧援助を供与するもので、農業省の予算であるが、同プログラムのうち Title II 及び Title III (パラ 39, 40, 参照) は USAID が管理している。

III. USAID の組織と手続き

組織

16. 組織。USAID 全体のスタッフ (direct hire staff) 数は 3,000 人余りである。業務総局 (Directorate for Operation) の一部であるアフリカ局 (Bureau for Africa) が、同地域に対する米国の全援助の計画、案件形成、実施、監理及び評価を行っている。同局は 240 人のスタッフを有し、8 つの部 (Office) からなる。USAID は、比較的権限分散が進んだ組織であり、海外ミッションや駐在員事務所に大幅な裁量権と決定権が与えられている。アフリカには、25 の海外ミッション、8 つの駐在員事務所と 2 つの地域事務所がある。ナイジェリアでは米国大使館の AID 担当官が USAID を代表している。

これに対して、JICA は約 1,000 人、OECD は 300 人弱のスタッフを有する。SSA には、8 つの JICA 事務所、4 つの青年協力隊 (JOCV) 連絡事務所と、1 つの OECD 事務所 (ケニアのナイロビ) がある。

17. 人事。USAID のスタッフ (秘書を除く) は、行政職又は外務職制度を通じて USAID に入る。行政職には海外勤務の義務が伴わないのに対し、外務職は海外勤務命令を拒否出来ない点異なる。外務職を通じて USAID に入ったスタッフは、学歴も高く開発経験を有していることが多い。USAID における行政職職員 1,500 人 — うち 900 人は事務担当スタッフ — は、米国政府共通の採用手続きにもとづき雇用される。USAID は、その援助実施にあたって、約 10,000 人の「個人コントラクター」を利用しており、その中には、海外ミッ

ションによって雇用されたスタッフである 'Foreign Service National' も含まれている。

訓練人材開発課が行っているトレーニングは、幅広い開発に関する情報を与えるもので、全ての局に適用可能なものであり、ワシントンで行っている中堅実務者研修は、契約手続きやプロジェクト実務から環境インパクト・アセスメントにわたっている。一方、地域特定型のトレーニングは各地域局が行っている。しかし、アフリカ及び開発問題に係る知識は、特定の USAID のトレーニング・コースにより得られるものではなく、むしろ USAID に入る前や後における直接的な経験によって得られることが多い。

USAID とは対照的に、OECF 及び JICA のキャリア・スタッフは大学卒業時に採用される者が大部分である。OECF 及び JICA のキャリア・スタッフ、及び JICA においては技術協力における派遣専門家のために、様々なトレーニングが用意されている。

18. ワシントン本部と現地ミッションとの関係。USAID は、特に権限分散が進んだ組織であり、「現地におけるプレゼンス」の大きさを誇っている。多数の USAID 職員は、この点を USAID が比較優位を持っている点の一つと考えている。更に、現地に多数の人員を配置しているだけでなく、USAID はその援助戦略の策定やプロジェクト形成の責任の多くを被援助国にいる人員に委ねている。この点は、日本の援助機関における権限の中央集中と好対照をなしている。

19. 中央各局(Central Bureaus)とアフリカ局及び現地ミッションとの関係。中央各局は、米国の各種機関の調査、現場支援、指導に係る能力を動員する役割を果たしており、調査開発局(Bureau for Research and Development)、食糧人道援助局(Bureau for Food and Humanitarian Assistance)、民間企業局(Bureau for Private Enterprise)を含んでいる。調査開発局は、地域局のプロジェクトに対して技術的支援を行うこと及び同局自身が行う調査プロジェクトが主要な業務である。

プロジェクト及び予算手続き

20. プロジェクト形成段階

USAID の援助対象プロジェクトは、海外ミッションが、被援助国関係者や NGO としばしば共同して発掘することが多い。プロジェクト形成段階で必要とされる手続きは次のようになっている。

① 国別プログラム戦略計画(CPSP)

ミッションが当該国に対する詳細な開発戦略を書いたペーパーであり、USAID のワシントン本部により承認される。厳密なローリング・プランではなく、ミッション・ディレクターが交替する際に作成されることが多い。

② 新規プロジェクト記述書(NPD)

個別プロジェクトに関する最初の初歩的なプロポーザルである。ミッションが作成した後、ワシントン本部は NPD を検討し、そのプロジェクトに取り組んで良いかどうかをミッションに通報する。

③ プロジェクト発掘書(PID)

個別プロジェクトの承認につながる過程での最初の正式文書であり、現地ミッション及び USAID ワシントン本部の双方で評価される。PID が承認されれば、そのコンセプトに基づいてプロジェクトの準備を開始して良いことになる。

④ プロジェクト承認及び資金承認申請書(PAF)

これは、ワシントン本部の内部用であり、プロジェクトが計画段階からプロジェクト・アグリーメント(PROAG)の締結及び実施段階へ移行することへの実質的な承認を与えるものである。

21. プロジェクト実施段階

(USAID と受入れ国の関係)

① プロジェクト・アグリーメント(PROAG)

USAID として援助の義務を負うことをうたった公式文書であり、同文書によりプロジェクトの実施段階への移行が可能になる。

- ②プロジェクト実施書簡(PIL)
USAID と被援助国との間の正式の連絡チャンネルを確立する。
- ③プロジェクト実施命令(P10)
PROAG により支出の義務付けられた援助資金の具体的な用途を特定する文書である。
- ④プロジェクト評価概要(PES)
プロジェクト実施期間中に、USAID ミッションと被援助国のカウンター・パート機関は、プロジェクトの実施状況、問題点、とられたアクション、未解決の問題等を取りまとめたを作成する。ミッションは常に被援助国側と、評価実施スケジュールを共有している。
- ⑤プロジェクト完成報告書・プロジェクト影響評価
プロジェクト完成後、USAID はプロジェクト完成報告書とプロジェクト影響評価を行っている。USAID は、意図されたあるいは意図しなかった影響を、特に重視している。

22. USIAD と議会の関係

USAID の援助実施にあたっては、その予算承認から個々のプロジェクト/ プログラムの承認に至るまで、議会が様々なステップで関与している。予算要求から個別プロジェクト/ プログラム承認に至るまでのステップは以下の通り。

- ①年間予算要求(ABS)
ミッションが作成し管理予算局(OMB) に提出する。
- ②年次議会プレゼンテーション(CP)
OMB はUSAID と協議しながら、CPを作成する。
- ③上院及び下院によるヒアリング
上院及び下院はUSAID からCPの提出を受けてヒアリングを行い、外国援助支出法を通過させ、これによりUSAID は一定限度までの支出が可能になる。
- ④業務年次予算(OYB)
支出法の通過を受けて、OMB は USAID の業務年次予算(OYB) を割り当てる。OYB が承認されて始めて「プロジェクト承認及び資金承認申請書(PAF)」に基づく予算支出が可能になり、新規プロジェクトは PROAGに従って進捗することになる。
- ⑤個別プロジェクト/ プログラムに関する議会への通知書(Congressional Notification)
USAID は、個別プロジェクト/ プログラムが計画段階から実施段階に移行するに際し、議会の承認を取りつける必要がある。かかる承認は、年次予算要求に係る議会プレゼンテーション(CP)の承認と同時に包括的に行われる(従って、CPの中に新規プロジェクトについての説明書も含まれている)のが通常である。しかし、年度途中で新しいプロジェクトにつき議会の承認を得る必要が生じた場合は、USAID は個別プロジェクト毎に議会への通知書(Congressional Notification)を議会に送り、15日間を期限とするno-objectionベースで、議会の承認を得ることになっている。

ドナー間調整

23. 対アフリカ援助におけるドナー間調整は、様々なレベルにおいて頻繁に行われており、多くの協議及び調整は「現場」において行われている。USAID と他のドナーとの調整はワシントンにおいても行われている。また、アフリカ特別援助プログラム(SPA) やグローバル・コアリション(GCA) のような多国間フォーラムによる援助調整も行われている。

IV. 主要国に対する援助（日本との対比）

24. カメルーンは、豊富な資源に恵まれ、70年代及び80年代前半は順調な成長を見せたが、86年のコーヒー等同国の輸出産品価格の下落により経済危機に直面した。同国政府は、この危機を回避するため構造調整を開始したが、91年の全国ストライキにより進捗は鈍化している。このような、経済の停滞や人権問題の存在から、カメルーンは USAID の援助重点国ではあるが、現在 'watch list' に上っている。

USAID が「カ」において実施している援助プログラムは、国営企業の民営化や農業マーケティングの自由化等による民間セクター開発、母子保健プロジェクト、天然資源管理（環境）プロジェクト等があり、93年度は21.6百万ドルの供与を予定している。日本の「カ」に対する援助は現状では大きくなく、90年は4.69百万ドルにとどまったが、「カ」の経済規模の大きさからみて、「カ」の政治・経済情勢が改善した場合は、今後拡大する潜在的な可能性はある。

25. ガーナは、日米双方にとって、SSA では 5指に入る援助受け取り国である。同国は、1983年に経済復興プログラムを開始して以来着実に経済改革を進めてきており、その結果、86—90年の経済成長率は年間平均5%に達している。政治面でも改革が進んでおり、92年11月に総選挙が行われ多党制に移行した。

USAID は、このガーナ政府の改革を支援し、一人当たり国民所得を増加させることに焦点をあて、民間セクターを通じた輸出及び投資の促進、初等教育へのアクセスの改善、人口抑制と幼児死亡率の低減等の分野で援助を行っている。USAID はガーナを重点国として位置付けており、93年度は DFA 及び PL480 合わせて40.9百万ドルの供与を予定している。

日本のガーナに対する90年の援助額は71.9百万ドルである。OECD もガーナにも積極的にあり、道路修復、通信、構造調整、金融部門調整等の規模の大きいプロジェクトやプログラムに借款を供与している。無償援助は、地方水道、橋梁架け替え、教育、保健、食糧生産増強等に向けられている。

26. 象牙海岸は、かつては SSA で最も成功したケースと言われていたが、1980年代には、2大輸出産品であるコーヒー及びカカオの国際価格の下落、経済政策の失敗、対外債務管理の失敗に人口の急増が加わり、同国の国民一人当たり GNP は急速に低下した。

90年から同国が従来から行ってきた経済改革努力を一層強化したこと及び民主化への動きに鑑み、USAID は同国を 'Focus Country' に位置づけ、援助量を増加させた（1991年13百万ドル）が、その後同国のマクロ経済パフォーマンスが良くないため、現在は 'watch list' に位置づけ、93年度の援助量は6百万ドルを予定している。USAID の同国に対する援助は、人口問題関連が中心である。

日本の同国に対する援助は、90年には一時的に急増し55百万ドルに達した。最近供与された OECD 借款としては89年の世銀との協調融資による「農業セクター調整プログラム」がある。無償・技協は、食糧増産、教育、漁業、農業等に供与されている。

27. ケニアは、比較的高い経済成長と高い教育水準により、SSA では最も将来性がある国と見られている。SSA では累計ベースで最大の日本からの援助受け取り国であり、USAID においてもザイールに次ぎ第2位の援助受け取り国である。ただし、最近では政府の腐敗や非効率により経済が停滞し、構造調整も進んでいない一方、人権問題があり、91年11月の対「ケ」C/G においてドナー各国は「ケ」に対する援助を停止し、援助再開の条件として経済改革の実施と公正な選挙の実施を求めている。このため、日本政府は、現在、ケニアに対するノン・プロジェクト借款全て及び一部のプロジェクト借款の新規供与を停止中である。USAID も28百万ドルの B/P サポート援助を停止しているが、人道的援助は継続しており、92年度は17.20百万ドル、93年度は19.10百万ドルの予算を計上した。なお、経済・政治両面で大幅に改善がなされた場合には、93年度の援助額は大幅に増加する可能性もある、としている（ケニアは92年12月に総選挙を実施した）。

ケニアにおける USAID の援助戦略は、①人口計画とエイズ対策（避妊具の使用促進）、②農業生産改善（技術協力とマーケットの改善）、③民間セクター開発（非伝統的輸出促進および中小企業開発）の 3 点を柱とし、その他に観光や野性動植物保護関係プロジェクトも実施している。

ケニアにとって日本は最大の援助国で 90 年の援助額は 93.20 百万ドルに達している。また、SSA において OECF 借款の件数・金額ともに一番多いのがケニアである。OECF 借款は、灌漑、水供給、運輸、通信等の大型プロジェクトに使われ、無償援助は食糧生産、森林、農業教育等に使われている。

28. ニジェールは、少ない年間降水量のもとで、農業と牧畜に依存する経済であり、開発は様々な困難に直面している。最近、同国は平和的な政治変革を遂げ、新政権は経済財政復興計画案を作成した。

USAID の同国に対する援助は、同国の基本的な問題である旱魃による食糧不足を回避するための農業生産性向上に長年焦点をあててきた。現在の USAID の同国に対する援助戦略は、家族計画と母子保健、農業生産性と農村工業、自然災害への対応である。ニジェールは、現在、資金の不適正支出と全般的な経済パフォーマンスの問題により、'watch list' に位置づけられている。93 年度の USAID の対「ニ」援助は 26 百万ドルが予定されており、これは 92 年度と同水準である。他のアフリカに対する援助と比較し、ノン・プロジェクト援助の比率が高いことが特長である。

日本の対「ニ」援助は 90 年には 36.92 百万ドルであった。内、29.40 百万ドルは JICA を通じて公共事業、農林水産業、鉱工業に供与された。OECF は、87 年に運輸セクター・プログラム・ローンを通じた。

29. ナイジェリアに対しては、USAID は 60 年代にかなりの援助を行ったが、同国が国営化政策を強めたこと、及び石油収入が増大したことにより、援助量は減少した。最近になって、「ナ」政府は 86 年以後徹底した経済政策改革を行い、又、民主化に向けて動いている。このような変化と、同国の地域経済における重要性に鑑み、USAID は同国に対する援助を再活性化している。USAID の対「ナ」援助プログラムは、人口、幼児生存率の改善、保健管理に焦点をあてており、その他に、民主化支援がある。USAID の 93 年度の対「ナ」援助は 17.2 百万ドルが予定されており、92 年度の 12 百万ドルから大幅な増加となっている。提案されているプロジェクトは「幼児疾病対策」「地方保健管理」等である。

日本の 90 年における対「ナ」援助は 78.74 百万ドルであった。JICA を通じての援助は、農林水産業、公共事業、計画・行政等の分野が対象。OECF は、88 年に貿易投資政策調整プログラム、92 年に通信プロジェクトに対し、借款を供与している。

30. ルワンダは、世界で最も人口密度及び耕地密度が高い国であり、限られた天然資源、高い人口成長率、未開拓農地の不足、といった、経済成長、雇用、生活水準の向上、に対する制約要因を抱えている。国内の治安の問題も、同国の困難を増加させている。

USAID の同国に対する政策は、最近同国政府が開始した顕著な政策改革への対応として形成されてきたものである。同国政府は、2020 年までに人口成長率を 2% に低下させるため、積極的な人口政策を採用した。また、民間投資と雇用を促進するための広範な経済改革プログラムに着手するとともに、民主化プロセスにも着手した。USAID は、家族計画、ガバナンス、民間セクター開発を重視し、人口増加率の抑制、政治システムへの参加と透明化、民間セクターの実質所得の増加、を主目的としている。ルワンダの USAID ミッションは、その他に、生物多様性の保全やエイズ等感染率の低下も目標としている。ルワンダは、USAID の援助重点国(Focus Country) である。USAID は 93 年度の対ルワンダ援助として 18 百万ドルを予定している。

日本の 90 年における対「ル」援助は 13.83 百万ドルであった。88 年に供与されたムカングワ第 2 水力発電所プロジェクトに対する OECF 借款を除き、最近の対「ル」援助は全て無償である。無償援助は、中等技術学校の建設(89, 90 年)、食糧増産(86, 87, 88, 89, 90 年)

や、債務救済その他に供与されている。

31. セネガルは、アフリカにおいて最も民主的な国の一つであり、USAID の重点国として、過去10年以上にわたり年平均40百万ドルの援助が行われてきた。セネガルは、1983年から世銀の支援の下で経済改革を実施しており進捗は見られるが、改善の速度は緩慢である。

USAID の対「セ」援助戦略は、限られた天然資源の持続的使用を可能にすることにより、一人当たり国民所得を改善することに置かれ、人口計画及び天然資源管理等の分野で援助を行っている。また、農業部門におけるマーケティングの改善やセネガルの巨大な官僚機構の縮小をターゲットとしたプログラムに対する援助も行っている。今後、セネガル政府の改革が早まれば、USAID としては97年頃には60百万ドル程度に援助を拡大する方針である。

日本のセネガルに対する援助は、90年には 82.06百万ドルと大きく、このうち、OECD借款の大部分は構造調整プログラムに対する支援であった。OECD借款については、最近では経済及び改革の進捗が思わしくないため、新規供与が遅れている。無償援助は、保健・教育・上水道・通信・漁業におけるインフラの建設やリハビリに使われている。

32. タンザニアは、1961年の独立以来、アフリカでは最も安定した国の一つであり、25百万人の人口を有すること及び政府が一貫して社会セクターを重視してきたことにより、開発の潜在的可能性は高く、日米両国共「タ」に対する援助額は SSAでは 5位に入る。しかしながら、ニエレ前大統領の下で、「タ」が社会主義路線を追求し民間部門を discourage する政策を採ってきた結果、80年代半ばには「タ」経済は完全に行き詰まった。USAID も米国政府に対し延滞がある国に対する援助を禁止した Brooke Amendment により「タ」に対する援助を 3年間中断した。このため、「タ」は、86年から IMFの指導の下に経済復興プログラムを開始し経済自由化を進めるとともに、政治面でも多党制に移行した。このような変化と、87年のパリ・クラブによる債務繰延べ合意により、87年 USAIDは「タ」に対する援助を再開した。

USAID の対「タ」援助の、他の SSA諸国援助に見られない特長は、農業関連の運輸部門への援助であり、その他には、家族計画や金融部門改革による民間セクター開発等のプロジェクトやプログラムを実施中であり、93年度は26百万ドルの供与を予定している。

日本は、「タ」では第 4位の二国間ドナーであり、90年の対「タ」援助は40百万ドルであった。「タ」に対しては、OECD借款は1981年までは供与されてきたが、現在は無償援助が中心である。無償援助は、輸送手段の改善を含む農業開発を中心に、食糧援助、通信、保健等に使われている。

33. ザンビアは、1991年11月に独立以来初めての民主的選挙を実施し、新大統領となったチルバ大統領は、世銀/IMFとの関係を再構築し、政治・経済の再建を開始した。主な目標は、農業部門等における民営化と多様化、及び食糧安全保障の確立である。

USAID は、「ザ」を重点援助国とし、農業セクターの政策改革、エイズ対策、民主化支援等の分野で援助を行っている。93年度の USAIDの対「ザ」援助は15百万ドルを予定しており、その他にPL480 (Title III) が18百万ドル予定されている。

日本の対「ザ」援助は、90年には40百万ドルであり、その内容は、橋梁建設、学校、食糧生産増強等であった。92年には、「ザ」の経済改革努力を支援するため、世銀との協調融資により「民営化及び産業復興プログラム」に対しOECD借款が供与された。

34. ジンバブエは、独立(1980年)直後には、社会セクターに集中的に資金を投入した結果教育や保健分野には著しい改善が見られたが、産業の国有化や外国投資制限により経済は停滞した。これに早魃も加わって、経済危機に直面したジンバブエ政府は、80年代末から、民間セクターを中心とした経済改革に着手し、政治面でも多党制に移行した。これに伴いUSAID の対「ジ」援助も増加し、現在年間20百万ドルを供与しており、94年度には30

百万ドルとする予定である。「ジ」は、更に1991年に世銀の指導の下、構造調整計画に着手したが、92年の大旱魃によりそのペースがスロー・ダウンすることが懸念されており、ドナーの支援が求められている。

USAID は、民間セクター開発、住宅政策、農業マーケティングの分野において、「ジ」の構造調整を支援している他、家族計画や AIDS 防止も含む多岐にわたる分野でも援助を行っているが、USAID の「少数のセクターを重点的に援助する」方針の下で、今後は対象セクターを 2-3 に減らす方向で検討中である。

日本の90年における対「ジ」援助は、OECD 借款（通信プロジェクト）と無償（食糧増産、水供給等）合計で 25.78 百万ドルであったが、「ジ」の経済規模や所得水準及び最近の経済パフォーマンスの良さからみて、今後 OECD 借款の重点国となる可能性がある。

V. 主要セクターに対する援助

農業開発及び食糧援助

農業開発援助

35. SSA では雇用人口の 80%が農業セクターに従事し、同セクターは GDPの35% を占めることから、USAID は農業開発援助を重視しており、SSA に対する農業開発援助（天然資源管理を含む）は年間約 2億ドルと SSAに対する援助の 27%を占めている。USAID で SSAの農業セクターに対する援助を担当する部局は、アフリカ局（AFR）の調査技術支援オフィス（ARTS）にある食糧農業資源分析課（FARA）である。アフリカ局（AFR）の他に、地域横断的な活動を行っている調査開発局・農業オフィス（R&D/Ag）が行っている農業プロジェクト（地域横断的な性格のもの）もあり、両者は連携して農業開発援助を行っている（R&D/Ag が SSAでプロジェクトを実施する場合は、FARAの同意を要する）。

36. FARAが作成した AFRの農業開発援助プログラムは、農業生産性の持続的改善と自給体制確立による食糧安全保障の改善を主目的とし、これを達成するため、①農業マーケティング及びアグロ・ビジネスの改善、②高収量を上げるための技術の開発及び普及、③天然資源管理の改善、を具体的な目標としている。各 SSA諸国における実際の農業開発援助戦略は、各現地事務所がこのFARAの戦略枠組みの中で各国の実情にあわせて作成し、FARAの承認を経て実施することになる。

37. FARAの指導により各 SSA諸国の USAID現地事務所が実施しているプロジェクトの他に、FARAが国横断的に実施しているプロジェクトとしては、飢餓早期警告システム（FEWS）プロジェクト（1984-85年のサヘル地域大早魘の経験を踏まえて実施されているもので、衛星画像と現地情報により早魘の早期予知を行うもの）や、政策・分析・調査・技術支援（PARTS）プロジェクト（92年度に開始されたもので、個々のプロジェクトではカバー出来ない優先度の高い情報や分析を提供することにより既往プロジェクトを支援するものである）がある。

食糧援助

38. 米国の食糧援助プログラムは、1954年の農業貿易開発援助法（PL-480）の制定により開始された。同法は、米国の外交政策の一環であるとともに、余剰農産物をLDC 政府にローンとして供与することにより、米国の農産物の海外市場を開拓することを目的としていた。その後、米国の食糧援助は、BHN 援助等の影響により様々な変質を遂げたが、1990年の農地法（Farm Bill）により、PL-480は根本的に改組され、食糧援助の目的は LDCの食糧安全保障を高めること、とされるとともに、同プログラムの管轄も、Title I は農業省（USDA）が、Title II及び Title IIIは USAIDに明確に分けられた。

39. Title I は、米国の農産物を譲許的な信用条件で LDCに売却するもので、農業省が担当する。返済は、現地通貨で行うことが可能で、米国は同返済金を開発目的や貿易振興のために使用する。Title IIと Title IIIは、無償援助であり USAIDが担当する。Title IIの 3/4は議会により、NGO ないし WFP（World Food Program）を通して供与することを義務づけられている。これらの団体は、USAID から受領した食糧を使って、LDC における母子の健康や学校給食、労働者の食事プログラム等を実施する。Title IIの残り 1/4は、緊急援助用である。Title III は、LDC 政府に対して直接供与されるもので、LDC 政府はこれを直接使用したり、緊急用食糧在庫に回すことも出来、又、売却してその代金を開発プログラムに使用することも出来る。

40. 92年の旱魃の影響。1992年に南部アフリカ（ジンバブエ、ザンビア、マラウィ、モザンビーク等）を襲った旱魃は、極めて深刻であり、同地域の穀物生産の50%が失われたものと見られる。又、この旱魃により、SSAでも比較的構造調整のパフォーマンスが良かった同地域諸国の調整努力が損なわれる危険性があった。USAIDは、旱魃を早くから予測し、包括的な支援体制を整えた結果、FY92に、USDAの Title Iや旱魃関係非食糧援助も加えて、合計535百万ドルの旱魃関連援助を実施した（内427百万ドルは食糧援助）。

41. USAIDと日本の農業開発援助の比較。日本の農業開発援助は、灌漑と米作への協力が中心であり、アジアにおいては農業生産の向上に貢献してきている。日本はアフリカにおいても同様の援助を行っているが、USAIDは現在ではこの分野での協力は殆ど行っていない。USAIDによれば、SSAにおける灌漑プロジェクトはあまりにも高価であり、過去のプロジェクトの維持管理も失望すべきものであった、ということである。日本が実施している大型プロジェクトと、USAIDが実施している民衆レベルでのプロジェクトは、相互補完関係にあると言えよう。LDC全体で見ると、日本も農業協力の多様化を進めており、新規作物や栽培方法にかんする調査・技術協力、総合的農村開発等のプロジェクトも実施しており、1990年の日本の二国間ODAの11.9%は農業セクターに向けられている。

USAIDの民間セクター開発援助

42. DFAにおけるUSAIDの対SSA開発戦略は「開発をリードするのは民間セクター」との考え方に立っている。USAIDはこの戦略の下で多数の民間セクター開発プロジェクトを実施しており、USAIDの統計によれば、1980年から現在に至るまでに民間セクター開発を主目的として実施されたプロジェクト/プログラムの数は103にのぼる。他方、日本はこの分野における協力にはそれほど積極的ではなく、サブ・サハラ・アフリカ特別プログラム（SPA）の下での世銀との協調融資による構造調整融資やセクター調整融資のいくつかが僅かにこれに関連しているのみである。日本のプロジェクト援助は、政府部門指向が強く、プロジェクトの直接受益者は被援助国の公的機関であることが一般である。

43. USAIDがこのようにSSAの民間セクター開発に力を入れている理由としては、①レーガン政権以来、米国の開発政策は「民間セクター開発」を重視しており、USAIDも80年代半ば以降SSAを含む全地域においてこの政策に合わせて開発戦略を形成することを求められた、というイデオロギー的な理由、及び②USAIDは60—70年代にSSAにおいて建設した巨大なインフラ・プロジェクトが、政府部門の非効率のために失敗した経験を持っており、この経験から、USAIDはその援助を政府活動に関連するものから民間部門の活動に関連するものに方向転換したこと、が指摘される。

44. USAIDの民間セクター開発支援活動としては、現地事務所が管理しているもの（上記の103プロジェクト/プログラムがこれに相当）と、AFRが管理している国横断的なプロジェクトとがある。前者について、各プロジェクトやプログラムに含まれる代表的なコンポーネントを挙げれば、以下の通り。

- ①民間セクターを取り巻く環境を改善するための政策改革をコンディショナリティーとして、民間輸入用資金として供与されるノン・プロジェクト無償援助。
- ②民間セクターを取り巻く環境を改善するための技術協力。
- ③被援助国の金融仲介機関(financial intermediaries)を通じて供与する産業信用。金融仲介機関としては、既存のものを使うこともあり新設することもあるが、一般にUSAIDは政府系ではなく民間の金融仲介機関を好み、転貸金利は金融市場の歪みを防ぐため市場金利でなければならない。
- ④極小企業、農村企業、インフォーマル・セクターの支援。この分野では、NGOを活用することがある。

なお、USAID の実際の援助プロジェクト／プログラムは、上記のコンポーネント複数の組合せであることが多い。

人口家族計画

45. 世界的な資金の制約及び地球環境対策への資金需要の増大に鑑み、人口及び家族計画は国際開発上重要性を増してきている。USAID はこの問題の重要性を認識し、同分野での主要な援助の担い手となっている。91年度に、USAID は人口・家族計画に291.93百万ドルを支出した。USAID はその人口対策関係援助支出にあたってアフリカを重視しており、91年度の人口対策関係援助の 27%である 83.83百万ドルはアフリカ向けであった。

46. 93年度の議会プレゼンテーション(CP)によれば、USAID の人口対策関係援助の基本戦略は「質の高いボランティアによる家族計画サービスを確保すること」である。主な援助方法としては、人口経済分析、政策開発、調査、家族計画サービス、人口問題に関する情報伝達、訓練及び組織開発に関する協力等があげられている。

47. 組織。人口対策関係援助は、調査開発局人口課(R&D/POP) が地域横断的に開発・実施するもの、USAID の各地域局のもとで各国におけるミッションが 2国間ベースで開発・モニターするもの、地域プロジェクトとしてワシントン本部の地域局の担当官がモニターするものがある。人口セクター評議会(Council) は、人口関連援助の政策やプログラム上の問題をレビュー機関で、同評議会の議長は調査開発局人口課の課長が兼ね、5つの地域局の代表がメンバーとなっている。91年度のアフリカにおけるUSAID の人口関連援助83.8百万ドルのうち、51.5百万ドルは各ミッションや地域局のプロジェクト、32.3百万ドルが調査開発局人口課のプロジェクトであった。

48. プロジェクトの実施方法は、プロジェクト毎に異なるが、各国におけるミッション、人口課、あるいは米国の協力機関(Cooperating Agencies)が関与する。

49. 援助戦略。USAID の人口問題に対する政策は「人口・家族計画に対する援助は、米国の開発援助の主要な一部である。家族計画プログラムは、子供の数とスペースを決める個人の自由度を強化し、母子にとって重要な健康の便益をもたらす。」とされている。DFA 資金の人口関連援助への配分は、議会によりDFA の 10%が同分野に支出されるものとしてイヤマークされているが、最終的には各国におけるミッションの重点分野への集中方針により決定される。調査開発局人口課の予算の配分は、同課が最近採用している「大国戦略」により決定される。

50. 援助の実例。USAID の人口関連プログラムは、アフリカにおいては、ケニアやナイジェリア等の国々において特に成功している。アフリカにおける USAIDの人口プロジェクト支出の 14%がケニア向けであり、同国はしばしば USAIDの人口・家族計画プログラムの成功例といわれている。ナイジェリアにおける USAIDの開発戦略は、その殆ど全てが家族計画と幼児生存率の改善に焦点をあてている。

51. 今後の方向性。USAID の人口関連援助は、当面は若干増加するであろう。ただし、その地域別配分は、調査開発局人口課の「大国」戦略の変化次第で変わっていくであろう。個々のプロジェクトにおいては、今後は、コスト回収の問題も含む「持続可能性」に焦点があてられるであろう。また、USAID 全般の傾向を反映して、民間部門の関与を増やすことにより関心が払われるであろう。

52. 日本の人口関連援助。日本は、71年以来、国連人口活動基金への拠出を行っている他、69年以来、JICAは、家族計画と母子保健に焦点をあてたプロジェクト方式技術協力を実施してきた。しかし、日本のアフリカにおける人口関連援助は限られており、ケニアにおける「人口教育振興プロジェクト」のみである。この他に、JICAは91年6月に、人口と開発に対する開発援助調査グループを設け、同グループは、92年3月にその調査結果を発表した。その報告書は、人口援助を改善するための戦略をレビューし、人口援助実施に関する勧告を行っている。

V 1. 結論 - USAIDのサブ・サハラ・アフリカ援助が OECF/JICAに示唆するもの

53. DFA (Development Fund for Africa)。対 SSA援助において常に問題となるのは「援助効果」の問題である。日本の対SSA 援助が「国際的責務」の範囲を越えてより積極化することがないのは、日本の援助関係者が対 SSA援助の「援助効果」に懐疑的であることも一因と考えられる。この問題に関し、USAID が議会との関係で、「援助効果」を事後に証明する義務を引き受ける代わりに、他の地域に対する援助では与えられていない「自由裁量」を付与された DFA予算を獲得していることは注目し得る。第 1に、米国も日本も SSAに旧植民地を持たないので、対 SSA援助にあたっては、「援助効果」が上がる国 (Focus Countries)を選び、そこに援助を集中する、というアプローチが可能だ、ということである。第 2に、対 SSA援助の方法論として何が最も効果的か、ということについては、確立された方法論はなく、援助機関による試行錯誤によりこれを発見する必要がある、ということであり、米国の DFAは、これを制度的に保障したものである。日本においても、対 SSA援助にあたっては、政府はOECF/JICA に対してある程度フリーハンドを与えるべきであり、又、OECF/JICA は総花的に援助するのではなく、援助効果の上がる国や分野を注意深く選び、そこに援助を集中することにより、「アフリカ援助も効果がある」ことを実例をもって日本国民や政府に示す必要がある、と考える。

54. 国別援助戦略。USAID の対 SSA援助戦略の柱をなすのは、①援助重点国 (Focus Countries)の設定と、②国別援助戦略の策定であり、その計画的な援助手法は、日本の特にアフリカにおける「要請主義」に基づく援助手法とは全く対照的である。日本の「要請主義」は、援助内容は飽くまで被援助国の「要請」に基づいて決定され、日本の援助計画を押しつけない、というものである。アジアの特に ASEAN等東アジア諸国においては、この「要請主義」は、日本と援助対象国が毎年定期的に開発政策と当年度の援助プログラムについて協議する「年次協議」のシステムと、特にOECF借款について、毎年ほぼ決まった時期に、対象国からの要請リストにもとづき、いくつかのプロジェクトを組み合わせたOECF借款パッケージが供与され、そのパッケージの金額は毎年ほぼ確実に漸増していく、という「年次供与」のシステムに補完され、これらの国々が、開発政策についての強い 'ownership'を保ちつつ、予め日本の援助を開発計画の中に built-in して長期的開発に取り組むことを可能にしてきた。その大前提としては、これらの国々が開発計画を自ら策定して実施する能力への長年培われた信頼があった。しかし、SSA においては、日本との関係の薄さから、「年次協議」や「年次供与」のシステムが現在存在しておらず、又、当該国政府の能力を判断する情報も乏しいことから、アジアにおける「要請主義」アプローチが成功する可能性は高くなく、USAID の戦略的・計画的アプローチの方が成功する可能性がある。ただし、かかるアプローチは、被援助国側の開発計画に対する 'ownership'を弱める危険性があり、又、対 SSA援助に十分な援助スタッフとコストを配置することが困難な日本の援助機関がこれを模倣することは、むしろ弊害の方が大きいものと考えられる。USAID の対 SSA援助手法の中で、日本にも参考となるものと考えられる点は、OECF/JICA よりはるかに豊富なスタッフに恵まれ体制もとのった USAIDさえ、重点援助国 (Focus Country)アプローチを採っていることであり、はるかに制約された条件の下で援助を行っている日本の援助機関にとっては、かかる選択的アプローチの必要性はより高いのではないか、と思われる。

55. 機構と人員。USAID の対 SSA援助に係る人的資源の豊富さと組織的経験の蓄積は、その要員訓練プログラム、専門性に応じた様々な外部コントラクターの使用、現地事務所への権限委譲、等によるものであり、これが、特に「労働集約的」な社会セクター援助の実施を可能にしているものと考えられる。このような USAIDの優れた訓練プログラムや人員採用方法には、OECF/JICA にも参考となる点が多々あるものと思われる。例えば、USAID には平和部隊 (Peace Corps) 出身者が多いが、JICAも日本青年協力隊 (JOCV)出身者の採用を増やすことが考えられる。又、現地事務所を通じた USAIDの現地におけるプレゼンスの

大ききのメリットも無視されるべきではない、と考えられる。

56. 脱インフラ援助。USAID の現在の対 SSA援助のありかたは、60—70年代に USAIDが活発に行ったインフラ援助がことごとく失敗した、との認識が出発点になっており、いわば「脱インフラ援助」であると言える。他方、日本の援助は基本的にインフラ重視であり、インフラ援助に伴う問題点は承知しつつも、インフラ援助はその弊害を上回る援助効果を生み出す、というのがアジアの経験に立った日本の援助関係者の考え方である。USAID の見方と日本の援助関係者の見方のどちらが正しいかは、一概には言えないものと考えられるが、OECD/JICA が今後 SSAにおいてインフラ援助を推進する場合は、USAID がその経験に立って指摘するインフラ援助の弊害を極小化するため、維持管理体制の確保、関連する政策の妥当性の確認、腐敗の防止、等につき、アジアにおける以上に配慮する必要がある。

57. 民間セクター重視とPVO(広義のNGO)の活用。USAID の対 SSA援助においては、相手国政府を経由せずに、米国の PVOや相手国の PVOを通じて、直接相手国の民間セクターに援助を行っているケースも多く、民間セクター重視は世銀よりも徹底している（世銀の場合は、借入人はあくまで政府ないし政府関係機関）。他方、日本の場合は、援助資金の「受け手」（OECD借款の場合、借入人）が政府でなければならないのみならず、援助の直接受益者（プロジェクトの実施機関）も政府関係機関であることを要求されることが一般的であるが、これが SSAの実情に合致しているかどうかについては、USAIDの経験も参考としつつ、吟味する必要があるものと思われる。日本として、SSA の民間セクターへの援助を強化する具体的な方法としては、以下の 3点が考えられる。

- ①現在、主として SPAのフレーム・ワークの下で行っている SSAの構造調整に対する支援においては、日本は「金」を出すだけしか行っておらず、本来日本が比較優位を持っている民間セクター育成についての日本のノウハウを LDCに移転するための技術協力は殆ど行っていないが、これを拡充し、「金」だけではなく「知恵」も出す体制を作る。
- ②現在、日本がその技術協力プログラムで利用している人的資源の「出身」は、USAID が、大学、政府機関、会計事務所も含む民間コンサルタント、米国の企業団体、NGO と多岐にわたる人的資源を縦横に活用しているのと比較すると、まだ狭いと言わざるを得ないので、その拡充を図る。
- ③日本の援助が得意とするインフラ部門についても、SSA においては民間セクターの参入を検討する。具体的には、実施機関が民営化された公益事業（電力、水道等）に対しても、より積極的な援助が可能となるよう制度を検討する。

58. ドナー間援助調整。USAID は、現地レベル、及び政策レベルで精力的に他のドナーとの援助調整を行っており、日本としても現地大使館や OECD/JICA等の活用により、援助調整のチャンネルを増やす必要がある。日本の援助プロジェクトと、世銀や他のドナーの政策とのコンフリクトの可能性は常にあることを、日本としても認識する必要があるものと思われる。日本が得意とするインフラ援助と USAIDが得意とする社会セクター等は相互補完関係にあるとも考えられ、日本と米国との援助調整は、効果的な援助の実施にとって特に必要性が高いものと考えられる。

(以上)

EXECUTIVE SUMMARY

I. USAID IN AFRICA

Brief History of Aid to Sub Saharan Africa

1. USAID was established in 1961, but the 1960s was the era when many African countries were becoming independent, so USAID assistance to Sub-Saharan Africa was driven by the strategic objective to prevent Communism in the region. The scale of annual assistance, at US\$1,081.8 million in 1962, was quite large. Assistance was focused on a relatively small number of countries; the content of the aid was largely infrastructure (transportation, agriculture) for the purpose of eliminating barriers to growth. In the 1970s, Congress began to emphasize "Basic Human Needs" (BHN) and issued the New Directives legislation in 1973. As a result, emphasis shifted to social development (education, health, population) and agriculture (small farmers), and the number of target countries increased. At that time, infrastructure assistance decreased, and it has not increased up to the present. In the 1970s, US assistance overall decreased, but due to the emphasis on poverty reduction in the region, the share of that aid to Sub-Saharan Africa increased.

2. In the 1980s under the Reagan administration, poverty alleviation through private-sector-driven growth was stressed, and participation by the private sector was encouraged even in traditional social development projects. In the 1980s, as a necessary response to the development of economic reforms in many of the countries in Sub-Saharan Africa and the severe drought, USAID assistance to Sub-Saharan Africa increased, reaching US\$1,678 million in 1985. In 1988, in the midst of financial difficulties in the U.S., in order to ensure the level of assistance to Sub-Saharan Africa, USAID established the Development Fund for Africa (DFA) with approval from Congress. Through the DFA, assistance to Africa has been separated from the usual aid budget, giving a degree of flexibility to USAID not available to the other regions. However, USAID now has the responsibility of proving to Congress that assistance to Sub-Saharan Africa actually impacts on the average African individual (see para. 8,9,10). USAID must present to Congress in the Spring of 1993 a progress report on the past five years of DFA activity, and the content of the report will be noted by many.

Breakdown of Assistance (Comparison with Japan's aid to Sub-Saharan Africa)

3. In fiscal year 1990, US assistance to Sub-Saharan Africa was about US\$1,200 million; in calendar year 1990, Japan's assistance to the region was about US\$800 million. The proportion of overall assistance going to Africa was 13% for the US, slightly higher than Japan's 11.4%. As for the recipient countries in Sub-Saharan Africa, Kenya, Senegal, Ghana, and Zaire were major recipients of assistance from both Japan and the U.S. Some differences between U.S. and Japanese levels of assistance, such as to Somalia, Sudan, and Liberia in the past, and, more recently, increased levels to Mozambique, are largely due to strategic reasons such as the prevention of the spread of Communism (Somalia, Sudan, Mozambique) and to historical reasons (Liberia). In FY1990, South Africa was the tenth largest recipient of USAID assistance, but funds were channeled through NGOs and private organizations rather than through the government. It may be thought that U.S. overseas assistance is strongly strategic in nature. One representative example of such assistance is the Economic Support Fund (ESF). It is well-known that about 30% of U.S. bilateral assistance is for aid to Israel and Egypt, but all of these funds are under the Economic Support Fund budget. (In the case of Israel, the total amount is a cash grant. In the case of Egypt, it is a mixture of cash grant and project assistance. The assistance to

Egypt under the ESF budget, in contrast with USAID assistance to other countries, is largely in the form of infrastructure projects.) The State Department is heavily involved in the allocation of ESF funds. However, most assistance to Sub-Saharan Africa is currently not in the form of ESF funds, and, in most cases, USAID is able to make decisions relatively independently on the allocation of funds. In that sense, it could be said that current USAID assistance to SSA, rather than being characterized as strategic, is more developmental in nature.

4. As for the sectors for assistance to Sub-Saharan Africa, U.S. and Japanese (OECD loans and grants), the exact comparison seems difficult because sector classifications are not the same. For Japan, particularly in the case of OECD loans, the share of economic infrastructure, such as transportation and communications, has been large. In contrast, the US has focused on the social sectors, such as private sector development and agriculture, in addition to education and health (including population), rather than on infrastructure.

5. USAID assistance is entirely in the form of grants. In contrast, a characteristic of Japan's bilateral assistance is the relatively high proportion of loans, following from Japan's aid philosophy, "assistance for self-help efforts." Even in Sub-Saharan Africa, with its many poor countries, the share of OECD loans is 40%.

6. Although project loans are the core of USAID's activities, since the establishment of the DFA, Congress has allowed 30% of aid to Africa to be used for non-project assistance. However, USAID's non-project assistance must be linked to sector-level reforms, and it can not be given for macro-level (structural adjustment) assistance such as that from the World Bank and IMF.

7. In the view of USAID, policy-level reform is not sufficient for sustainable development, and participation at the popular level is necessary, so it uses NGOs (in USAID terms, "PVOs", "Private Volunteer Organizations") from the US and other countries, including the recipient country. About 18% of the DFA goes toward NGOs. 75% of PL480 food aid is channeled through NGOs. In contrast, in Japan participation by NGOs in official assistance is still limited.

II. CHARACTERISTICS OF USAID STRATEGY IN SUB SAHARAN AFRICA

Establishment of Development Fund for Africa (DFA)

8. In response to the movement towards economic and political liberalization occurring in the midst of the worsening of SSA's economic difficulties (poverty, hunger, falling prices of primary products, inefficiency of government industries, accumulation of external debt) during the 1980s, USAID established the Development Fund for Africa (DFA) in 1988 with the support of Congress. Under the DFA, unlike in other regions for which the Congress sets earmarks for amounts of assistance for specific countries and sectors, the Africa Bureau has the discretion and the flexibility to determine recipient countries and sectors. In exchange, USAID now has the responsibility of proving to Congress the impact of DFA assistance (on the general population of SSA). As a result of the establishment of the DFA, USAID assistance to SSA has changed substantially in all respects. The trend towards non-project assistance, the concentration on countries with substantial impact of assistance, and the transfer of authority to field Missions have all progressed.

Four Basic Objectives

9. Out of the opinion that the only way to achieve sustainable economic growth is through a strong private sector, the following four points have been developed as the four objectives of the DFA:

1. Encourage policy and institutional changes which will help African governments to provide public services more efficiently,
2. Support actions which will make markets more competitive and encourage private business,
3. Strengthen the foundations for long-term development, and
4. Improve food security.

Determining Country Strategy: Focus Country Approach

10. USAID was instructed by Congress to restrict countries receiving assistance to those where aid had the greatest impact, and the Agency has strengthened its focus country principle. Initially, 23 countries were selected as "focus countries", but Congress requested that the number be further narrowed to 15. The criteria for selection of focus countries is still in a trial stage, but the selection is based on ratings of need, appropriateness of economic policy, and democracy and governance.

Determining Sector Strategy

11. Based on the framework described above, the USAID overseas Missions are entrusted to determine the type of assistance strategy to be utilized in individual countries and the types of projects to implement. The field Missions, based on surveys and experience, choose sectors in which USAID has demonstrated a comparative advantage (in focus countries, 3 or 4 sectors; in non-priority countries, one or two sectors). The Missions then formulate five-year Country Project Strategy Papers (CPSP) for each country, centered around the priority sectors, and send them to USAID/Washington for approval. If the CPSP is approved, the field office is able to approve and implement independently individual projects and programs within that framework.

Other DFA Assistance Programs

12. *South Africa Regional Program (SARP)*: The SARP provides assistance to the South Africa Development Coordination Conference (SADCC), at an annual budget level of US\$50 million. The SARP is managed out of the USAID Mission in Harare, Zimbabwe. Unlike other USAID assistance to SSA, the SARP is targeted mainly at transportation and communication infrastructure.

13. *Africa Regional Program*: The Africa Regional Program offers on a regional basis research, analysis, and training deemed necessary by the country Missions. It is managed by USAID/Washington, and projects focus mainly on the agriculture, health, and education sectors, although recently there have also been projects in democratization and governance and private sector development. The Africa Private Enterprise Fund (Phase Two) is also planned for FY 1993 as part of the Africa Regional Program.

14. *Small Country Program*: The Small Country Program targets small countries with high poverty in which there is no USAID Mission. It is managed by AID/Washington or by the Regional Economic Development and Support Offices (REDSO) in Nairobi, Kenya and Abidjan, Cote d'Ivoire.

Economic Support Fund (ESF) and Food Aid (PL 480)

15. The ESF is used to provide balance of payments support to countries strategically important to the U.S. Allocations are determined through discussions between USAID and the State Department, but ESF assistance to SSA is fairly small at this time. PL480 provides food aid for development programs and emergency assistance. It is part of the USDA budget, but USAID manages Title II and Title III programs.

III. ORGANIZATION AND PROCEDURE

Mode of Operation

16. *Organization:* USAID has a total staff of slightly over 3000. As part of the Directorate for Operations, the Bureau for Africa is responsible for the planning, formulation, implementation, management, and evaluation of all U.S. economic assistance to the region. The Bureau has about 240 staff and consists of nine offices. AID is a relatively decentralized organization, and its Missions and representative offices overseas often have a large degree of autonomy and decision-making power. In Africa, there are 25 Missions, 8 representative offices, and 2 regional offices. The Agency is also represented by an AID Affairs Officer at the US Embassy in Lagos, Nigeria. In comparison, JICA has around 1000 total staff members, while OECF has slightly under 300. There are eight JICA offices and four JOCV coordinating offices in Africa. OECF operates one office in Africa, in Nairobi, Kenya.

17. *Personnel Policy:* Non-secretarial staff may enter USAID through either the Civil Service or the Foreign Service system. Those who enter the Foreign Service often have both advanced degrees and relevant development experience. Government Schedule (GS) employees at AID number 1500, of which 900 are administrative support staff. They enter the Agency through the U.S. Government recruitment procedures. Implementation of USAID activities also involves about 10,000 "Personal Services Contractors", including "Foreign Service National" (staff hired by the overseas Missions). Those with advanced knowledge of Africa and development issues usually do not acquire that expertise through specific AID training initiatives. Rather, it is often gained through direct experience both before and after entering AID. Most training developed by the Training and Staff Development Division provides information on development in the broader sense and is applicable to all Bureaus. Mid-career training in Washington covers topics ranging from contracting procedures and project operations to environmental impact assessment. Training more specific to a region may be conducted at the initiation of the Regional Bureaus. In contrast to USAID, most career-path OECF and JICA staff enter after graduation from university. A variety of training courses are available to career staff and, in the case of JICA, for experts recruited for technical work.

18. *Role of AID/Washington vs. Missions:* USAID is a particularly decentralized organization and has a very large "field presence." In fact many in the Agency consider this factor one of AID's comparative strengths. In addition to placing a large number of personnel in the field, AID delegates much of the responsibility for strategy and project development to personnel stationed in the host countries. This decentralization and concentration of authority in the field contrasts sharply with the high degree of centralization in Japan's aid agencies.

19. *Central Bureaus vs. Bureau for Africa and Missions:* The Central Bureaus are responsible for mobilizing the research, field support and leadership capabilities of U.S. institutions. They include the Bureau for Research and Development, the Bureau for Food and Humanitarian Assistance, and the Bureau for Private Enterprise. The Offices of the

R&D Bureau are active in projects both through providing technical support to Regional Bureau projects and through carrying out their own centrally-funded projects.

Project and Budget Procedure

20. Project Identification and Selection: In many cases, overseas Missions, often together with host country government representatives and NGOs, identify potentially viable project areas. The formal document which details the Mission's development strategy for the country is the Country Program Strategic Plan (CPSP). AID/W approval signals that Missions may proceed with the strategies outlined in the CPSP. The New Project Description is the initial preliminary proposal for a specific project. AID/W reviews the NPD and informs the Mission as to whether to proceed with the new project. The first formal document in the process which leads to the approval of a specific project is the Project Identification Document (PID). Once completed, the PID is evaluated by either the AID overseas Mission or by AID/Washington. Approval of the PID signals authorization to proceed with project planning based on concepts defined in the PID. The major project planning document is the Project Paper (PP). It is prepared by AID overseas Mission staff together with host country counterparts. The PP is reviewed and approved by the AID Mission or by AID/Washington. The document used next in the project process is the Project Authorization and Request for Authorization of Funds (PAF). It is an internal AID document used by AID/Washington which gives substantive approval for a project to move from the planning stage to the stage at which the Project Agreement (PROAG) is ready to be signed and implementation initiated.

21. Project Implementation: The Project Agreement (PROAG) is the USAID document which officially obligates assistance for an activity, thus allowing the implementation process to begin. As the next step in the document stream, the Project Implementation Letter (PIL) establishes a formal channel of communication between USAID and the host country. The document which specifies the use of project funds obligated in the PROAG is the Project Implementation Order (PIO). During the course of the project, the USAID Mission and the Host Country Counterpart Project Officer prepare the Project Evaluation Summary (PES) which summarizes progress and highlights problems, action decisions, and unresolved issues. Every Mission has an evaluation schedule with the host country in order to conduct ongoing evaluation activities. After the completion of the project, AID utilizes a Project Completion Report and a Project Impact Evaluation. AID places particular emphasis on impact, both intended and unintended.

22. Budgeting and Funding Authorization: The budgeting and funding authorization processes begin with AID/W notification to the Missions of appropriate funding levels. With these levels in mind, Missions prepare the Annual Budget Submission (ABS), which AID/W reviews and adjusts. USAID submits an overall ABS to the Office of Management and Budget (OMB) which, through ongoing discussion with USAID, prepares the annual Congressional Presentation (CP). After receiving the CP, both the Senate and the House conduct hearings and, ideally, pass a Foreign Aid Appropriations Act, which authorizes a certain level of funding for the Agency. After passage of Appropriations legislation, the OMB apportions funds and AID receives an Operational Year Budget (OYB). Only after approval of an OYB may funds be authorized for spending in the PAF by USAID and its Missions. After the PAF is signed, new projects proceed with the PROAG as described above.

Donor Coordination

23. Efforts towards donor coordination on assistance to Africa occur at several levels. A great deal of discussion and coordination takes place in the "field." Donor coordination

between USAID and other donors also occurs at the staff level in Washington. Other formal donor coordination occurs in multi-donor fora, such as the Special Program of Assistance (SPA) for Africa and the Global Coalition for Africa (GCA)

IV. AID TO SPECIFIC COUNTRIES

Cameroon

24. Endowed with rich natural resources, Cameroon exhibited smooth economic growth during the 1970s and the early 1980s, but it was confronted with an economic crisis after the severe price drops in its major exports, such as coffee. The Government began a structural adjustment program to avoid this crisis, but nationwide strikes in 1991 slowed progress. Due to such economic stagnation and human rights problems, although Cameroon remains a USAID focus country, it is currently on the "watch list." USAID has programs of assistance in Cameroon in private sector development (through privatization of public enterprises and liberalization of agricultural markets), maternal and child health, and natural resource management (environment). It plans to give US\$21.6 million in 1993.

Japan's assistance to Cameroon is not large, amounting to US\$4.69 million in 1990. However, recognizing the large economic scale of Cameroon, there is a possibility that Japan's assistance would increase significantly with improvement in the economic and political situation.

Ghana

25. For both Japan and the US, Ghana is the fifth largest recipient of aid to SSA. In 1983, Ghana initiated an economic reform program and has continued with economic reforms since that time. As a result, between 1986 and 1990, the economic growth rate averaged about 5% per year. Further, political reforms are continuing, and the country held a general election in November 1992. There is movement towards a multiparty system. USAID supports the government reforms and is focusing on increasing per capita GNP. To achieve this goal, USAID is active in increasing exports and investment through the private sector, improving access to primary education, and reducing population growth and infant mortality. USAID has made Ghana a focus country and has requested DFA and PL480 funds totalling US\$40.9 million for FY1993.

Japan's assistance to Ghana in 1990 was US\$71.9 million. OECF is active in Ghana, extending loans for large projects and programs in road rehabilitation, telecommunications, structural adjustment, and financial-sector adjustment. Grant aid included assistance in rural water supply, bridge reconstruction, education, health, and increased food production.

Ivory Coast

26. Once considered to be one of the success stories in Sub-Saharan Africa, Ivory Coast experienced a serious decline in per capita GNP during the 1980s due to a combination of a drop in the international prices of the Ivory Coast's two major exports, coffee and cocoa, unsound economic policies, worsening debt management, and rapid growth in population. Given the country's economic reform efforts since 1990 and its movement towards democracy, USAID made the Ivory Coast a focus country and increased the amount of assistance (US\$13 million in 1991). However, since recent economic performance has not been good, the country is now on the "watch list." 1993 assistance levels are planned for US\$6 million, and USAID's support is targeted at population-related problems.

Japan's program of assistance to the Ivory Coast increased quickly in 1990, reaching a level of US\$55 million. Recent OECF loans to the Ivory Coast include one in 1989 for agricultural sector adjustment extended in coordination with the World Bank. Grants and

technical assistance have been in the areas of increased food production, education, fisheries, and agriculture.

Kenya

27. Kenya has comparatively high economic growth and a high education level, and is seen as one of the most promising countries in Africa. It is the country in Africa which has received the largest amount of total Japanese assistance to Africa, and it is the second-largest recipient of USAID assistance to SSA, after Zaire. However, recently, due to the government's corruption and inefficiency, the economy has stagnated, and structural adjustment is not progressing. Further, there are human rights problems, and, at a November 1991 Consultative Group Meeting, donors halted aid to Kenya and have conditioned the resumption of aid on economic reform and the holding of fair elections. As a result, USAID has withheld US\$28 million balance of payments support assistance.

USAID's strategy in Kenya focuses on 1) family planning and prevention of AIDS (promotion of contraceptives); 2) improvement of agricultural production (technical assistance and improvement of markets); and 3) private sector development (promotion of non-traditional exports and small and medium enterprise development). In addition, USAID also had projects in tourism and wildlife conservation. Even after the cessation of assistance, USAID will continue humanitarian assistance, and has budgeted US\$17.2 million for FY 1992 and US\$19.1 million for FY 1993. In addition, if Kenya improves significantly both politically and economically, there is a possibility that aid levels will increase. (Kenya held general elections in December 1992.)

Japan is the largest bilateral donor to Kenya, and assistance reached US\$93.2 million in 1990. In SSA, Kenya has received the most loans in both number and amount from OECF. OECF loans were used for large-scale projects in irrigation, water supply, transportation, and communication. Grant aid has been used for food production, forestry, and agriculture education. At present, the Japanese government has suspended new commitments of all non-project loans and some project loans.

Niger

28. With an economy based on farming and herding, yet low annual levels of rainfall, Niger faces many developmental difficulties. Recently, the country has undergone sweeping yet peaceful political change, and the new regime has put forward a draft Economic and Financial Recovery Program.

USAID assistance to Niger has a long-term focus on increasing agricultural productivity to alleviate the country's most basic problem: drought-related recurring food shortages. The Agency's present strategy is in the areas of family planning and maternal and child health, agricultural production and rural enterprises, and responsiveness to natural disasters. Niger is currently on the DFA "watch list" instead of "focus country" due to alleged misuse of funds and problems with overall economic performance.

USAID has requested US\$26.0 million for Niger for FY 1993, the same level as for FY 1992. In contrast to other programs in Africa, assistance to the country includes a large portion of Non-Project Assistance. In 1990, Japan disbursed US\$36.92 million to Niger. US\$29.40 million of the total amount was channelled through JICA for Public Works and Utilities; Agriculture, Forestry, and Fisheries; and Mining and Industry. OECF extended a Transportation Sector Program loan in 1987.

Nigeria

29. Although USAID operated a program in Nigeria in the 1960s, assistance was subsequently withdrawn due to the country's increasingly statist policies and rising oil

revenues. More recently, the Nigerian government has been engaging in thorough, indigenous economic policy reforms (since 1986), and the country has taken steps towards reestablishing democracy and a civilian government. Given these encouraging changes, as well as recognition of the regional importance of Nigeria, the Agency has reactivated a program of assistance. This program focuses on population, child survival, and health management; there may be some additional support for democratization and transition to civilian rule.

The USAID request for assistance to Nigeria for FY1993 is for US\$17.2 million, a fairly significant increase from the US\$13 million for FY1992. Proposed projects include the Combatting Childhood Diseases Project and the Managing Health Care at the Local Level Project. Japan disbursed US\$78.74 million in assistance to Nigeria in 1990. JICA activities focused on Agriculture, Forestry and Fisheries; Public Works and Utilities; and Planning and Administration. OECF extended loans for the Trade and Investment Policy Adjustment Program in 1988 and for the Telecommunications Project in 1992.

Rwanda

30. Rwanda is one of the most densely populated and intensely cultivated countries in the world. It faces serious impediments to economic growth, employment, and improvements in the standard of living, such as limited natural resources, a high population growth rate, and a dearth of undeveloped lands on which to expand agricultural production. Internal security problems have exacerbated the country's difficulties.

USAID's current policy towards Rwanda has evolved in response to the country's recently-initiated significant policy reforms. The government has established an aggressive population policy calling for a growth rate of 2 percent by 2020, launched a wide-reaching economic reform program targeted at encouraging private sector investment and employment, and taken steps to begin a process of democratic liberalization.

The Agency has chosen to focus on family planning, governance, and private sector development. Its activities in these areas will address three factors: decreasing the population growth rate, increasing the participation in and transparency of the political system, and increasing real income in the private sector. The USAID Mission in Rwanda has also chosen two "targets of opportunity": conserving biodiversity and reducing the rate of HIV/AIDS transmission. Rwanda is a USAID focus country.

USAID has requested US\$18 million in DFA funds for Rwanda for FY1993. In 1990, Japan disbursed US\$13.83 million to Rwanda. Excepting one loan for the Mukungwa II Hydro-Electric Power Plant Project in 1988, all assistance in recent years has been in the form of grants. Aid has been extended for the Project for Construction of Secondary Technical School (1989, 1990) and for Increased Food Production (1986, 1987, 1988, 1989, 1990), as well as for debt relief and other activities.

Senegal

31. Senegal is one of Africa's most democratic countries and a USAID focus country. Senegal has received about US\$40 million per year in US assistance over the last ten years. Since 1983, Senegal has enacted economic reforms under assistance from the World Bank, but progress has been slow. USAID's strategy in Senegal is based on improving per capita income through sustainable use of natural resources, and assistance is extended in the areas of family planning and natural resource management. In addition, USAID also supports programs to improve agricultural marketing and to reduce the size of Senegal's large bureaucracy. In the future, if Senegal moves ahead quickly with reforms, USAID assistance could increase to US\$60 million by FY1997.

Japan's assistance to Senegal was US\$82.06 million in 1990, and a large portion was OECF loans for structural adjustment. Extension of further OECF loans has been delayed due to lack of progress in the economy and in reform efforts. Grant aid has been used for building or rehabilitating infrastructure in health, education, water supply, telecommunications, and fisheries.

Tanzania

32. Since independence in 1961, Tanzania has been one of the most stable countries in Africa. With a population of 25 million and with a government emphasis on the social sectors, Tanzania is a country with high potential, and it is among the top five recipients in Sub-Saharan Africa of both Japanese and U.S. assistance. However, under past-President Nyerere, as a result of policies encouraging socialism and discouraging private undertakings, the economy stagnated in the mid-1980s. USAID, due to the Brooke Amendment which halted US assistance to countries with arrears to the US, suspended aid to Tanzania for three years. In 1986 Tanzania embarked on an Economic Recovery Program (ERP) under the guidance of the IMF; it has made progress in liberalizing the economy and in moving towards a multiparty political system. These types of changes, along with the Paris Club's rescheduling of Tanzania's debt in 1987, allowed USAID to resume its funding to Tanzania in 1987. US assistance to Tanzania, in contrast to its programs in other Sub-Saharan African countries, includes transportation related to agriculture; USAID is also active in family planning and private sector development through financial sector reform. The Agency plans to extend US\$26 million in assistance in 1993.

Japan is the fourth largest bilateral donor to Tanzania, and assistance to the country was US\$40 million in 1990. OECF extended loans to Tanzania until 1981, but the program is now based on grants. Grant projects have focused on agricultural development, including transportation improvement. Grant assistance has also been extended for food aid, communications, and health.

Zambia

33. In October 1991, Zambia held its first democratic elections since independence, and the new president, Chiluba, reestablished ties with the World Bank and the IMF and began the process of economic and political reconstruction. The main objectives were privatization and diversification, particularly in the agricultural sector, and the establishment of food security. As a USAID focus country, Zambia is receiving USAID assistance for agricultural sector policy reform, AIDS, and democratization. USAID plans to extend US\$15 million in assistance to Zambia in 1993, as well as US\$18 million in PL480 (Title III) food aid.

Japan's assistance to Zambia was US\$40 million in 1990 and included activities in bridge reconstruction, schools, and increased food production. In 1992, to support Zambia's efforts for economic reform, OECF, through co-financing with the World Bank, supported the "Privatization and Industry Reconstruction Program."

Zimbabwe

34. Immediately after independence (1980), as a result of focusing investment on the social sectors, there were great improvements in education and health care. However, due to nationalized industry and restrictive foreign investment laws, the economy stagnated. Compounded by drought, the economic crisis confronting the Government of Zimbabwe led it to commence economic reforms focusing on the private sector in the late 1980s. Zimbabwe also moved towards multi-party democracy, and in response to the changes, USAID assistance to Zimbabwe increased. The Agency has provided US\$20 million in FY1992, and plans to increase the level to US\$30 million for FY1994. The Government

of Zimbabwe began a Structural Adjustment Program (SAP) under the guidance of the World Bank in 1991, but because of fears of a slow down due to the severe drought of 1992, the government has requested assistance from donor countries. USAID has been supporting the SAP through programs in private-sector development, housing, and agricultural marketing. It is also providing assistance in the sectors of family planning and AIDS prevention. However, under USAID's policy to aid stronger programs in fewer areas, in the future targeted areas will be decreased to two or three.

Japan's assistance to Zimbabwe in 1990 totaled US\$25.78 million in loans and grants, with loans for a telecommunications project and grants for increased food production and water supply. Due to the size of Zimbabwe's economy, GNP level, and recent positive economic performance, in the future the country could become a major recipient of OECF loans.

V. AID TO SPECIFIC SECTORS

Agriculture Programs and Food Aid

35. About 80% of employed people in Africa work in agriculture, and the sector accounts for 35% of GDP in Africa. USAID is involved in the agricultural sector, extending about US\$200 million in assistance in this sector (including natural resource management) per year. This amount is about 27% of the DFA. The Food, Agriculture, and Resources Analysis (FARA) Division within the Analysis, Research, and Technical Support (ARTS) Office of the Africa Bureau is responsible for agricultural assistance to Africa. In addition, global and regional projects are supported by the Office of Agriculture in the Research and Development Bureau (R&D/Ag). R&D/Ag and FARA cooperate in extending agricultural assistance in Africa. (R&D/Ag must receive concurrence from FARA before implementing projects in Sub-Saharan Africa.)

36. The DFA agriculture program developed by FARA focuses on sustained increases in agricultural productivity and improved food security through self-reliance. To achieve these goals, improved agricultural marketing and agribusiness, development of technology for higher yields, and better natural resource management were established as specific targets. The actual strategy for agricultural assistance in the African countries is developed by the in-country Missions, with both the FARA strategy and the unique circumstances of each country taken into account. Projects are implemented with the agreement of FARA.

37. In addition to providing guidance for agricultural programs implemented by the USAID Missions, FARA has several projects of a regional nature. One is the Famine Early Warning System (FEWS), which was developed after the 1984-85 drought in the Sahel and uses satellite imagery and locally-based secondary data as early detection devices for famine. Another such program is the Policy, Analysis, Research, and Technical Support (PARTS) project, which was initiated in 1992. It provides additional support to ongoing projects with high priority information and analysis not currently covered by the individual projects.

38. *Food Aid Programs:* The U.S. food aid program was established in 1954 in accordance with the Agriculture Trade Development and Assistance Act (PL-480). The program was designed to promote U.S. foreign policy and to create overseas markets for U.S. agricultural products by providing surplus commodities as loans to LDC governments. Subsequently, under the influence of Basic Human Needs (BHN), U.S. food assistance underwent a number of qualitative changes. The 1990 Farm Bill fundamentally reorganized the PL-480 program and established the improvement of a country's food security as the primary goal of food aid. Management of the food aid

program was divided, with the USDA responsible for Title I aid and USAID implementing Title II and Title III programs.

39. Title I is a loan assistance program through which the USDA sells U.S. agricultural commodities to developing countries on concessional terms. Payments can be made in local currency, and the US then uses those payments for development purposes or trade promotion. Title II and Title III are grant assistance and implemented by USAID. As mandated by Congress, about three-quarters of Title II assistance is provided through NGOs and the World Food Program. These organizations use proceeds from the distribution or sale of food received from USAID to support maternal and child health, school feeding, and workplace feeding programs. The remaining portion of Title II is used for emergency assistance. Title III commodities are given directly to developing-country governments, which use the food for direct feeding, for emergency food reserves, or for sale to support economic development programs.

40. *Impact of the 1992 Drought:* The drought which attacked Southern Africa in 1992 has been very serious, and about 50% of the region's crops may have been lost. Further, structural adjustment efforts in countries in the region which have had encouraging results may be hampered due to the drought. USAID predicted the onset of the drought very early and established a comprehensive assistance response. As a result, in FY 1992 the U.S. extended US\$535 million in drought-related assistance, including USDA Title I and drought-related non-food assistance (US\$427 million of total in food aid).

41. *Comparison of U.S. and Japanese Assistance:* Japan's assistance in agriculture centers on irrigation and rice production, and these programs have contributed to increases in food production in Asia. Japan is developing similar projects in Africa, but USAID does very little work in this area. In the view of USAID, irrigation projects in SSA are too costly, and maintenance of past projects has been disappointing. Japan's large-scale projects and USAID's "people-level" projects are mutually supportive. However, Japan is diversifying its assistance in the agriculture sector, and projects include research and technical assistance in new crops and farming techniques and rural development based on integrated sectors. Japan's bilateral aid in the agriculture sector was about 11.9% of worldwide ODA in 1990.

USAID Assistance for Private Sector Development

42. The strategy of USAID assistance to Africa is based on the view that the private sector leads the development process, and USAID implements a number of private-sector projects under this strategy. According to USAID statistics, there have been 103 projects and programs since 1980 with a primary focus on private-sector development. On the other hand, Japan is not as active in this area, and its assistance to Africa in this area is mainly in the form of co-financing under the SPA for structural adjustment and sectoral adjustment. Japan's project assistance is carried out through the government or public entities of the recipient country.

43. There are two reasons why USAID focuses on private sector development in its assistance to Sub-Saharan Africa.

1) Since the Reagan administration, US development policy has emphasized private sector development. Influenced by this ideological emphasis, USAID has been formulating its development assistance policy accordingly for all developing countries, including those in Sub-Saharan Africa, since the mid-1980s.

2) USAID has had experiences of failure in their assistance for constructing huge infrastructure projects in Sub-Saharan African countries in the 1960s and 1970s due to the inefficient public sectors in these countries. Such experiences diverted USAID assistance from public-sector related activities to private-sector oriented activities.

44. USAID activities in assistance for private-sector development are either projects and programs managed by the individual overseas Missions or regional projects managed by the Africa Bureau. Projects and programs managed by the Missions may have several typical components:

1. Non-project grant assistance for import support to finance private-sector imports, coupled with policy reform conditionalities aimed at improving the environment surrounding the private sector.
2. Technical assistance to improve the environment surrounding the private sector.
3. Industrial credits extended through financial intermediaries in the recipient country. USAID may use an existing intermediary or create a new one, but the Agency usually prefers a private intermediary to a public one. In order to prevent distortion in the financial market, on-lending must be on commercial terms.
4. Assistance to micro-industries, rural enterprises, and the informal sector. USAID sometimes uses NGOs for activities in this sector.

USAID's actual projects and programs often contain a number of the components mentioned above.

Population and Family Planning

45. Given the limited nature of the world's resources and the increasing demands placed on the global environment, population and family planning is an area of crucial importance to international development. AID recognizes the significance of the issue and is a major source of world assistance in the sector. In FY1991, AID spent US\$291,932,000 on population and family planning activities. AID places the largest share of its population expenditures in Africa. In FY1991, the region claimed about 27% of total expenditures, or US\$83,835,000.

46. According to the FY 1993 Congressional Presentation, the basic strategy of the AID population program is, "to ensure the availability of quality voluntary family planning services." Major assistance has been in the following areas: demographic and economic analysis, policy development, research, family planning services, population communication, and training and institutional development.

47. *Organization:* Population assistance is provided by the Bureau for Research & Development's Office of Population (R&D/POP) through centrally-funded projects, and by AID's Regional Bureaus, either through bilateral projects monitored by overseas Missions or through regional projects monitored by the Regional Bureau officer in AID/W. The Population Sector Council reviews policy and program issues related to population assistance. The Council is chaired by the Director of R&D/POP and is comprised of representatives from the five Regional Bureaus. FY 1991 population project expenditures in Africa were US\$83.8 million. Of this total, US\$51.5 million came from Mission/Region projects and US\$32.3 million from Office of Population projects.

48. *Project Process:* AID population-oriented projects may be developed and planned either by the in-country Mission or by the Office of Population. Implementation of projects varies significantly by case and may involve the in-country Mission, the Office of Population, and U.S. "Cooperating Agencies" (NGOs, universities, U.S. government agencies, etc.).

49. *Aid Strategy and Project Content:* AID population policy is described as follows: "Support for population and family planning programs is an essential part of U.S.

development assistance. Family planning programs enhance individual freedom to choose the number and spacing of children and provide critical health benefits for mothers and young children." ("Highlights of AID's Population Program") Allocation of DFA funds for population activities is affected by a 10% Congressional earmark, but is ultimately determined by the individual country Missions' chosen sectors of concentration. The allocation of R&D/POP funds is determined in part by the Office of Population's recently-established "Big Country Strategy" which aims to concentrate the population assistance to a limited number of countries whose needs are the greatest.

50. *Selected Country Programs:* AID programs have been particularly "successful" in some countries in Africa, such as Kenya and Nigeria. The largest share (14%) of AID population project expenditures in Africa are channelled to Kenya, and the country is frequently cited as a "success story" for an AID population and family planning program. The AID development strategy in Nigeria focuses almost entirely on family planning and child survival.

51. *Future Directions:* AID funding levels for population activities will probably increase slightly in the near future. The geographical distribution of the total, however, may shift depending on changes in R&D/POP's "Big Country" Strategy. In the future, individual projects may contain an increased emphasis on sustainability, including financing issues such as cost recovery. There may also be more interest in broadening private sector involvement, a trend that is evident throughout the Agency.

52. *Japan's Population and Family Planning Activities:* Japan has been contributing funds to the United Nations Fund for Population Activities since 1971. Since 1969, JICA has been carrying out Project-Type Technical Cooperation focused on the areas of family planning and maternal and child health care. Japan's population activities in Africa are limited to "The Project of Promotion of Population Education" in Kenya. In addition to implementing such activities, JICA mandated the establishment of a Study Group on Development Assistance for Population and Development in June 1991. The Study Group released its findings in March 1992. The report reviews strategies for improving population assistance and makes recommendations on the implementation of population assistance.

VI. CONCLUSION: IMPLICATIONS FOR OECF/JICA ASSISTANCE

53. Development Fund for Africa: One problem often associated with assistance to Sub-Saharan Africa is that of the impact of aid. Japan's aid to Africa does not go beyond its international obligation in part due to the skepticism of the Japanese aid community about the effectiveness of aid to SSA. At USAID, the Agency is obligated to prove to Congress the impact of aid to SSA. In return, the DFA budget has acquired a degree of independent discretion not available in assistance programs to other regions; this characteristic is worthy of further discussion. First, since both Japan and the United States have not had colonies in Africa, both nations are free to concentrate assistance on countries where aid is most effective (Focus Countries). Second, in terms of the most effective methodology of assistance in SSA, rather than simply utilizing established methods, aid agencies should have the flexibility to experiment in order to determine the most effective methodology; this approach has been made systematic in the DFA. In Japan, OECF and JICA should be given a relatively "free hand" in assistance to Africa. In addition, rather than allocating aid across the board, Japan's assistance should be concentrated on countries with high impact of assistance programs and in priority sectors. If such a strategy is followed, JICA and OECF will be able to show to the Japanese people and government that assistance to Africa also can have an impact.

54. Country-Assistance Strategy: The factors which act as pillars of USAID assistance to Africa are 1) selection of focus countries; and 2) development of Country Program Strategy Plans (CPSPs). This style of planned assistance stands in contrast to the government-request basis of Japan's aid program, particularly in Africa. Japan's philosophy of relying on government requests means that the content of assistance programs is based entirely upon requests from the recipient government, and Japan does not impose its own plans on the recipient country. In Asia, particularly in the ASEAN countries, this government-request system is supplemented by an "Annual Policy Discussion" system in which Japan and the recipient discuss development strategy and assistance programs for the following year. In the case of OECF loans, it also includes an "Annual Provision" system in which, based on a request list submitted by the recipient government, a package of OECF loans is extended at a certain time each year; the monetary size of the package usually increases yearly. Thus, while maintaining a strong sense of ownership of the development strategy, the countries involved are also able to incorporate Japanese assistance in advance into development plans and to utilize it in long-term development. An important premise of this approach is the belief, which has been cultivated based on experiences of the past, that these countries have obtained the capacity to create independently their own development strategies. However, since Japan's relationship with SSA is rather weak, "Annual Policy Discussion" and "Annual Provision" systems have not been established. In addition, information with which to evaluate the capacity of SSA is rather scarce. Thus, the chances of success of the "government request basis," as is used in Asia, are not high, and a more strategic and planned approach, such as that of USAID, may be more successful in the region. Nevertheless, such an approach has the danger of weakening the recipient country's "ownership" of the development plan. Further, any attempt to imitate the USAID approach may be adversely impacted by the difficulty in accumulating necessary funding and staff in the Japanese aid institutions. The aspect of USAID's approach to assistance in SSA which should be considered by Japan concerns the fact that since even USAID, which enjoys more abundant staff than OECF and JICA, uses the Focus Country approach, the Japanese aid institutions, which are operating under less favorable circumstances, should have a more urgent need to follow such an "elective" approach.

55. Organization and Personnel: USAID's human resources and organizational experience dealing with Sub-Saharan Africa are a result of training of relevant personnel, the use of specialized outside contractors, and the transfer of authority to overseas Missions; these factors make possible the implementation of assistance in the labor-intensive social sectors. OECF and JICA could refer to USAID's excellent training programs and recruitment methods in expanding their staff. For example, there are many former Peace Corps volunteers in USAID; JICA could consider increasing the number of ex-JOCV volunteers that it hires. In addition, the merits of USAID's large local presence through the overseas Missions should not be ignored.

56. Post-Infrastructure Assistance: Recognition of the failure of a strategy emphasizing infrastructure assistance to Africa in the 1960s and 1970s was the starting point for USAID's current mode of operation of assistance in the region; it could be called "post-infrastructure assistance." On the other hand, Japan's aid basically stresses infrastructure. Although those involved with Japan's assistance program are aware of the problems which accompany infrastructure assistance, they believe that infrastructure aid can yield positive results which exceed any bad effects. This way of thinking may grow out of experiences in Asia. One cannot say unconditionally whether USAID's viewpoint or the beliefs of Japan's aid agencies is correct. However, in the case that OECF and JICA plan to promote assistance to SSA in the future, in order to minimize the negative effects of infrastructure assistance as pointed out by USAID's experience, it will be necessary to ensure the existence of a maintenance management system, to confirm that related policies are appropriate, and to prevent corruption, even more than in Asia.

57. Emphasis on Private Sector and Use of PVOs (NGOs): In USAID assistance to SSA, there are many cases in which USAID assists the host-country private sector directly through U.S. and host-country PVOs, without going through the host-country government. USAID is more complete in its emphasis on the private sector than the World Bank. (In the case of the World Bank, the borrower must be a government or a government-related institution.) On the other hand, in the case of Japan, the recipient of funds (in the case of OECF, the borrower), is usually a government or government entities, and the project's implementing agency is usually also a government or government entities. However, as to whether this will work in the evolving situation in SSA, close scrutiny would be needed. As for Japan, concrete methods of strengthening assistance to the private sector in SSA may include the following three points.

1. At present, most of Japan's assistance in support of structural adjustment under the SPA framework is in the form of "money." Although Japan has not been active in technical cooperation for the transfer of its know-how in the area of private sector development, where it is comparatively strong, in the future it could develop a structure to expand such assistance and to extend not only "money" but also "wisdom."
2. USAID broadly uses human resources from a variety of sources, such as private consultants, U.S. company groups, NGOs, and also including universities, government institutions, and accounting firms. In comparison, Japan's use of people who have participated in its technical cooperation programs may be said to be rather narrow, and expansion of this aspect could be planned.
3. As to the strengths of Japan's assistance in the area of infrastructure, introduction of the private sector in infrastructure development in SSA countries could be investigated. More specifically, there could be established a system which makes possible more active assistance to enterprises (electricity, water) which have been privatized as the implementing agency.

58. Donor Coordination: USAID vigorously pursues aid coordination with other donors at the field level and at the policy level. There is a need for Japan, through the local Embassies and OECF/JICA offices, to increase aid coordination channels. It must be recognized that there is always the possibility of conflict between Japan's assistance projects and the policies of the World Bank and other donors. Japan's strength in infrastructure and USAID's advantages in the social sectors may be viewed as mutually reinforcing, and the need for aid coordination between the U.S. and Japan is particularly high in order to achieve effective implementation of assistance.

L. USAID IN AFRICA

BRIEF HISTORY OF AID TO AFRICA

Although the US began extending small amounts of assistance to Africa in 1954, substantial aid did not begin until the early 1960s as several African nations achieved independence. When the Foreign Assistance Act of 1961 established the Agency for International Development, the US saw not only a humanitarian need but also a strategic need for assistance to Africa. The US wanted to establish friendly relations with the new governments and ensure their stability so that they would not become vulnerable to communist influence. Total aid to Africa rose in 1961 to \$742.41 million and peaked in 1962 at \$1,081.80 million. After 1962, aid levels to Africa were somewhat lower, but remained fairly constant. Assistance was relatively concentrated in a small number of states and was focussed on removing impediments to economic growth. Many infrastructure projects were created, especially in the agriculture and transportation sectors.

The early 1970s saw a shift in emphasis in the foreign aid program and a decline in overall aid levels due to the difficult recession. In 1973, Congress initiated the New Directions legislation and instructed AID to change its strategy and to focus more on the needs of the poor. This legislation, known as Basic Human Needs (BHN), encouraged AID to work towards having "people-level" impact in alleviating poverty. Consequently, social programs and agricultural programs which focussed on the small farmer became central to the American foreign aid strategy in Africa. Partially due to BHN, aid to this region was further diversified into a larger number of countries.

Large scale infrastructure projects in Africa declined dramatically during this period. They did not fit with the new focus on the rural poor and had been considered by AID to be very expensive and difficult to maintain. To this date, there has not been a significant return to these projects in AID's program in Africa. Since the BHN legislation, the majority of the aid in Africa, has involved agriculture. The next largest amount has been spent in health and education. These, along with population, continue to be the dominant sectors in Africa.

Despite the reduction in overall aid, the emphasis on the poor resulted in a significant increase in Africa's share of US foreign aid money. Also, by 1974 a severe drought had developed in the Sahel region, causing grant food aid to jump to \$221.45 million in 1974 from previous levels averaging under \$100 million. This crisis, combined with BHN, brought more attention to Africa.

The Reagan administration caused another shift in the foreign aid program by redirecting efforts at alleviating poverty to fostering economic growth through the development of private enterprise. In defining his administration's foreign policy, President Reagan outlined "Four Pillars," which clearly illustrated this change. Assistance under his administration incorporated the four pillars of policy dialogue, institutional development, encouraging the private sector, and technology development and transfer. Still, these policies aimed at encouraging development of the private sector and its participation in the traditional social sectors, such as health and agriculture.

Assistance to Africa increased during the 1980s as African governments started to pursue encouraging economic reform programs. Again, a severe drought in the Sahel in 1984-85 pushed aid levels to that region to a high of \$1,678.66 million in 1985. Sudan received an

unprecedented amount of aid to help with both famine and civil war. Kenya, Somalia, and Zimbabwe were other large recipients of the early 1980s.

By 1987, increasing US debt and spending constraints threatened the continued flow of aid to Africa. Further, despite past significant amounts of aid, poverty in Africa was still widespread. To ensure a certain level of aid to the region, and to try to make real progress in fighting poverty, Congress passed legislation creating the Development Fund for Africa (DFA). The DFA gave the administration unprecedented flexibility to determine the program strategy in Africa. The program, which will be described in further detail in a later section of this paper, set aside \$500 million in FY 1988 for Africa free from traditional earmarks.

Along with this freedom, however, came a mandate to have real impact on the lives of average Africans. AID was instructed to measure not just the outcome of individual projects, but the actual difference that the programs made towards eliminating poverty. The DFA funding was increased to \$800 million for FY 1991 and future funding for the program is likely to stay relatively stable. The Africa Bureau will prepare its 5 year progress report in Spring 1993, which will include input from all offices in the bureau, PVOs, Capitol Hill, and other donors.

Considering the emergence of the newly independent states, and the many calls for a major overhaul of AID, there is some concern that aid to Africa could again be threatened. However, AID officials feel that because Africa has made much progress and many African nations are on the path to economic independence, aid money will not be wasted. The recent drought in Southern Africa, the worst in the continent's history, has required unprecedented amounts of emergency assistance and coordination of that assistance. The drought, although a set back, has not seemed to dampen the enthusiasm that AID and Congress have for progress on the continent, ensuring that aid to Africa should continue to be a priority for some time.

BREAKDOWN OF ASSISTANCE

In addition to detailed figures for AID's assistance to Africa, Japanese figures are provided for comparison purposes.

1. Regional Distribution

Total DFA assistance in FY 1990 was \$794.9 million dollars, excluding regional funds. PL480 obligations for Africa totaled \$319.24 million. Assistance to Africa represented approximately 13% of AID funds. Japanese assistance to Africa in CY 1990 was \$783.76 million amounting to 11.4% of its total bilateral aid. Please see attached charts.

2. Country Allocation

For FY 1993, AID requested programs for 32 countries in Africa plus a small country program providing assistance to 7 additional countries. New recipient countries in FY 1993 will be Angola and Ethiopia.

a. The 10 largest overall recipients of total cumulative US economic assistance funds and Japanese economic assistance are:

US		JAPAN	
Country	Total (US\$ million)	Country	Total (US\$ million)
Sudan	1367.0	Kenya	761.59
Zaire	1086.0	Tanzania	545.23
Kenya	904.0	Zambia	499.20
Ethiopia	785.0	Nigeria	428.83
Somalia	699.0	Zaire	366.71
Liberia	699.0	Ghana	361.71
Ghana	642.0	Senegal	301.84
Senegal	620.0	Madagascar	230.56
Nigeria	547.0	Malawi	225.42
Zambia	477.0	Niger	183.48

b. The 10 largest recipients of 1990 funds were:

US		JAPAN	
Country	FY 1990 (US\$ million)	Country	CY 1990 (US\$ million)
Mozambique	55.43	Kenya	93.20
Uganda	53.63	Senegal	82.06
Senegal	43.42	Nigeria	78.74
Kenya	43.33	Ghana	71.90
Zaire	39.51	Ivory Coast	55.12
South Africa	32.07	Zaire	44.09
Malawi	30.42	Malawi	41.94
Ghana	29.27	Tanzania	40.68
Ivory Coast	26.04	Niger	36.92
Mali	23.14	Zimbabwe	25.78

The list of top recipients of assistance from AID and Japan are quite similar, with Kenya, Senegal, Ghana, and Zaire receiving significant funds from both countries, although assistance to Kenya and Zaire has recently been cut. Major differences in the list, such as Sudan, Somalia, Liberia, and Mozambique, are a result of significant amounts of American assistance due to drought and to US strategic interests. AID provides no funds to the Government of South Africa. AID's programs in South Africa provide assistance to NGOs, community groups, and victims of apartheid. Other large recipients of US assistance in 1990 were South Africa Regional Program (\$49.784 million) and the Africa Regional Program (US\$ 233.893 million).

(Sources: CP FY 1992, Ministry of Foreign Affairs for Japan (MOFA). US amounts include DFA, PL480, and Regional funds.)

3. Sectoral Allocation

AID, OECF, and JICA divide their assistance into different sectors. The DFA sectoral allocation is the estimated amount for FYs 1990 - 1993. The OECF sectoral allocation is for its loan assistance to Africa as of March 31, 1992. Japanese grant assistance figures include grant assistance provided by JICA and MOFA in 1989 and do not include technical assistance.

<u>DFA</u>	<u>OECF</u>	<u>JAPANESE GRANT ASSISTANCE</u>
Private Sector 24%	Transportation 32.0%	Transportation, Communication 13.8%
Agriculture 20%	Commodity Loan 27.8%	Other Social Services 13.5%
Education 19%	Telecommunications 16.7%	Agriculture, Forestry 10.9%
Health 13%	Irrigation & Flood Control 5.3%	Education 7.7%
Population 8%	Mining & Manufacturing 4.5%	Debt Relief 5.2%
Natural Resources 7%	Social Services 2.5%	Health 5.1%
Other (including democracy/governance programs) 10%	Electric Power & Gas 2.0%	Other 43.8%
	Agriculture, Forestry & Fisheries 1.2%	
	Other 8.0%	

(Sources: AFR, OECF, JICA)

Japanese assistance continues to emphasize infrastructure projects in transportation, communication, and telecommunications. This is in sharp contrast to AID's emphasis on agriculture and the social sectors. Although the allocation for AID's private sector development programs seems rather high, these programs are usually directed at a certain sector, such as agriculture or natural resources. Therefore, the percentages of projects that aid the other sectors are actually higher.

4. Nature of Projects

a. Composition of loans, grants

AID no longer provides any loans as part of its assistance. However, some countries are still making payments on past loans. Under the Brooke Amendment, if countries fail to make payments, assistance is halted until the arrears are cleared. For Japan, however, loans make up a large part of assistance. Out of 1990 bilateral disbursements worldwide, ODA loans made up 56.5% and grants were 43.5%. This is due to Japan's development philosophy of supporting countries undertaking self-help measures. However, since Africa has such a large share of the world's poorest countries, the grant share of Japanese

assistance to this region is much larger. In FY 1989, grants, including technical assistance, made up 60% of total bilateral aid to Africa and loans, the remaining 40%.

b. Project assistance and non-project assistance

Project assistance, including grants and assistance to PVOs, has been and remains the main component of AID's assistance to Africa. However, with the creation of the DFA, Congress allowed AID to spend up to 30% of its assistance to Africa in "non-project" type assistance. This type of quick disbursing assistance can be provided as cash grants, or through the Commodity Import Program (CIP), which is based on sector reforms. AID's non project assistance must be sector-specific and may not be like the macroeconomic structural adjustment programs of the WB and IMF. However, AID often collaborates with the WB and designs its programs to target a certain sector and to be complementary to the overall adjustment program of the recipient country. Non-project assistance under the DFA is usually only provided to focus countries.

c. Coordination with PVOs (or NGOs)

Part of AID's close link to the grass roots and local communities in Africa is due to its extensive use of and relationship with PVOs. American, international, and indigenous PVOs contribute to the effectiveness and relevance of development programs, especially in the rural areas. AID recognizes that policy reform cannot produce sustainable development without popular participation. In compliance with the DFA mandate of having people level impact, PVO-directed projects are successful at fostering popular participation in development of social sectors and the economy. For FYs 1991-1993, approximately 18% of assistance under the DFA will be directed through approved PVOs. In addition, 75% of PL480 Title II food aid is earmarked to PVO programs. To be eligible, PVOs must register with AID and be subject to accountability standards.

With regional funds, AID developed a PVO Initiative Project (PIP) in Africa which encourages stronger links between African NGOs and American counterparts. Part of the PIP is the Partnership Initiative Fund (PIF), which provides small grants to PVOs for a variety of local development projects as well as information sharing activities. AID also established a PVO Liaison Task Force to promote dialogue between PVOs and AID to ensure more PVO input into developing assistance strategy.

5. "Strategic Assistance" vs. "Development Assistance"

Some may suggest that the large share of the Economic Support Fund (ESF) in the total USAID budget indicates the "strategic" nature of U.S. foreign assistance. The ESF "addresses economic and political foreign policy interests of the United States, in some cases related to military base rights or access rights agreements. To the extent feasible, the use of ESF conforms to the basic policy directions underlying development assistance." (A.I. D. Congressional Presentation Fiscal Year 1993, p. 31)

A.I.D. FY 93 Budget Authority Request (US\$ million)

Total A.I.D. Development Assistance (including Development Fund for Africa)	2,878.0 775.6)
Economic Support Fund (ESF)	3,123.0
Special Assistance Initiatives (MAI (Philippines) and Eastern Europe)	530.0
Humanitarian Aid to New Independent Republics (Former Soviet Union)	350.0
<hr/> Total A.I.D. Economic Assistance	<hr/> 6,881.3

(from A.I.D. Congressional Presentation Fiscal Year 1993, p. 14)

A large proportion of ESF funds are used in the Near East region. For example, U.S. economic assistance to Israel and Egypt comprises about 30% of total U.S. bilateral economic assistance and is composed of ESF funds. ESF to Israel is all cash grant. ESF to Egypt is a mix of cash grant and project assistance which includes infrastructure projects, in contrast to most of USAID's other development assistance programs. The State Department makes most decisions on the allocation of ESF funds.

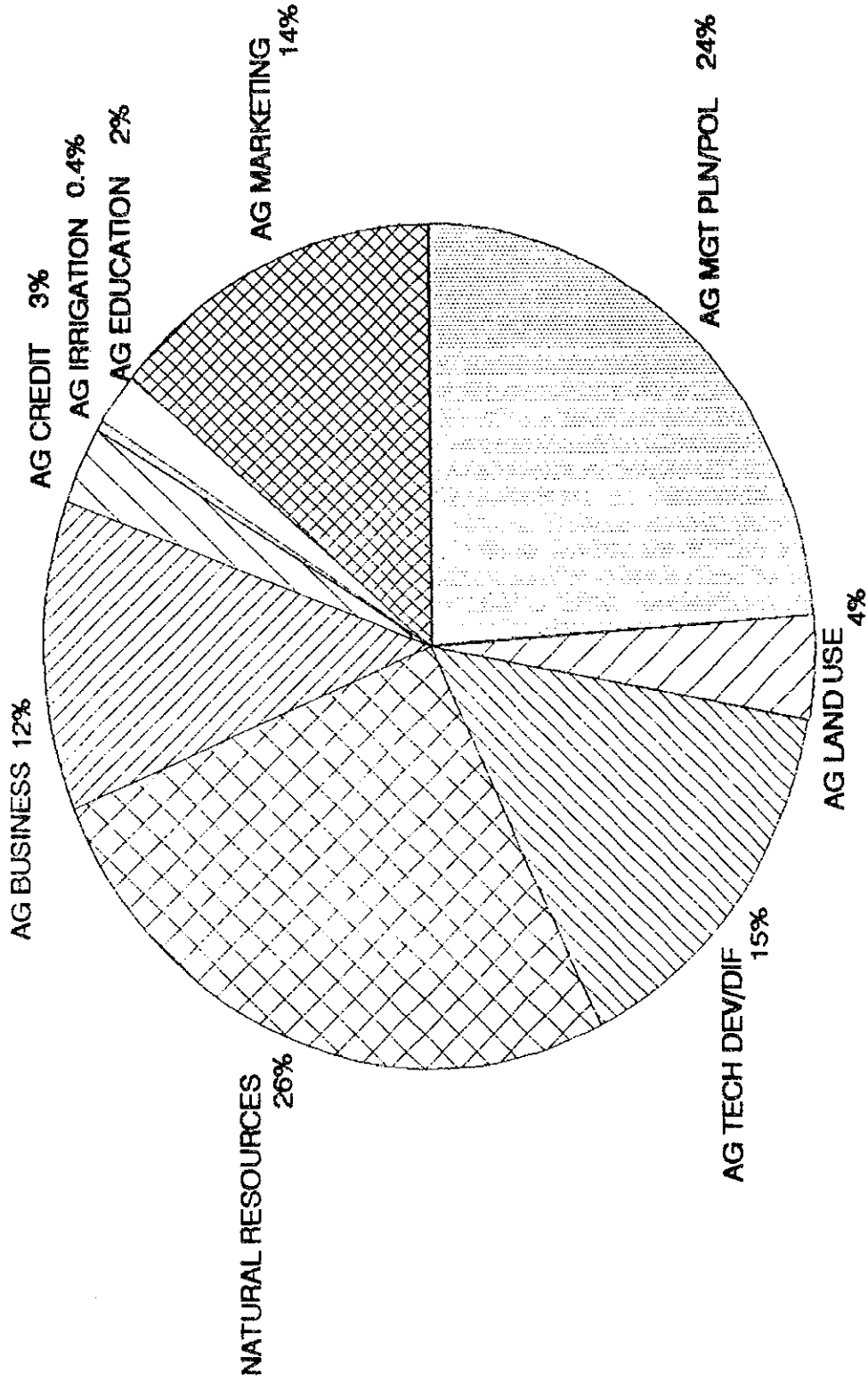
In the case of assistance to countries in Sub-Saharan Africa, ESF funds are fairly small, and USAID has a great deal of authority in making the country allocations of assistance in the region. In this sense, USAID assistance to SSA countries has a more "developmental assistance" nature rather than a "strategic" nature.

Economic Support Funds FY1993 Request (by Region) (US\$ million)

Africa	19
Asia	145
Europe	78
Near East	2,118
Latin America and Caribbean	651
Other	112
<hr/> Total ESF	<hr/> 3,123

(from A.I.D. Congressional Presentation Fiscal Year 1993, p. 114)

DFA PERCENTAGE ALLOCATIONS FY 90 - 93



AGRICULTURAL & NATURAL RESOURCES

SOURCE: DP ABS 4/27/92

II. CHARACTERISTICS OF AID STRATEGY IN SUB-SAHARAN AFRICA

BACKGROUND OF DFA

Despite years of development programs and billions of dollars of assistance, Africa in the 1980s was still ridden with poverty, hunger and underdeveloped economies and infrastructure. In addition to problems caused by drought and conflict, prices for some key exports fell dramatically, while prices for much needed imports rose. Government industries were operating at a loss and external debt problems further strained already insufficient resources. The resulting instability caused foreign investment to drop. However, the disappointment of failed policies and the fall of communism were among several factors which helped to spark a movement towards political and economic liberalization. By the mid-1980s, many African governments had begun major policy reforms to try to reverse their decline.

Congress and AID realized that the situation in Africa required a new way of providing aid. The Development Fund for Africa (DFA) was developed as a way to ensure stable and sufficient funding for the region and to tailor the program to achieve the best results. AID did not set out to impose certain policies on African governments. Rather, the DFA was created to provide support for those governments who themselves undertook positive reforms compatible with sustainable growth. All programs of the DFA support the overriding goal of broad-based, market-oriented, sustainable economic growth.

Previously, the Africa Bureau functioned like the other regional bureaus. Congress earmarked how much money could be spent in specific sectors. The idea of the DFA, however, was to use AID funds in the areas where AID has a comparative advantage and can produce the best results. To give the Africa Bureau the flexibility this requires, DFA funding does not contain such earmarks. Congress did establish "targets," however, that it expects DFA to reach. A target of 10% each is set for health, population, and the environment (natural resource management) and 5% for AIDS. These targets are Africa-wide and can be met through a combination of DFA and central program funding.

The DFA changed the strategies, the allocation of the budget, and even the type of funding, resulting in more non project assistance, more concentration, and more delegation to the field. AFR's challenge is to identify each individual country's situation and appropriate solutions for their specific problems. The DFA was created for FY 1988 with an initial funding of \$500 million. That amount was increased in FY 1991 to \$800 million and has remained at that level. This money includes \$50 million for the SADCC program in Southern Africa to be explained later.

FOUR BASIC OBJECTIVES

There is now widespread agreement among donors and African governments that the only way to achieve sustainable economic development is with a strong private sector leading the growth. To achieve this goal, AFR developed four basic objectives. Although the missions are responsible for proposing individual country strategies, their plans should be consistent with these objectives. As stated in the DFA Report of 1991, these objectives are to:

- a. encourage policy and institutional changes which will help African Governments to provide public services more efficiently,
- b. support actions which will make markets more competitive and encourage private business,
- c. strengthen the foundations for long-term development, and
- d. improve food security.

a. Encouraging Policy and Institutional Changes. This objective is to create the policy atmosphere required for development of a prosperous private sector. AID's programs support this objective by focussing on improved fiscal and monetary policy. The programs encourage privatization and reducing the role of government, and work to improve equity and efficiency in those services the government does provide.

In this area, AID works primarily through the Special Program of Assistance (SPA) for Africa. This international donor effort uses quick-disbursing sector assistance and debt relief to promote government reforms. Both Japan and the US are major participants in this program and for 1991-1993, were first and second, respectively, in pledge amounts. Due to these reforms, participating countries have made gains in fiscal management, balance of payments, and increased investment.

In an effort to improve government services, such as health and education, SPA has a public expenditure initiative which encourages governments to streamline management of services and allocate more money to these sectors through better management of the overall budget.

Although US assistance to SPA is allocated separately from DFA funding, AFR works closely with SPA in coordinating its programs. As part of the congressional mandate to focus and concentrate, AID may not undertake broad based structural reform programs like the World Bank. However, they have initiated sector assistance programs, especially in education and health. AID has found that programs which include changes in sector policy lead to more sustainable outcomes than those with only direct and technical assistance as in past programs.

AID assistance in this area aims to encourage local community participation and to illustrate to governments existing regional, gender, or cultural disparities in social services. AID activities include sector assessments, training, grants requiring community and private sector involvement, and matching funds programs to complement locally-initiated efforts. AID helps governments in the reallocation of budgets, development of efficient policies, and creation of incentives for private sector involvement.

Countries who participate in these reform programs, are better able to handle debt burdens, and learn to work with instead of against the private sector to create and maintain a stable economy.

b. Making Markets More Competitive and Efficient. In addition to sound government policies, competitive and efficient markets are necessary for private sector growth. AID has identified three areas around which to center its programs: promoting an enabling environment for private enterprise, strengthening market incentives for private production, and reducing physical barriers to business and trade.

An enabling environment is one in which private firms can compete. AID programs provide technical assistance to private companies and work to get governments to phase out monopolistic parastatals. Programs extend assistance to governments who make efforts to liberalize markets by deregulating imports and distribution, simplifying regulations, reducing price controls, and eliminating export taxes. These reforms provide incentives for new businesses. In a free market, a larger share of the price goes to farmers, stimulating exports and new investment.

Of course, without the physical infrastructure needed to move supplies, marketing costs stunt any possible economic growth. Through start up assistance and training, AID contracts services from local firms to improve infrastructure. An especially effective feeder roads program has reduced market costs in both Ghana and Tanzania.

The basic goal is to help the governments use the resources they have to implement programs that create incentives for investment. Through such programs, which enable the private sector to grow and compete, employment is generated both on and off the farm raising income and, therefore, the standard of living.

Although foreign investors are still skeptical about the risks in African countries, other AID programs provide important information on the status of the markets to potential foreign investors. AID has also employed business experts for a series of country studies to determine the major constraints facing individual governments.

c. Creating the Foundations for Long-term Economic Development. Even with an efficient market system, natural resources, equipment, and a healthy, skilled labor force are needed to insure that growth is sustainable. Many countries in Africa have limited natural resources and even for those countries with great resources, some development practices have exploited these resources in an unsustainable way. It is, therefore, especially important to determine how they can be most effectively used to ensure that there will be sufficient or even increased resources in the future. AID development projects allow not only for efficiency in the short term, but for the conservation of resources in the long term.

Again, AID places emphasis on policy dialogue and sector adjustment. A policy environment must be in place to make it possible and profitable for the farmer to be interested in long term sustainability. AID also supports biodiversity and conservation projects that feature local management of resources. Long term increases in agriculture production are especially critical in Africa, where population growth has out-paced food productivity. Better productivity will ensure the most effective use of available resources. Technological advances, such as the development of hybrid varieties of seeds that yield higher volume or are drought or insect resistant, have increased African agricultural output. Research programs in this area continue, but AID also realized the need for farmers to be knowledgeable and willing to take advantage of the new technology. Technology development and transfer projects aim for better research management, and improving links to the private sector and to the International Agricultural Research Centers.

AID's programs also work to enhance the skills of the labor force, both in and out of the agriculture sector to contribute to the economic well-being of the African household.

AID supports several training programs in which participants can be trained in the United States or in other developed or developing countries. A successful program has introduced training workshops in several countries to enable Africans to train other Africans themselves. AID initiated a trainee tracking system to measure the success of the program.

Health problems threaten to weaken Africa's work force. AID's programs to improve health in Africa are closely coordinated with other donors' efforts and focus on immunization, oral rehydration therapy (ORT), and primary care interventions. AID has been especially successful in decreasing child mortality and efforts will continue in this area in addition to stepped up efforts to combat AIDS and resurgent malaria. Education and public awareness programs, improved monitoring systems, assistance to governments and local communities in the development of prevention programs, and research are all components of AID's health programs. AID is the leading donor in population activities. These will be explained in a later section.

d. Improving Food Security. Although food production has improved, population has grown even faster making food security a lasting concern in Africa. AID estimates that the availability of food per capita has declined 1% per year (DFA Report 1991). Food aid has not been sufficient to cover this discrepancy. AID's program is designed to improve three basic areas of food security: food availability, access to food, and whether food is lost or wasted. As the majority of Africans live in rural areas, AID focuses on improving agriculture production and productivity to increase food availability. Through a combination of DFA and PL480 programs, AID assists in necessary policy changes while providing direct food for short term shortages due to the reform.

Access to food is increased when people have jobs off the farm to produce sufficient income to purchase food. Liberalization of commodity markets is increasingly stressed to lower the cost of food, thus increasing access for consumers. Through AID's microenterprise development program, credit and training are provided for small agribusinesses to create off-farm jobs and to create markets that could supply food. Still, until these markets and jobs are created and functioning, food aid is necessary in many areas. Famine, drought, and civil unrest are other factors which determine food aid needs. AID supports programs that allow governments to anticipate drought and emergencies in order to have a rapid response ready. In addition, programs to improve storage and processing of food contribute to food security. AID has found that these programs also create jobs.

The above are the four underlying objectives which guide DFA program strategy towards the overall goal of broad-based, market-oriented, and sustainable economic growth. Most DFA projects involve a variety of components and therefore contribute to several, if not all, of these objectives.

DETERMINING COUNTRY STRATEGY: FOCUS COUNTRY APPROACH

The four objectives outline the Africa Bureau's general strategy for Africa. Specific strategies, however, are determined on a country by country basis by the missions with approval from AID/W. Due to limited resources, AFR was instructed by Congress to focus and concentrate in those countries where they can make the most difference. AFR initially identified 23 countries as "priority countries" (now called "focus countries") in which the majority, approximately 80%, of AFR's budget would be spent. The focus list is constantly changing however, as performance and situations in countries constantly change, affecting their eligibility for inclusion on the list. Congress has also pushed for further consolidation of the DFA focus list to around 15 countries.

Generally, focus countries are chosen based half on need and half on performance. AID's more detailed criteria policy is still evolving, but can be described as follows. However, before the criteria are even applied, only countries with populations over 5 million are considered, although this does not eliminate many countries. After that, the criteria fall into three basic categories.

The first criteria is need. American foreign assistance has always had a humanitarian component and this aspect is very important to Congress. Therefore, focus countries should be rated by UNICEF as having a "high" or "very high" rate of child mortality (under age 5).

The next criteria considered is economic policy. To make sure that AID money is not wasted, countries need to be on the right path towards improving their economy. AID looks at several factors, including the quality and effect of economic reforms, such as whether the markets are setting the prices and the allocation of goods, or if the markets are competitive and trade regimes open. AID also looks at public resource management to see how efficiently the governments use the money that they have. Basically, AID is looking for positive trends. For example, although its economy is very developed, Kenya was taken off the focus list last year because its progress had stalled under government corruption. Other countries may not be as developed, but could make the list if their economies are on the path of progress.

Finally, democracy and governance are increasingly important concerns of AID. This criteria ensures that large funds are not provided to governments that suppress their citizens and violate human rights. A country's citizens should have freedom of the press and of association. Human rights should be respected. Private sector transparency and public accountability are also considered.

These are the criteria that are considered in determining budget amounts for each country. As situations in countries change frequently, sometimes a country will develop economic or political problems that threaten focus country status. In such cases, as in the Ivory Coast and Cameroon, AID places them on a "watch list." Placement on the watch list indicates that there is concern about a country's progress and that AID will watch carefully for improvements before officially taking it off the focus country list.

Although focus countries receive the majority of funding, AID continues to provide assistance to those countries with need. Especially concerning emergency humanitarian aid, AID does not consider the policies of the government in which the affected peoples are

located. Due to budget constraints and the congressional mandate to focus and concentrate, there has been some discussion about closing missions in small countries. The State Department, however, is against this and wants to maintain a presence in many countries for political reasons.

DETERMINING SECTOR STRATEGY

AID is well known for its in-country presence and one visible trend is more delegation to the field. In keeping with the DFA mandate of having more impact on people, AID is planning to take advantage of that experience and leave more decisions to the missions. An already decentralized agency, AID is moving further in that direction. Apart from following the basic DFA objectives, strategy in Africa is made on a country by country basis.

After AFR/W determines a rough budget amount using the above criteria, it sends a budget cable to the missions. The missions use that figure to formulate their official budget request and strategic program. Through research, policy dialogue, and evaluation of previous projects, the mission analyzes the major constraints to development and then choose a maximum of 3 or 4 broad key objectives in which AID can make the most difference. Missions in non-focus countries choose only 1 or 2 objectives. In their budget request, the missions must justify these objectives and show how the programs will directly affect African lives. If needed, focus countries may also identify "targets of opportunity" for smaller, but essential programs outside the main objectives.

At this time, AID/W must still approve the budget requests, however the degree of autonomy extended to missions varies according to the size and expertise of mission staff. Upon receipt of the budget request, there is a review by AID/W (a full week for focus countries) for approval.

Missions also prepare a Country Project Strategy Paper that outlines the mission's strategy for a period of time, usually 5 years. In some situations, if this paper is approved, the mission itself may approve individual projects and programs within that framework.

OTHER DFA PROGRAMS

1. South Africa Regional Program

The South Africa Regional Program (SARP) provides DFA support to the South Africa Development Coordination Conference (SADCC), an organization of the 10 majority-ruled southern African nations: Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia and Zimbabwe. The purpose of the SADCC is to improve coordination between these countries and to reduce economic dependence of the region, especially on South Africa. AID has assisted SADCC towards its objectives at a level of \$50 million per year, an amount which was earmarked by Congress before the DFA and is now a target. The SARP program is part of the Africa Bureau and is managed out of the mission in Harare, Zimbabwe.

Unlike other AFR programs, most of SARP assistance is directed at improving the capacity and efficiency of transportation, through infrastructure projects. Port development, rail links, and roads/bridges projects are especially important to the economies of the land-locked countries in southern Africa. Other projects focus on communications infrastructure. Another key area is protecting the limited natural resources of the region through coordinated agricultural research in food security and better use of land. SARP programs also seek to promote market principles and human resource development.

The recent drought has seriously affected this region and has made transportation, policy coordination, and food assistance even more critical to these countries. Some of the SARP funds have been shifted in these areas to such projects which directly aid the supply of and access to food.

2. Africa Regional Program

The Africa Regional Program provides funds that can be used in any of the AID countries in Sub-Saharan Africa. Projects provide specialized research, analysis, and training (both in the US and abroad) deemed necessary by the individual country missions. The program has focussed on issues in the agriculture, health, and education sectors, but there is a trend for more attention to the areas of democracy and governance, and privatization. Besides these two areas, other main strategies address cross-regional issues, such as strengthening regional organizations, providing important regional information to local governments, NGOs, and missions, and solving regional problems through research, analysis, and training.

The program is active in over 35 countries and is managed from Washington by the Africa Bureau. For FY 1993, the program request was \$121.88 million, including \$107.4 million in DFA funds and \$14.0 million in ESF funds. The regional offices for REDSO-East Africa and REDSO-West Africa receive their funding from the DFA Africa Regional allocation. Most Africa Regional projects allow for buy-ins from the missions for particular services from a given project. The second phase of the African Private Enterprise Fund Project is also planned for FY 1993 and is part of the Africa Regional Program.

3. Small Country Program

AID developed a program of assistance for those small countries with high poverty and low education and life expectancy, but in which there is no AID mission. For FY 1993, the program request included seven countries: Equatorial Guinea, Comoros, Central African Republic, Congo, Mauritius, Sao Tome/Principe, and Sierra Leone. The program

incorporates Peace Corps assistance, short-term democracy issues, human rights assistance, African Training for Leadership and Skills (ATLAS), and some food assistance from PL480. In some countries, small target sector projects, usually through PVOs are provided.

The programs are managed either by AID/W or by the Regional Economic Development and Support Offices (REDSO) in Nairobi, Kenya (REDSO-East Africa) and Abidjan, Cote d'Ivoire (REDSO-West Africa).

ESF AND PL480

Almost no Economic Support Funds (ESF) are provided to Africa at this time. In the past, they were used primarily as balance of payments support for countries strategically important to the US. The request for FY 1993 is \$19.3 million in Africa which provides ESF funds for Djibouti, Seychelles, and the Africa Regional program. As this type of funding has more political implications, both the State Department and AID decide the ESF allocation.

The PL480 "Food for Peace" program provides food aid for development programs and for emergency assistance. Resources for the program come from the USDA budget, but AID is responsible for managing the Title II and Title III programs. This program is discussed further in the Agriculture and Food Aid Programs section of this paper.

III. ORGANIZATION AND PROCEDURE

MODE OF OPERATION

ORGANIZATION

USAID has a total staff of slightly over 3000. This figure refers to all "Full-Time Employee" (FTE) positions. In addition, implementation of USAID activities also involves about 10,000 "Personal Services Contractors", including "Foreign Service Nationals" (staff hired by the overseas Missions). As part of the Directorate for Operations, the Bureau for Africa is responsible for the planning, formulation, implementation, management, and evaluation of all U.S. economic assistance to the region. The Bureau has about 240 staff. It consists of nine offices: Office of the Assistant Administrator (AA/AFR), Office of Coastal and Central West African Affairs (AFR/CCWA), Office of Eastern Africa Affairs (AFR/EA), Office of Southern Africa Affairs (AFR/SA), Office of Sahel West Africa Affairs (AFR/SWA), Office of Development Planning (AFR/DP), Office of Analysis, Research, and Technical Support (AFR/ARTS), Office of Operations and New Initiatives (AFR/ONI), and Office of Management Resources Planning (AFR/MRP). (See organizational chart.)

The Geographic Offices (AFR/CCWA, AFR/EA, AFR/SA, AFR/SWA) have leadership responsibility within AID/Washington for planning, coordinating, and monitoring all AID activities in the countries in their area. They are the locus of all country-related matters, including strategy, project, non-project, and food aid development, monitoring, implementation and review; personnel and budgeting; external relations and information; and donor coordination. They are the focal points of the Africa Bureau's relationship with the overseas missions.

The Office of Development Planning assumes the lead in defining the overall policy, program and procedural framework within which the country programs are designed and implemented, plays an active role in identifying and addressing cross-cutting issues, and assures necessary budget support. It collaborates with all relevant AID/W offices to 1) develop and monitor the Africa Bureau strategy for providing assistance to Africa; 2) manage an efficient, effective, and responsive budget allocation system; and 3) provide outreach in support of the Africa program. The Office of Analysis, Research, and Technical Support is the Bureau's principal source of senior analytical and technical expertise and leadership in the areas of macro-economics, social sciences, natural resources and environment, agriculture, health, population, human resource development, and labor productivity and employment. The Office of Operations and New Initiatives directs the Bureau's efforts in identifying, developing, and managing sustainable activities in the areas of a) private sector and market development; b) democratization/governance initiatives; c) regional projects in the technical and training areas; and d) critical Bureau program/project support activities.

AID is a relatively decentralized organization, and its Missions and representative offices overseas often have a large degree of autonomy and decision-making power. In Africa, there are 25 Missions, 8 representative offices, and 2 regional offices. The Agency is also represented by an AID Affairs Officer at the US Embassy in Lagos, Nigeria. The number of staff in the Missions varies widely depending on the magnitude of US assistance to the country. In the near future, the size of AID's presence in Africa will probably decrease, due both to budgetary constraints and to the decision to "focus and concentrate" AID efforts.

due both to budgetary constraints and to the decision to "focus and concentrate" AID efforts.

In comparison, JICA has around 1000 total staff members, while OECF has slightly under 300. There are eight JICA offices and four JOCV coordinating offices in Africa. OECF operates one office in Africa, in Nairobi, Kenya.

PERSONNEL POLICY

Recruitment

Non-secretarial staff may enter USAID through either the Civil Service or the Foreign Service system. Those who enter the Foreign Service often have both advanced degrees and relevant development experience. Of the group of 50 who joined in 1991, 31 entered as International Development Interns, while 19 were mid-career hires. All held Masters degrees, and a few held a Ph.D. About 65% had experience with the Peace Corps. Of the total 1750 Foreign Service officers in AID, between 40% and 45% have served with the Peace Corps. The selection process emphasized the following: relevant job experience, overseas residential living experience in a developing country, and a Masters or higher degree. Individuals who have worked with AID as "Personal Service Contractors" often successfully apply for direct-hire status. It is believed that such individuals have not only extensive knowledge of the development field, but also some insight into the organization and functions of AID. The average age of AID foreign service entrants is 30 to 34 years.

Government Schedule (GS) employees at AID number 1500, of which 900 are administrative support staff. They enter the Agency through the U.S. Government recruitment procedures.

In general, AID does not recruit those with expertise in a certain region, although they may be placed in a certain Bureau depending on the outcome of the "bidding" process, which is used to place Foreign Service officers throughout the Agency. AID tends to value the demonstrated ability to work well in an international environment when making recruitment selections.

Training

Those with advanced knowledge of Africa and development issues usually do not acquire that expertise through specific AID training initiatives. Rather, it is often gained through direct experience both before and after entering AID. AID does provide Country Specific Self-Study Courses which contain an overview of a country's geography, history, culture, economic development, etc., but these provide only a cursory introduction to the country. Most training developed by the Training and Staff Development Division provides information on development in the broader sense and is applicable to all Bureaus.

For example, upon entering AID, all non-secretarial staff participate in the New Entry Training Program (NETP). It consists of a four week New Entry Training Course (NETC) and a one week Project Design Process (PDP) program. NETP is "designed to provide new employees with the basic Agency-specific knowledge and skills required for them to function optimally in their initial assignments, whether in AID/W or overseas, and enhance their long-term career performance." The course includes segments on the budgeting process, Congress, program areas, sources of information and assistance, management training, and ethics. PDP provides new personnel with a "condensed review of basic guidelines and practical aspects of AID's system and procedures for project design." The course includes a combination of case studies, plenary presentations, discussions, and individual and group exercises. Introductory training for those entering as International

Development Interns (IDIs) includes rotations in AID/W for about one year and experience at an overseas Mission for one year.

Staff preparing to go overseas often participate in area studies courses through the Foreign Service Institute. AID also offers Country Specific Self-Study Courses which contain an overview of a country's geography, history, culture, economic development, etc. In addition, AID employees assigned to a Language Designated Position (LDP) and not in compliance with language requirements or who require language training for tenure must participate in foreign-language training. AID provides this training through contracts with the Foreign Service Institute and other Washington, D.C.-area language schools.

Mid-career training in Washington covers topics ranging from contracting procedures and project operations to environmental impact assessment. The Development Studies Program is a career development course for Foreign Service officers of grade FS-2 and above, GS officers grade 14 or above, and some senior Foreign Service Nationals. It is a 7 1/2-week intensive course conducted by the Institute for International Research and American University through a contract with AID. Mid-career training for individuals also may take the form of Long-Term Training or Short-Term Technical and Executive Training (STET). Long-Term Training provides an opportunity for individuals to spend two semesters at an academic institution. The program focuses on the Administrator's initiatives: Democracy, Partnership with Business, Family in Development, Environment and Natural Resources, and Strategic Management, as well as on Monitoring and Evaluation and Economics. STET usually lasts two to sixteen weeks and provides focused training with specific competencies in mind for employees with an immediate skill development need in their current work load or identified in their next assignment. In addition, much "ad hoc" training takes place in Washington, with the participation of those based in the US and overseas, as well as Foreign Service Nationals and some Personal Services Contractors.

Any other training more specific to a region may be conducted at the initiation of the Regional Bureaus. If a Regional Bureau does decide to conduct a course on a specific topic, the Office of Training often assists in the planning and implementation of the course. Missions and regional offices also conduct training programs. These may be either in conjunction with an AID/W-sponsored course offered overseas or independent of headquarters. Participants may include U.S. direct hires, Foreign Service Nationals, and Personal Services Contractors. Funding is obtained from the Mission's budget.

In addition to participating in such training courses, AID staff gain much of their expertise through experiential and/or "on the job" training. Many enter the Agency with ten years of experience overseas, often in a certain region, such as Africa. Upon joining AID, they continue to build upon this knowledge base by working overseas and in AID/W.

Consultants vs. "Direct-Hire" Staff

AID hires consultants on a short-term basis for many purposes, including project planning, implementation, and evaluation. A variety of factors influence the decision to use outside personnel rather than in-house expertise. For one, due to declining resources, AID often does not have sufficient direct-hire staff to carry out all of its functions. In such cases, it is forced to turn to contractors, often at a greater ultimate financial cost. Related to this smaller total number of people is the presence of fewer experts on specific topics. Consultants may be hired for expertise in specialized fields which AID lacks. Finally, in some cases, the use of private consultants allows the Agency to avoid negotiating with foreign government bureaucracy about using a member of the U.S. government.

Comparison to JICA and OECF

Most career-path JICA staff enter after graduation from university; at present, about thirty per year join the organization. JICA does some mid-career hiring, but usually only to fill vacancies of those who have left. At present, about two or three individuals per year enter JICA at the mid-career level. Upon entering JICA in April, the recent graduates participate in a systematic orientation training course. Over the course of two weeks, they learn about JICA and the functions of its various departments, in part through discussions with senior JICA officials. Each member of the class then works in an individual department for two weeks before returning for another two-week group training course with the other recent entrants. After the completion of these formal segments, recruits join a department for an assignment of one year. During that time, they must report on their activities every three months.

Other training courses are available to JICA staff. The organization provides specialized courses on development- and country-related issues of one to two weeks, in addition to language courses and opportunities for study at universities abroad. JICA staff may work at another ministry of the Japanese government, such as the Ministry of Foreign Affairs, MITI, the Ministry of Construction, or the Overseas Economic Cooperation Fund. In turn, staff of other ministries may be seconded to JICA.

Thus, JICA does not emphasize experience in development as a criteria for recruitment to the same degree as does USAID. New entrants often join immediately after university or graduate school and learn as they work with the organization. Training is also more centralized than in USAID where staff often participate in training courses sponsored by overseas Missions, often together with Foreign Service National staff.

In addition to training for its own staff, JICA, through the Institute for International Cooperation (IFIC), sponsors courses for the experts it recruits for technical work. Short-term training involves a one-month program with a focus on a specific sector, followed by one month of language training. Medium-term training, which precedes a specific assignment, lasts four months and includes a visit to the country of interest.

OECE systems of recruitment and staff training are very similar to those of JICA.

ROLE OF AID/WASHINGTON VS. MISSIONS

USAID is a particularly decentralized organization and has a very large "field presence." In fact many in the Agency consider this factor one of AID's comparative strengths. In addition to placing a large number of personnel in the field, AID delegates much of the responsibility for strategy and project development to personnel stationed in the host countries. The Missions create five-year development strategies and plan, implement, and even evaluate projects. The Mission Director often makes the final decision about what AID will or will not do in the host country.

Comparison to JICA and OECE

This decentralization and concentration of authority in the field contrasts sharply with the high degree of centralization in Japan's aid agencies. JICA has a fairly broad field presence, but most overseas offices do not have a large staff. Further, the primary responsibilities usually revolve around overseeing projects, managing logistics for Japanese experts and visiting study teams, and, in some cases, coordinating the activities of Japan Overseas Cooperation Volunteers (JOCV). Development of strategy and planning of projects is centered around Tokyo, with study teams sent out to host countries on short fact-finding missions. These study teams also often meet with the relevant host country government officials.

Since OECF has a much smaller staff than OECF or JICA, it does not operate as many field offices. At present, OECF has sixteen overseas offices, ten of which are in the Asia region, with one each for the Sub-Saharan African Region, the Middle East and North Africa Region, and the Southern Africa Region. The remaining three OECF offices are in OECD countries.

In the Asia region, where each of the major recipient countries of OECF loans has an OECF field office, decentralization of the field offices has progressed to a certain extent (particularly with regard to the implementation stage of the projects). However, in the Sub-Saharan Africa region, where OECF has a field office in Nairobi, Kenya, OECF operations are still highly centralized.

CENTRAL BUREAUS VS. BUREAU FOR AFRICA AND MISSIONS

The Central Bureaus are responsible for mobilizing the research, field support and leadership capabilities of U.S. institutions: the technical and scientific community, universities, the private sector, and private voluntary organizations (PVOs), in addressing critical problems of the developing world. They include the Bureau for Research and Development, the Bureau for Food and Humanitarian Assistance, and the Bureau for Private Enterprise.

The Bureau of Research and Development is particularly heavily involved in projects. It was established to provide scientific and technical support requested by USAID field missions and to administer the Agency's central research and development programs. Although it does not have a specific focus on Africa, its various offices work extensively in Africa, using both its own and Africa Bureau/Mission funds. The R&D Bureau consists of the Offices of Program, Management, International Training, Research, Agriculture, Environment and Natural Resources, Energy and Infrastructure, Education, Economic and Institutional Development, Women in Development, Nutrition, Health, and Population.

The Offices of the R&D Bureau are active in projects both through providing technical support to Regional Bureau projects and through carrying out their own centrally-funded projects. They also conduct research applicable to their areas of specialization. A more detailed example of the role that the R&D Bureau may play in projects will be provided in the section on Population and Family Planning.

FUTURE DIRECTIONS

The future of USAID procedures and operations, and even of the organization itself, depends on the views of the new Democratic administration and of the many new Members of Congress. In any case, USAID will probably undergo change. Throughout 1991 and 1992, the Agency has undergone scrutiny by the General Accounting Office and a Presidential Commission, among other organizations. Recommendations vary from tightening up internal accounting procedures to rewriting the Foreign Assistance Act of 1962 to merging AID with the State Department. Obviously, changes in the overall organization will impact on the Africa Bureau and assistance to Africa and on the way that aid is allocated and implemented. Any changes, however, will take place only after the new Administration and Congress assume power in early 1993.

PROJECT AND BUDGET PROCEDURE

INTRODUCTION AND OVERVIEW

The "cycle" of most projects includes identification, planning, implementation, and evaluation phases. The nature of each of these steps varies between organizations, depending upon its structure and goals. As one example, project procedure at AID reflects its high degree of decentralization. The section following focuses on the procedure for projects originating in the Regional Bureaus/Missions. The documents used for projects originating in the "Central Bureaus" are largely the same, although the locus of activity and decision-making would differ.

PROJECT IDENTIFICATION AND SELECTION

For the most part, overseas Missions, often together with host country government representatives and NGOs, identify potentially viable project areas. In the Bureau for Africa, Missions are strongly encouraged to focus on two or three promising sectors. The formal document which details the Mission's development strategy for the country is the Country Program Strategic Plan (CPSP). (Note: The document may be referred to as the Country Development Strategy Statement (CDSS) in other Regional Bureaus.) It is prepared every three years and updated annually if necessary. The CPSP summarizes the Host Country's social and economic development status; progress and constraints to development; development plan and resources; and sectoral and assistance strategy, within the framework of current AID/W policy and guidelines.

After completing a CPSP, Missions send the document to AID/W for comments and approval. AID/W approval signals that Missions may proceed with the strategies outlined in the CPSP. As the project process unfolds, they are required to note how any new projects fit into the framework described by the CPSP.

Ideas for new projects may emerge from a variety of sources: overseas Mission staff, AID/Washington, host country counterparts, or NGOs. The New Project Description is the initial preliminary proposal for a specific project. (Note: May also be termed a Concept Paper or a New Project Narrative (NPN).) It may be included in the Annual Budget Submission (ABS) or submitted separately to AID/W for review. AID/W reviews the NPD and informs the Mission as to whether to proceed with the new project.

The first formal document in the process which leads to the approval of a specific project is the Project Identification Document (PID). It outlines the description, rationale and estimated cost for a new project; its basic purpose is to convince AID management that the preliminary proposal has merit, that it seems better than alternative solutions to the problem, and that it makes sense to devote personnel and further financial resources to the project.

The PID is prepared by the USAID Mission in collaboration with Host Country counterparts. It includes analysis of the relevant sector and discusses the analytical basis of the activity. It should cover program factors, project description, and factors affecting project selection and further development. Once completed, the PID is evaluated by either the AID overseas Mission or by AID/Washington. Approval of the PID signals authorization to proceed with project planning based on concepts defined in the PID.

PROJECT PLANNING

The major project planning document is the Project Paper (PP). It is prepared by AID overseas Mission staff together with host country counterparts. The document presents the rationale, a thorough analysis, plan, schedule, cost estimate, and recommendation for a new project, complete with supporting documents, table, schedules, and special studies. The presentation of the project in the PP serves two purposes: to provide (i) the basis for approval of the project by the appropriate AID official; and (ii) a historical record of the original project rationale, description of project elements, analyses supporting the proposed design, and initial project implementation and monitoring plans. The PP is reviewed and approved by the AID Mission or by AID/Washington.

The document used next in the project process is the Project Authorization and Request for Authorization of Funds (PAF). It is an internal AID document used by AID/Washington which gives substantive approval for a project to move from the planning stage to the stage at which the Project Agreement (PROAG) is ready to be signed and implementation initiated. The PAF approves a specific project and its budget as described in the PP and sets forth the planned duration of the project. It authorizes the negotiation and signing of a PROAG and funding for the project. It is usually signed by the USAID Mission Director.

IMPLEMENTATION

The Project Agreement (PROAG) is the USAID document which officially obligates assistance for an activity, thus allowing the implementation process to begin. It is prepared by the AID Mission in negotiation with Host Country counterparts and summarizes the amount and type of funding and the responsibilities of the US and the Host Country in implementing the project and includes an updated implementation plan. The PROAG permits the formal start-up of a project and often describes certain conditions precedent to disbursement. It is a legal agreement between the host country and the US and is signed jointly by USAID and host country representatives. USAID must submit a Congressional Notification (CN), which contains a description of the project, and allow Congress fifteen days to dispute the proposal before signing the PROAG.

As the next step in the document stream, the Project Implementation Letter (PIL) establishes a formal channel of communication between USAID and the host country. It explains or clarifies PROAG provisions, AID requirements, and additional approvals. It provides administrative, financial, and/or technical guidance or clarification to the counterpart host country project manager and formally recognizes and approves host country actions, such as meeting of conditions precedent. AID uses the PIL to provide continuing guidance and acknowledgement of progress.

The document which specifies the use of project funds obligated in the PROAG is the Project Implementation Order (PIO). The PIO may be used to procure specialized technical services (PIO/T); to procure project commodities, equipment, and supplies (PIO/C); or to provide for host country personnel training as participants in the US or third countries (PIO/P). The PIO is an internal AID document which describes the requirements for a subsequent contract; it is approved by both host country and USAID representatives. The resulting contract is often directly between USAID and an organization in the US. The contracting organization then conducts its own negotiations with the host country government prior to beginning operations.

EVALUATION

During the course of the project, the USAID Mission and the Host Country Counterpart Project Officer prepare the Project Evaluation Summary (PES) which summarizes progress and highlights problems, action decisions, and unresolved issues. Every Mission has an evaluation schedule with the host country in order to conduct ongoing evaluation activities.

After the completion of the project, AID utilizes a Project Completion Report and a Project Impact Evaluation. AID places particular emphasis on impact, both intended and unintended.

BUDGETING AND FUNDING AUTHORIZATION

The budgeting and funding authorization processes which accompany the project process involve many parties: AID Missions, AID/Washington, the White House Office of Management and Budget, and the US Congress. It begins with AID/W notification to the Missions of appropriate funding levels. With these levels in mind, Missions prepare the Annual Budget Submission (ABS), which AID/W reviews and adjusts. USAID submits an overall ABS to the Office of Management and Budget (OMB) which, through ongoing discussion with USAID, prepares the annual Congressional Presentation (CP). The CP details the AID request for funding, including levels for specific programs and countries and may include the Congressional Notification (CN) for proposed projects.

After receiving the CP, both the Senate and the House conduct hearings and, ideally, pass a Foreign Aid Appropriations Act, which authorizes a certain level of funding for the Agency. The Act also often includes Congressional "earmarks" which mandate that certain amounts should be reserved for activities which the Congress views as particularly important, such as population and child survival programs. In some cases, however, Congress is unable to pass an Appropriations Act, and AID must operate under "Continuing Resolution"(CR). Under CR, AID receives the same funding level as in the previous year.

After passage of Appropriations legislation, the OMB apportions funds and AID receives an Operational Year Budget (OYB). Only after approval of an OYB may funds be authorized for spending in the PAF by USAID and its Missions. After the PAF is signed, new projects proceed with the PROAG as described above.

COMPARISON TO JICA/OECF

The USAID project process differs from that of JICA and OECF in many ways. At a very basic level, the Japanese aid program operates on a "government request" basis. Thus, a recipient government makes a request for funds for a specific purpose, and the Japanese government then considers whether or not to fund the request and, if so, in what form (i.e. loan, grant, technical assistance, etc.) to extend assistance.

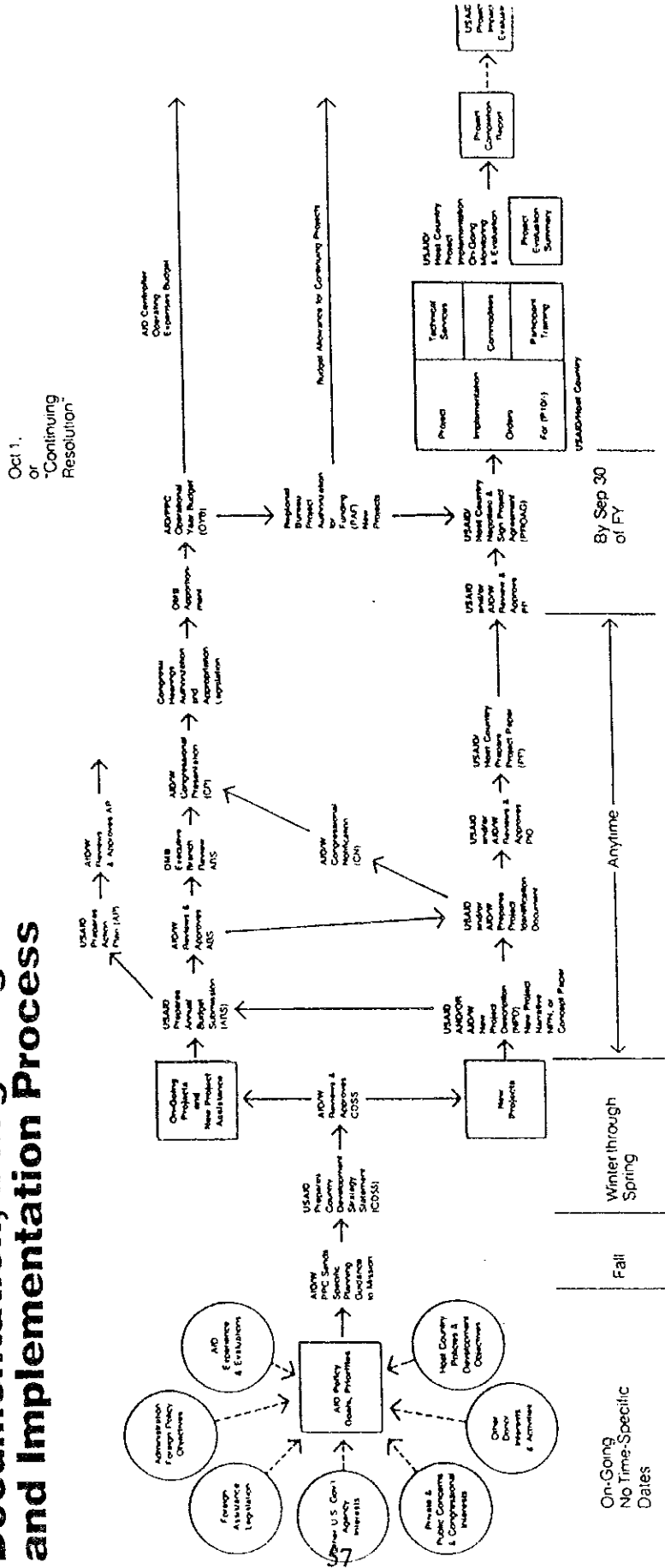
JICA/OECF DEVELOPMENT ASSISTANCE STRATEGY FORMULATION

The individual steps of the project process in Japan's aid program also differ from those in use at USAID. For one, whereas USAID itself is involved at all steps of the project cycle, Japan's practices often involve a larger number of parties. For example, project identification is carried out by the recipient government. Alternatively, a JICA "project finding team" may be dispatched. Project formulation and feasibility analysis are also often completed by JICA, even in the case of OECF loans. Further, the approval process for Japanese aid is far more centralized, as are other components of the assistance program. In

the case of OECF loans, implementation is strictly the responsibility of the host country government, a policy which differs from that in use at AID.

USAID's project process differs from that of JICA and OECF in many ways. The Japanese aid program operates on a "government request basis." Projects are identified only after the recipient-country government has taken the initiative. In order to support the recipient-country government in project formulation, JICA may carry out a master plan or a feasibility study. However, the decision of whether to request Japan's assistance for funding of projects identified by these JICA development studies is purely the decision of the recipient-country government. If the decision is made to request loan or grant assistance from the Japanese government, however, even if a Feasibility Study has been completed by a Japanese organization such as JICA, a loan or grant will not be automatically extended. An appraisal must still be carried out by OECF or the Japanese government. In other words, particularly in the case of loans, the fact that the project identification (in some countries with the assistance of JICA) and appraisal (OECF) steps are clearly separated is a distinguishing feature of Japan's system; this characteristic is very different from USAID's practice of one institution identifying, appraising, and implementing projects. There are various advantages and disadvantages in both methods. In the case of USAID procedures, advantages include the ability to reflect USAID ideas and strategies from the project design stage. However, the recipient country's feelings of "ownership" toward the relevant project may be weakened, and the donor may lose the opportunity to examine critically the project from a "third party" objective viewpoint. There is the possibility that assistance may become rather self-complacent. In the case of the Japanese method (particularly for OECF), one could state exactly the opposite as for USAID.

Overview of the AID Program Planning, Budgeting and Implementation Process



DONOR COORDINATION

Efforts towards donor coordination on assistance to Africa occur at several levels. A great deal of discussion and coordination takes place in the "field." AID Missions overseas often hold weekly meetings with other donors in order to prevent redundancy in efforts and contradictory policy advice. Representatives from different donors may cooperate on project planning, implementation, financing, and supervision. Ideas for new initiatives may build upon previous projects of other aid agencies. As one example, USAID's agricultural policy reform program in Ghana is based on an earlier World Bank agricultural policy reform program. The World Bank provided a broad framework and helped to coordinate links between the two initiatives.

Donor coordination between USAID and other donors also occurs at the staff level in Washington. One AID official described the "collaborative mood" between World Bank and USAID staff. The two sides meet frequently to discuss projects in countries of interest. USAID may also express its views to the World Bank through official channels, such as the World Bank Executive Director for the United States. The Agency may provide technical information to the Executive Director in the case of a controversial project.

Other formal donor coordination occurs in multi-donor fora, such as the Special Program of Assistance (SPA) for Africa and the Global Coalition for Africa (GCA). The SPA, chaired by the World Bank, includes the network of major donors, such as the World Bank, IMF, African Development Bank, European Community, UN, and about 15 bilateral donors. Its goals are: 1) to coordinate and mobilize quick-dispersing financial support, more specifically program support; and 2) to increase the effectiveness of resource use. Countries eligible to be included in the SPA mechanism are those that are 1) IDA only; 2) reforming (i.e. have agreed on a policy framework paper with the IMF and the World Bank); and 3) debt-distressed. Eligible countries now number 26. The SPA provides a forum for information-sharing on the African economies and on the activities of other donors. USAID shares information it receives in SPA meetings with the field offices. The GCA is characterized by high-level political involvement and is concerned with issues of democracy and governance. Its members include both donors and African governments.

IV. AID TO SPECIFIC COUNTRIES

The section which follows focuses on the Japanese and U.S. assistance programs to specific countries. For each country, background information precedes a description of assistance strategy and activities. A summary table of assistance levels and types is also provided. The countries discussed were selected because of their importance and interest to OECF and JICA. Under "Levels of Assistance," the figures for USAID are DFA allocations only.

CAMEROON

Political and Economic Situation and USAID Strategy

Cameroon is considered a country with great potential, especially with its abundant natural resources. It maintained strong growth throughout the 1970s and early 1980s, but was severely hurt in 1986 by price drops of its major exports, especially coffee. To try to alleviate the crisis the Government of Cameroon (GOC) undertook a structural reform program, but nationwide strikes in 1991 slowed progress. Although Cameroon was a focus country, due to disappointing economic progress and reported human rights problems, AID has now put Cameroon on a "watch list."

AID's strategy has aimed at reducing the role of the government while increasing its efficiency. In close coordination with the WB program, AID provides cash grants to GOC for commodity purchase or debt repayment in return for GOC's matching local currency for eliminating parastatals. This program is considered to be AID's niche in the overall structural adjustment scheme. AID's program in Cameroon has begun to focus more on improving private sector development, especially agribusinesses. These programs seek to liberalize and increase transparency in agricultural marketing systems and will probably be expanded in the future.

AID also works in the health sector with programs to improve health policy and expand service to more rural regions. A second phase of a maternal and child health program will focus on bringing health care to women and children based on community management and co-financing. This kind of grass roots approach is an example of the direction AID programs are taking. In FY 1993, AID began a new project in the natural resource management sector. Cameroon has an abundance of natural resources, but uncontrolled exploitation threatens the sustainability of the environment. In its new program, AID will work with the government to establish an environmental policy that will plan for the sustainable utilization of Cameroon's natural resources. The program will include technical assistance, commodities, and training and will seek to educate both government officials and the population about responsibility towards the environment.

USAID and Japan's Assistance to Cameroon

AID's FY 1993 request for Cameroon was \$21.6 million, which is relatively unchanged from previous years. Programs will focus on agriculture marketing, health, and natural resource management with additional programs in family planning, education, and AIDS. AID is initiating a new phase of its agricultural marketing program which will build upon current reforms. Despite continuing political problems, AID does see strong potential for Cameroon to achieve growth. Elections planned for 1993 are encouraging and could have a favorable impact on restoring Cameroon's focus country status in the DFA.

Japan has not been as active in Cameroon, although there is potential for increased involvement. In 1990, Japan extended \$4.69 million in mostly grant assistance. Japan's most recent loan was in 1986 for modernization of the Douala Port Container Terminal. Grant assistance has been provided in food production and storage, and communications and education equipment.

Levels of Assistance

USAID (Fiscal Year)	US\$ million	JAPAN (Calendar Year)	US\$million
1993 (requested)	21.60		
1992 (estimated)	24.00		
1991	20.00	1991	
1990	20.63	1990	4.69
1989	31.23	1989	2.15
1988	18.12	1988	0.87
1987	29.26	1987	12.50
TOTAL: (through 1990)	342.00	TOTAL: (through 1990)	30.12

Examples of Assistance

USAID	Planned Amount (US\$ million)	Initial Year of Obligation
Natural Resources Management	10.0	1993
Maternal Child Health and Child Survival II	10.0	1993
Program of Reform in the Agricultural Marketing Sector (PRAMS) II (NPA)	20.0	1993
PRAMS II (TA)	5.0	1993
JAPAN		
	Commitment Amount (Hundred Million Yen)	Commitment Year
<u>Loan</u>		
Douala Port Container Terminal Modernization Project	60.00	1986
<u>Grant</u>		
Project to Construct Warehouses for Stocking and Conserving Food	6.10	1990
Ground Water Exploitation Project	6.20	1988

GHANA

Political and Economic Situation and USAID Strategy

In 1983, the Government of Ghana initiated an Economic Recovery Program (ERP) to reverse decades of excessive government controls and economic decline. Most of the goals have now been met and economic growth has averaged 5% per year from 1986-1990. (CP FY 1993) Policy reform has resulted in incentives for private sector investment, government spending has been reformed to provide rehabilitation of economic and social infrastructure. Ghana has also made impressive political reforms and the country is moving towards elections and a multiparty system.

AID has strongly supported the government's reform program and focuses its efforts on raising per capita income growth. To achieve this, AID has programs to increase exports and investment through the private sector, improve the quality of and access to primary education, and reduce fertility, population growth and infant mortality.

In consultation with the WB on its trade and investment program, AID is planning parallel financing targeted at the agriculture sector to liberalize markets, especially for non-traditional exports. AID's Agricultural Productivity Promotion program supports several activities to promote export growth in Ghana, including the elimination of fertilizer subsidies, training for agricultural extension services, and improvement in the feeder road network. The government has initiated a 10 year rehabilitation plan for the roads, which received some of its financing from local currency generated by PL480 Title III assistance. AID has also worked to enhance communication between the government and the private sector to identify and address additional needs for investment growth.

The AID education program promotes policy and institutional reforms to improve the quality of the system. It also provides education and training programs to reduce gender and regional disparities. The Family Planning and Health Program combines project and non project assistance to encourage the government to increase spending in this area and to increase the ability of the private sector to deliver family planning and AIDS control services.

USAID and Japan's Assistance to Ghana

Ghana is among the top five recipients of both American and Japanese assistance, and still holds great promise. AID has made Ghana a "focus country" and has requested DFA and PL480 funds totalling \$40.9 million for FY 1993. These funds will be used to continue the programs outlined above, including human resource development and resource conservation. In CY 1990, Japan extended \$71.9 million in loan and grant assistance. Loans agreements were signed in 1990 for road rehabilitation and structural adjustment support. Two large loans were also committed in 1988 in telecommunications and financial sector adjustment. Grants included a rural water supply project, bridge reconstruction, education, health, and increased food production.

Levels of Assistance

USAID (Fiscal Year)	US\$ million	JAPAN (Calendar Year)	US\$ million
1993(requested)	25.20		
1992(estimated)	28.00		
1991	27.98	1991	
1990	14.30	1990	71.90
1989	9.15	1989	97.94
1988	6.02	1988	63.21
1987	1.82	1987	20.82
TOTAL (through 1990)	642.00 (through 1990)	TOTAL	361.71

Examples of Assistance

USAID	Planned Amount (US\$ million)	Initial Year of Obligation
Non-Traditional Export Promotion and Marketing (NPA)	20.0	1992
Non-Traditional Export Promotion and Marketing (PA)	10.0	1992
Family Planning and Health (NPA)	10.0	1991
Family Planning and Health/AIDS (PA)	9.6	1991
Basic Education Program (NPA)	36.0	1990
Basic Education Assistance (PA)	4.0	1990
JAPAN	Commitment Amount (Hundred Million Yen)	Commitment Year
<u>Loans</u>		
Kumashi-Paga Road Rehabilitation	84.39	1990
Second Structural Adjustment Program	50.42	1990
Financial Sector Adjustment Program	125.58	1988
<u>Grants</u>		
Project for Rural Water Supply	5.50	1990
Project for Reconstructing Beposo Bridge	3.67	1990
Rural Electrification Project	8.26	1989

IVORY COAST

Political and Economic Situation and USAID Strategy

Once considered to be one of the success stories of Africa, the Ivory Coast suffered greatly in the 1980s both from decreases in the price of coffee and cocoa, its two major exports, and from unsound economic policies. Compounded by worsening debt management and rapid growth in population, these problems caused a serious decline in per capita GNP. Despite the government's attempts at reforms, the economy did not improve.

In 1990, the government started a reform program more acceptable to the WB and IMF and has since negotiated arrangements with these institutions. This prompted the US to increase assistance. The Ivory Coast is one of the few African countries to receive ESF funds after the creation of the DFA. These funds, which helped the government with debt repayments, totaled \$4 million in FY 1992 and are not planned for FY 1993. Mostly because of the serious population problem, DFA funds are primarily directed at the health sector, with programs in child survival, family planning, and AIDS control. The other significant area is municipal development to improve the management of municipalities and to ensure that better services are provided by involving the private sector. A full strategy statement will probably not be developed for a few years.

Given the government's undertaking of economic reforms and movement towards democracy, Ivory Coast had been a focus country. Last year, AID opened a small mission there with three staff. Previously, programs were managed by the REDSO/West Africa office. However, as recent macroeconomic performance has not been very good, the country has now been placed on the "watch list."

USAID's and Japan's Assistance to the Ivory Coast

AID's assistance started again in 1989 with \$0.7 million and increased to \$13 million in 1991, including \$7 million in DFA and \$6 million in ESF. AID's request for FY 1993 was \$6.3 million in DFA only. Funding is expected to stay approximately at this level and programs will continue to focus on the health sector.

Japan has a larger program in the Ivory Coast with assistance in 1990 totaling \$55.12 million, including \$20 million in grants and technical assistance. The OECF's only recent loan to the country was extended in 1989 for agricultural sector adjustment in coordination with the WB. JICA programs include increased food production, education, fisheries, and agriculture.

Levels of Assistance

USAID (Fiscal Year)	US\$ million	JAPAN (Calendar Year)	US\$ million
1993 (Requested)	6.30		
1992 (Estimated)	11.00		
1991	12.32	1991	
1990	9.52	1990	55.12
1989	0.70	1989	25.78
1988	0	1988	18.42
1987	0	1987	2.81

Examples of Assistance

USAID	Planned Amount US\$ million	Initial Year of Obligation
Economic Support Program	17.0	1990
Family Planning and Health	19.9	1990
Municipal Development II	5.0	1990

JAPAN	Commitment Amount (Hundred Million Yen)	Commitment Year
<u>Loan</u> Agricultural Sector Adjustment	72.00	1989
<u>Grants</u> Audio-Visual Equipment to Ministry of Culture	0.50	1990
Aid to Increased Food Production	2.50	1990
Project for Construction of the Agricultural Machinery Training Center	7.27	1988

KENYA

Political and Economic Situation and USAID Strategy

With strong economic growth and a highly educated public, Kenya was one of the most promising countries in Africa. This was evident to donors, who provided billions of dollars in investment and assistance. Kenya has received the largest total amount of Japanese aid and the third largest amount of American aid (Sudan has received the most American aid). However, government corruption, a bloated civil service, uncontrolled spending, and inefficient parastatals combined to halt economic growth in the last decade. At the urging of donors, the government of President Daniel arap Moi did start a Structural Adjustment Program with the World Bank and IMF, but little progress has been made in the reforms. This situation, along with reports of human rights abuses, caused the donor community, in a November 1991 Consultative Group meeting, to suspend aid to Kenya. Before they will resume aid, donors expect a number of reforms, such as reduced civil service, an ending of price controls and subsidies, privatization parastatals, and the holding of fair elections.

President Moi reacted to the suspension by legalizing opposition parties and making some economic reforms through a "shadow program" with the IMF. The IMF and the WB have indicated support for Kenya's reform efforts since the cut-off, but several donors, including the US, are still cautious. The government recently announced elections set for Dec. 7, 1992, which is a step towards improving the chances of the donors' consideration of resuming aid.

As part of the estimated \$800 million of total suspended Western aid, AID withheld \$28 million in quick disbursing assistance, such as fertilizer financing and foreign exchange assistance, including \$8 million in DFA programs and \$20 million in PL480 Title III assistance. Even before the consultative group decision, AID had channeled much of its assistance through PVOs, to ensure that the money would actually reach the intended groups. AID's strategy in Kenya has focussed on three objectives, achieving the most success in the first, increasing contraceptive use. This has been a major goal of family planning and AIDS control efforts and is explained in more detail later in the paper. AID works towards its second objective of improving agricultural production in Kenya through programs which aid the development and transfer of technologies and the efficiency of agriculture markets. The third objective is to increase incomes through strengthening private sector employment. Through the promotion of non-traditional exports and improved efficiency of small and medium enterprise, employment in firms participating in the program has risen 36% and revenues have increased an average of 26% per year (CP FY1993). Before the cut off, AID also supported some projects in tourism and wildlife conservation.

USAID and Japan's Assistance to Kenya

AID will continue humanitarian assistance and programs working through PVOs at a level of \$19.1 million in FY 1992 and has requested \$17.2 million for FY 1993. The FY 1993 CP notes that aid may be increased if "significant political and economic reforms are implemented." In addition, AID provides assistance related to the Southern African drought which has reached into Kenya causing critical shortages in food, water, and power. Kenya is also dealing with an influx of refugees from Sudan, Somalia, and Ethiopia. In addition, AID will offer assistance for elections, should elections be held.

Before the crisis, Japan had been the largest bilateral donor in Kenya since 1988,

when its bilateral assistance reached \$144.73 million. Assistance totaled \$147.81 in 1989 and \$93.20 in 1990. In the Africa region, Kenya has received the most loans in both number and amount from OECF. Loans were primarily for large scale projects, especially in irrigation and water supply, transportation, and communication. Assistance from JICA has also included projects in the those sectors as well as in food production, forestry, and agriculture education. The Japanese government has suspended new commitments of all OECF's non-project loans and some of the project loans.

Levels of Assistance

USAID (Fiscal Year)	US\$ million	JAPAN (Calendar Year)	US\$ million
1993(requested)	17.20		
1992(estimated)	19.10		
1991	24.07		
1990	34.21	1990	93.20
1989	54.71	1989	147.81
1988	41.12	1988	144.73
1987	35.09	1987	63.73
TOTAL (through 1990)	904.00 (through 1990)	TOTAL	761.59

Examples of Assistance

USAID	Planned Amount (US\$ million)	Initial Year of Obligation
Private Sector Family Planning II	10.0	1991
Kenya Export Development Support	25.0	1991
Kenya Market Development Project	5.0	1990
Contraceptive Social Marketing	2.68	1990

JAPAN	Commitment Amount (Hundred Million Yen)	Commitment Year
<u>Loan</u>		
Tana Delta Irrigation Project	60.3	1989
Kenya Broadcasting Corporation Modernization Project	161.98	1989
Financial Sector Adjustment Program	69.42	1991
<u>Grant</u>		
Aid for Increased Food Production	8.00	1990
Project for Mwea Irrigation Development	12.64	1989
Project for improvement and Expansion of Jomo Kenyatta University College of Agriculture and Technology	9.99	1989

NIGER

Political and Economic Situation and USAID Strategy

The FY1992 AID Congressional Presentation describes Niger as "one of the most difficult development challenges on the continent." With an economy based on farming and herding, yet low annual levels of rainfall, the country indeed faces grave developmental difficulties. Recently, Niger has undergone sweeping yet peaceful political change which may herald future political transition. After receiving reluctant permission from the authoritarian Second Republic of Niger, the National Conference met from July 29 until November 3 of 1991. The National Conference declared itself a sovereign government and placed its chosen representatives in key positions.

The new regime plans to take the actions necessary to free up donor funds already committed to Niger. It has also put forward a draft Economic and Financial Recovery Program, although the World Bank and the IMF asked the GON to revise and refine its proposal. Given the severity of the current demands on the Government, the development of a long-term strategy will probably be delayed until at least six months after newly elected officials take office in February 1993.

U.S. interests in Niger are strategic, humanitarian, and developmental. AID's long-term focus on increasing agricultural productivity is aimed at alleviating Niger's basic problem: drought-related recurring food shortages. USAID's present strategy in Niger is primarily directed toward: 1) increasing the quality, coverage and use of family planning and maternal and child health; and 2) increasing opportunities for sustainable agricultural production and rural enterprises. It will also focus on improving responses to natural disasters.

Despite the encouraging political developments described above, Niger is currently on the DFA "watch list" due to alleged misuse of development funds and problems with overall economic performance. Future levels of assistance will depend, at least in part, on progress in the electoral process.

USAID and Japan's Assistance

AID has requested US\$26.0 million for FY1993, as compared to US\$26.0 million in FY1992. AID assistance has focused on family planning and maternal and child health, and agricultural production and rural enterprises. In contrast to other programs in Africa, assistance to Niger includes a large component of Non-Project Assistance (NPA). The original decision to use this sector grant approach was prompted by the severe fiscal and economic crisis the GON faced in the early 1980s following the collapse of the uranium market. The NPA components are integrated with Project Assistance (PA). For example, the Agricultural Sector Development Grant (ASDG) I, combined NPA and PA in a single package that contains three major components: a policy reform program, local currency generations, and a project component.

Future funding for Niger will probably decline by about US\$1-2 million, even if it remains a focus country.

In 1990, Japan disbursed US\$36.92 million to Niger. US\$29.40 million of this amount was channelled through JICA for Public Works and Utilities; Agriculture, Forestry, and Fisheries; and Mining and Industry. OECF extended a Transportation Sector Program loan in 1987.

Levels of Assistance

USAID (Fiscal Year)	US\$ million	JAPAN (Calendar Year)	US\$ million
1993 (requested)	21.6		
1992 (estimated)	26.0		
1991	22.7	1991	N.A.
1990	16.8	1990	37.0
1989	19.9	1989	.3
1988	32.2	1988	41.8
1987	21.5	1987	23.7
TOTAL	420	TOTAL	183.5

Examples of Assistance

USAID	Planned Amount US\$ million	Initial Year of Obligation
Agricultural Marketing and Export Promotion	20.00	1993
Disaster Preparedness and Mitigation Support	8.00	1992
Family Health and Demography	21.00	1988
JAPAN	Commitment Amount (Hundred Million Yen)	Commitment Year
<u>Loan</u> Transportation Sector Program	32.00	1987
<u>Grant</u> Project to Construct Maintenance Workshop of Machinery and Vehicle for ONAHA	9.79	1990
Project for Construction of Grain Storage Facilities	8.82	1989
Aid for Increased Food Production	7.50	1988

NIGERIA

Political and Economic Situation and USAID Strategy

Although USAID operated a program in Nigeria in the 1960s, assistance was subsequently withdrawn due to the country's increasingly statist policies and rising oil revenues. In the early 1980s, opinions about Nigeria within AID began to shift as the Agency recognized the regional importance and developmental potential of the nation. AID technical specialists became increasingly interested in the possibilities for technology-transfer.

Reassessment of assistance policy towards Nigeria could not ignore the economic and political development failures of the preceding thirty years. Corruption remained a major problem and had to be considered in the sectoral strategy decision. Given these considerations, AID chose to focus on population and child survival. The Nigerian government bureaucracy in this sector enjoys effective leadership and relative freedom from corruption, and AID is strong in the field. It was decided that AID could make the most valuable contribution in population, child survival, and health.

Recently, policymakers have expressed increased awareness of the economic and political importance of Nigeria to the region and to the United States. In addition to comparatively large foreign exchange reserves and regional political and military leverage, Nigeria contains about 15% of the population of Sub-Saharan Africa. Further, the US has been encouraged by recent reform efforts. Since 1986, the country has been engaging in thorough, indigenous economic policy reforms through the Federal Military Government's (FMG) Structural Adjustment Program (SAP). Nigeria is also taking steps towards reestablishing democracy and a civilian government.

In the past, Nigeria has been excluded from the calculation process which determines DFA "focus" countries. This year, although still not included in the process, it has been selected as a "focus" country out of recognition of the significance of the factors mentioned above. The program will continue to focus on population, child survival, and health management, with some possible additional support for democratization and transition to civilian rule.

USAID and Japan's Assistance

The FY1993 request for Nigeria is for US\$17.2 million, a fairly significant increase from the US\$13 million for FY1992. The number of AID direct-hire staff in Lagos will increase from three to five. The program will continue to focus on population and health. AID efforts in these areas have proven effective in the past, with total fertility rate declining almost 1.5 children per woman during the 1980s.

Proposed projects include the Combatting Childhood Communicable Diseases Project which will: 1) support child survival interventions, including expansion of programs for immunization, control of diarrheal diseases, and malaria control; 2) stimulate analyses and activities in family planning, nutrition, prevention and control of AIDS; 3) stimulate private sector provision of preventative health care services; and 4) improve health education and information systems. AID also hopes to initiate the Managing Health Care at the Local Level Project which will assist selected local government areas to develop more responsive, accountable health care systems and promote broader participation in the choice of health services to be financed with public funds.

In comparison to the United States' US\$13 million in FY1992, Japan disbursed US\$78.74 million in 1990. JICA activities focused on Agriculture, Forestry, and Fisheries; Public Works and Utilities; and Planning and Administration. OECF extended loans for the Trade

and Investment Policy Adjustment Program in 1988 and for the Telecommunications Project in 1992.

Levels of Assistance

USAID (Fiscal Year)	US\$ million	JAPAN (Calendar Year)	US\$ million
1993 (requested)	17.2		
1992 (estimated)	13.0		
1991	7.8	1991	N.A.
1990	8.0	1990	78.7
1989	46.0	1989	165.9
1988	10.0	1988	53.8
1987	20.6	1987	18.0
TOTAL (through 1990)	547.0	TOTAL (through 1990)	428.8

Examples of Assistance

USAID	Planned Amount US\$ million	Initial Year of Obligation
Nigeria Combatting Childhood Communicable Diseases	20.0	1993
Managing Health Care at the Local Level	7.0	1993
AIDS Technical Support	5.2	1992
Central Contraceptive Procurement	7.4	1991

JAPAN	Commitment Amount (Hundred Million Yen)	Commitment Year
<u>Loan</u>		
Trade and Investment Policy Adjustment Program	250.46	1988
Telecommunications Project	131.66	1992
<u>Grant</u>		
Project for Improvement of Federal Fisheries School	8.97	1990
Federal Urban Mass Transit Program in Lagos	3.06	1989
Project for Guinea-Worm Eradication and Rural Potable Water Scheme	6.58	1988

RWANDA

Political and Economic Situation and USAID Strategy

Rwanda is one of the most densely populated and intensely cultivated countries in the world. It faces serious impediments to economic growth, employment, and improvements in the standard of living, such as limited natural resources, a high population growth rate, and a dearth of undeveloped lands on which to expand agricultural production. Internal security problems have exacerbated the country's difficulties, although a recent accord between the government and rebel factions on sweeping political reforms, including a new interim government, may lead to an easing of tensions.

USAID has been active in Rwanda since independence in 1962. Assistance initially concentrated on education, urban infrastructure, and public safety, and eventually evolved to focus on agriculture and population. Interventions in the population sector were particularly successful, as AID played the leading role in establishing the National Population Office (ONAPO), establishing a very aggressive population policy, and initiating the rapid growth of contraceptive use.

USAID's current policy towards Rwanda has evolved in response to the country's recently initiated significant policy reforms. The government has established an aggressive population policy calling for a growth rate of 2 percent by 2020, launched a wide-reaching economic reform program targeted at encouraging private sector investment and employment, and taken steps to begin a process of democratic liberalization. AID views Rwanda as "a country in demographic, political, and economic transition as it looks to the twenty-first century." The Agency aims to assist this transition. (Country Program Strategic Plan for Rwanda, May 1992)

AID has determined that economic growth in the private sector is the appropriate path for the transition of Rwanda from traditional production systems to modern ones and has chosen to focus on family planning, governance, and private sector development. Its activities in these areas will address three factors: decreasing the population growth rate, increasing the participation in and transparency of the political system, and increasing real income in the private sector. The focus on governance is particularly of interest, as Rwanda is the first country with a bilateral democracy and governance program as a strategic objective of the USAID country strategy. The USAID Mission in Rwanda has also chosen two "targets of opportunity": conserving biodiversity and reducing the rate of HIV/AIDS transmission.

Rwanda is a USAID "focus" country. Future funding will probably remain at the current level, although progress towards democracy, including the holding of elections, during 1993, will have a critical effect on future US assistance levels.

USAID and Japan's Assistance

USAID has requested US\$18,000,000 in DFA funds for FY1993. This amount is down slightly from estimated funding of US\$20,000,000 in FY1992. In the population sector, activities will include increasing the availability of quality family planning services and the demand for family planning services. In governance, the program aims to increase financial accountability and control, transparency of government policies, and popular participation in political processes. AID assistance for private sector programs will include efforts to expand the financial and business services sectors and to expand agricultural processing and marketing, in both cases with a focus on medium and smaller scale enterprises.

In 1990, Japan disbursed US\$13.83 million to Rwanda. Excepting one loan for the Mukungwa II Hydro-Electric Power Plant Project in 1988, all assistance in recent years has been in the form of grants. Aid has been extended for the Project for Construction of Secondary Technical School (1989, 1990) and for Increased Food Production (1986, 1987, 1988, 1989, 1990), as well as for debt relief and other activities.

Levels of Assistance

USAID (Fiscal Year)	US\$ million	JAPAN (Calendar Year)	US\$ million
1993 (requested)	18.0		
1992 (estimated)	20.0		
1991	39.5	1991	N.A.
1990	11.5	1990	13.8
1989	7.7	1989	16.5
1988	4.8	1988	10.0
1987	6.4	1987	7.6
TOTAL	146.0	TOTAL	87.2

Examples of Assistance

USAID	Planned Amount US\$ million	Initial Year of Obligation
Reproductive Health	8.0	1992
Democratic Initiatives	5.0	1992
Maternal and Child Health/ Family Planning	16.5	1989
Natural Resource Management (PVO)	13.5	1989
 JAPAN	 Commitment Amount (Hundred Million Yen)	 Commitment Year
<u>Loan</u> Mukungwa II Hydro-Electric Power Plant Project	30.62	1988
<u>Grant</u> Project for Construction of Secondary Technical School	3.13	1990
Aid for Increased Food Production	3.00	1989
Project to Improve Medical Equipment	2.60	1988
Project for Improvement of Urban Environment	2.50	1988

SENEGAL

Political and Economic Situation and USAID Strategy

Senegal is one of Africa's most democratic countries and has had elected governments since independence. However, population growth and limited natural resources have made real economic growth difficult to sustain. In 1983, the government initiated a reform program with support from the WB and progress has been somewhat steady, although slow. AID chose to focus its assistance on improving per capita income in the private sector through sustainable use of natural resources. AID's efforts in population and child survival support the National Family Planning Program begun in 1991. Given the discrepancy between family planning views in the urban and rural areas, AID's programs differs according to region. In the rural areas, the program focuses on increasing family planning awareness and approval. The program works to improve services in the urban area, where family planning is more widely accepted. The government has also made progress in decentralizing health care.

Another focus area is natural resource management. Through reforestation programs and training in agroforestry, AID plans to increase income from tree products, while ensuring a stable or growing tree population. In the key economic sector of agriculture, AID's strategy is to focus on increasing both crop productivity and market liberalization. Sustainable increases in crop productivity will be reached through increased transfer of technology and increased productivity of soil use. AID targets these programs in areas of highest rainfall to make the most gains. AID has also worked with the government, providing large grants to encourage privatization in agricultural marketing, especially of domestic rice. In addition, the program aims at reducing the huge size of the bureaucracy.

USAID and Japan's Assistance to Senegal

As a "focus country," Senegal receives a significant amount of assistance from AID. The FY 1993 request was \$31.25 million, but funding has averaged \$40 million per year over the last 10 years. If the government moves ahead quickly with reforms, AID funding, through gradual increases, could reach \$60 million by FY 1997 (Country Program Strategic Plan for Senegal 1992-1997).

Japan extended \$82.06 million in assistance to Senegal in 1990. Major loans in recent years were extended in support of structural adjustment programs. There are plans for further commitments, but they are delayed until progress in the economy and the reforms improves. Grant assistance has primarily focussed on building or rehabilitating infrastructure in health, education, water supply, communications, and fisheries.

Levels of Assistance

USAID Fiscal year	US\$ million	JAPAN Calendar year	US\$ million
1993 (requested)	18.00		
1992 (estimated)	23.00		
1991	22.97	1991	
1990	36.00	1990	82.06
1989	45.17	1989	79.40
1988	20.25	1988	36.30
1987	29.81	1987	25.31
TOTAL:	620.0	TOTAL:	301.84

Examples of Assistance

USAID	Planned Amount (US\$ million)	Initial Year of Obligation
Community-Based Natural Resources Management	25.00	1993
Agricultural Sector Grant	36.00	1992
Child Survival/Family Planning	20.00	1992
 JAPAN	 Commitment Amount (Hundred Million Yen)	 Commitment Year
<u>Loans</u>		
Fourth Structural Adjustment Program	79.60	1990
<u>Grants</u>		
Project for Improvement of Water Supply Management	5.88	1990
Project for Improvement of Equipment for Kaolack Hospital	8.25	1990
Project for Rehabilitation of Dynamos in Central Bel Air Power Station	13.90	1989

TANZANIA

Political and Economic Situation and USAID Strategy

Since its independence in 1961, Tanzania has been one of the most stable countries in Africa. With a population of over 25 million and with the government's strong emphasis on the social sectors, Tanzania is a country with much potential and it is among the top 5 recipients of total assistance from both Japan and AID. Although AID is only the 12th largest donor in this country, it has a strong field presence there. The mission, which has been there for over 30 years, has 10 US staff and 15 foreign nationals and oversees an assistance program of about \$25 million per year. However, the government's determination to follow a socialist path to development, envisioned by former President Nyerere, led to the centralization of industry and business. Because private businesses were seen as a threat to the country's development, policies discouraged private undertakings. The government did, however, provide strong social services and concentrated on bringing these services to rural areas.

By the mid 1980's, though, it was clear that this approach was causing economic stagnation, threatening the government's ability to provide any services at all. With a rapidly increasing population and only 1% growth in the economy, the government in 1986 embarked on a Economic Recovery Program (ERP), under the IMF, aimed at increasing growth while maintaining low inflation and stabilizing the external balance of payments. The government has made progress in liberalizing not only economic controls, but also in politics, having moved towards a multiparty system.

These changes, along with the Paris Club rescheduling of Tanzania's debt, allowed AID to resume funding in 1987 after a period of 3 years when aid was stopped because the country had fallen under the Brooke Amendment. AID started its program in 1987 by analyzing where it could make the most difference and found that the major constraint to development in Tanzania was the transportation sector. Thus, not typical of AID programs in Africa, the cornerstone of AID's strategy in Tanzania is improving the transportation of goods through construction, maintenance, and policy reform. The transportation program is focused on the 5 regions with the most agriculture production, so that improvement will have the best impact.

Also critical to the AID program and to Tanzania's development is family planning. With population growth at 3.4% and a fertility rate of 7.0, the Government recently started a 5 year family planning strategy. AID is the largest family planning donor in the country and supports the government's objective with its own project. The Family Planning Services Support Project works with public and private organizations to bring services targeted at both men and women to more of the country and has developed family planning training for medical students. This \$20 million program began in FY 1990 and has a proposed FY 93 expenditure of \$2.5 million. AID is also active in training programs, wildlife management, and tourism.

USAID and Japan's Assistance to Tanzania

The DFA request for Tanzania in FY 1993 is \$26 million, just over half of which is targeted for the Agriculture Transport Assistance Program. This program provides foreign exchange for importers of construction equipment. The local currency generated is used by the government to finance contracts for rural roads projects. AID is working with the government to increase the participation of the private sector, starting with 50% of the contracts going to the private sector firms, eventually increasing to 100%. As maintenance was the major problem of AID's infrastructure projects in the past, the project includes

policy reform to ensure that funds are available for maintenance.

This year, the Mission is developing a new 5 year strategy program. The program will continue to provide significant family planning assistance with added programs to fight AIDS. The roads project will be expanded to include improve such areas as marketing and telecommunications and electricity facilities. The mission will also start a new \$50 million Private Sector Support project to aid private enterprise through reforms in the financial sector. Roughly 90% of the money will be non-project assistance conditioned upon government reforms. Foreign exchange will be available for importing commodities needed by private industries. The local currency will be invested by the government in the private sector and the profit made will be used exclusively for AIDS programs through PVOs and community groups. The remaining 10% in project assistance provides half to the government to turn the Bank of Tanzania into a Central Bank, and the other half to support private enterprise projects.

PL480 assistance is no longer extended to Tanzania as food security is not a large problem there and the country has been spared the effects of the drought.

Japan, which is the fourth largest bilateral donor in Tanzania, extended \$40.38 million in net bilateral assistance in CY 1990. Japan's assistance has primarily been grants, although the OECF did extend loans until 1981. Grant projects have focussed on agricultural development, including transportation improvement. Grant assistance has also been extended for food aid, communications, and health.

Levels of Assistance

USAID (Fiscal Year)	US\$ million	JAPAN (Calendar Year)	US\$million
1993(requested)	26.00		
1992(estimated)	30.00		
1991	36.89	1991	
1990	5.86	1990	40.68
1989	5.44	1989	62.59
1988	7.61	1988	96.69
1987	12.00	1987	46.04
TOTAL (through 1990)	464.0	TOTAL (through 1990)	545.23

Examples of Assistance

USAID	Planned Amount (US\$ million)	Initial Year of Obligation
Tanzania AIDS Support Project	12.0	1993
Private Sector Support (NPA)	45.0	1992
Private Sector Support (PA)	5.0	1992
Family Planning Services Support	32.0	1990
Agriculture Transport Assistance Project (NPA)	63.5	1988

JAPAN	Commitment Amount (Hundred Million Yen)	Commitment Year
<u>Loan</u>		
<u>Grant</u>		
Aid for Increased Food Production Telecommunications Network	5.5	1990
Rehabilitation Project in Dar es Salaam Area	6.10	1989
Nudung Agricultural Development Project	9.44	1988

ZAMBIA

Economic and Political Situation and USAID's Strategy

In October 1991, Zambia held its first democratic elections since independence in 1964. The new president, Frederick Chiluba, reestablished ties with the World Bank and the IMF and began the task of political and economic restructuring. The main targets were privatization and diversification, especially in the agriculture sector, and food security.

USAID has made Zambia a focus country and assists its reforms by focussing on three areas: agriculture sector policy reform, AIDS, and promoting "democratic and market oriented principles." In the agriculture sector, AID uses technical and non- project assistance to promote reform in pricing and institutional policies. Assistance provides economic analysis, policy formation, and management assistance throughout the different government ministries. PL480 Title III funds supplement the DFA project by providing money to the government for the purchase and transportation of corn. The government started a trust fund with its own money and that of other donors to cover some of the transportation costs, allowing more food to be provided under the AID program. NGOs

An AIDS education and prevention program involves both the public and the private sector, and a new governance project will seek to improve administrative capacity to support Zambia in its transition to democracy.

Zambia has also been severely hit by the regional drought and is receiving additional drought related assistance from AID.

USAID's and Japan's Assistance to Zambia

Assistance has been slightly reduced for a few years due to the previous government's abandonment of reform. President Chiluba's programs, however, prompted AID to commit more funds to the country and the FY 1993 request is \$15 million in DFA, and \$18 million in PL480 Title III. Programs will continue to focus on the agriculture sector, AIDS, and democracy.

Japan provided \$40.11 million in all grant assistance in 1990. In addition to direct grant assistance, projects for bridge reconstruction, schools, and increased food production were funded. Recently, a loan of \$78 million for the Privatization and Industry Recovery Program was extended in FY 1992 to support Zambia's economic reform efforts.

Levels of Assistance

USAID Fiscal Year	US\$ million	JAPAN Calendar Year	US\$ million
1993 (requested)	15.00		
1992 (estimated)	10.00		
1991	22.00	1991	
1990	4.86	1990	40.11
1989	6.10	1989	63.02
1988	10.00	1988	90.59
1987	16.76	1988	41.68
TOTAL (through 1990)	477.00	TOTAL (through 1990)	499.20

Examples of Assistance

USAID	Planned Amount (US\$ million)	Initial Year of Obligation
Agriculture Sector Adjustment Program	5.00	1993
Private Sector Development Governance	5.00	1993
	2.50	1992
AIDS Education for Prevention	14.365	1992
JAPAN	Commitment Amount (Hundred Million Yen)	Commitment Year
<u>Loan</u> Privatization & Industrial Restructuring Program	TBA	1992
<u>Grant</u> Project for Junior Secondary Schools	10.20	1990
Kafue Road Bridge Reconstruction Project	0.52	1990
Aid for Increased Food Production	9.00	1990
Project for Rural Road Maintenance	9.90	1989

ZIMBABWE

Political and Economic Situation and USAID Strategy

Zimbabwe is known as one of Southern Africa's largest economies. The U.S. was the first to recognize Zimbabwe's independence in 1980 and to provide assistance. Following its independence, the government focussed resources on the social sectors, resulting in great improvements in education and health care. However, nationalized industry and restrictive foreign investment laws contributed to slow economic growth. Compounded by drought, the resulting economic problems prompted the government to begin undertaking reforms in the late 1980s. The government's move towards reforms in the private sector and in multiparty democracy was followed by an increase in U.S. assistance, which is now at a level of \$20 million per year. The government also began a Structural Adjustment Program (SAP) in 1991 under the guidance of the World Bank to promote investment and create jobs through reform in economic, trade, and sectoral policies. Initial effects of the program have been promising, although these efforts are currently threatened by the severe regional drought. Zimbabwe, which is usually a food exporter, has suffered a 70-80% loss in crops. Consequently, without substantial donor support, the cost of importing food will either deplete precious government resources or cause great increases in the budget deficit.

USAID's strategy has been to support the SAP through programs in the private sector, housing, and agriculture marketing reform. USAID has noted that Zimbabwe, with a population of 10.72 million, is a country with resources, talent, and a good ground base in small scale industry. USAID has included it in its list of "focus" countries and hopes to strengthen the private sector there, enabling it to take advantage of the newly liberalized economic environment.

Currently, USAID's assistance to Zimbabwe covers a wide variety of areas, such as the private sector, housing, agriculture marketing reform, family planning, and AIDS prevention. In line with USAID's efforts to concentrate on stronger programs in fewer areas, the mission in Harare will be condensing its program into two or three sectors to be decided next Spring.

USAID and Japan's Assistance to Zimbabwe

USAID has maintained a fairly large mission of 17 full-time staff in Harare, which is also the location of USAID's organizing office for the Southern Africa Regional Program. Assistance, which is all grants, has increased from \$5 million in FY 1990 to \$20 million this year and will possibly reach \$30 million in FY 1994.

USAID directly aids small enterprise through the Zimbabwe Business Development Program and has also increased the involvement of the private sector in other programs, such as housing and family planning. A large new housing program will begin in FY 1993 which includes loan guarantees, technical assistance, and non-project assistance. The program will rely on the private sector for housing construction. There are several projects in agriculture marketing reform as well, notably the Grain Marketing Reform Program, which provides balance of payments grants conditional upon reforms in the grain markets and housing sector. USAID continues to support efforts in family planning and will expand its AIDS control program.

In addition, drought related food and non-food assistance is allocated for Zimbabwe as it struggles both with the drought and refugees from Mozambique. As of June 1992, the U.S. had pledged to send 220,000 metric tons of food to this country.

In comparison, Japan's assistance to Zimbabwe is a combination of concessional loans and grants. Total bilateral assistance to Zimbabwe in CY 1990 was \$25.78 million, including \$7.83 million in net concessional loan disbursements and \$17.95 million in grants and technical assistance. Due to good economic performance, GNP per capita, and a large population, Zimbabwe has the potential to absorb more loan assistance in coming years. One large feature of Japan's assistance, which complements USAID's program, is its preference for infrastructure projects. In 1989, the OECF provided a loan for equipment, materials, and consulting services to support the country's Telecommunication Expansion Project. Grant and technical assistance has been provided in several areas, including food production, water supply and dam construction, roads, communications and cultural programs.

Levels of Assistance

USAID Fiscal Year	US\$ million	JAPAN Calendar Year	US\$ million
(1993 requested)	20.0		
(1992 estimated)	10.0		
1991	10.54	1991	
1990	5.0	1990	25.78
1989	5.0	1989	20.38
1988	5.0	1988	26.13
1987	0	1987	8.82
Total (through 1990)	385.0	Total (through 1990)	132.15

Examples of Assistance

USAID	Planned Amount	Initial Year of Obligation (US\$ million)
Housing Sector Assistance Program	30.00	1993
Agricultural Marketing Reform Support Project Assistance	2.50	1992
Non Project Assistance	5.00	1992
Zimbabwe Business Development	10.54	1991

JAPAN	Commitment Amount (Hundred million Yen)	Commitment Year
<u>Loan</u> Telecommunication Expansion Project	52.46	1989
<u>Grant</u> Aid for Increased Food Production	3.00	1990
Project for Construction of Medium Size Dams in Masvingo Province	9.98	1990
Project for Construction of Medium Size Dams in Masvingo Province	12.51	1989

V. AID TO SPECIFIC SECTORS

The section which follows focuses on three sectors within the USAID assistance program to Africa: Agriculture Programs and Food Aid, Assistance for the Promotion of Private Enterprise, and Population and Family Planning.

AGRICULTURE PROGRAMS AND FOOD AID

INTRODUCTION

When Congress approved funding for the DFA, it was with the intent that the Africa Bureau would focus its resources where it could have the most influence. In Africa, 80% of people with jobs are employed in the agriculture sector, one which accounts for 35% of the GDP of African families. Thus, even with the recent emphasis in such areas as private sector development, the environment, and democracy issues, agriculture still plays an integral part in these areas and continues to be central to American assistance to Africa.

Agriculture is such a large part of African life, that "agricultural projects" are often difficult to identify as most projects in any sector affect agriculture in one way or another. Partially because the agriculture sector is so broad, it does not enjoy strong, intensive lobbying of Congress or the Administration by NGOs as does other sectors. Nonetheless, sustainable broad based development and food security remain important

"Because agricultural and natural resources related activities are integral to virtually all aspects of African life (economic, social, cultural, political), developments in that sector directly affect progress towards each of the DFA's strategic objectives. Consequently, the sector has been, and remains, a major focus of AID assistance programs." (ARTS/FARA Organization Briefing Document)

ORGANIZATION

The overall strategy for agriculture in Africa is determined and coordinated by the Africa Bureau and its Food, Agriculture, and Resources Analysis Division (FARA). Although other bureaus and outside agencies contribute to agriculture projects, FARA has the primary responsibility of coordination of these programs.

The Africa Bureau

The Analysis, Research and Technical Support Office (ARTS) serves as the primary source of analytical and technical expertise for both AFR and the missions. Within ARTS, the FARA division handles identification, monitoring, and evaluation of programs and projects for AFR in the agriculture sector. The FARA Organization Briefing Document lists activities as:

- * identifying and conducting research on critical sectoral and cross-sectoral issues;
- * synthesizing cross-national experiences;
- * monitoring, evaluating and measuring project and program impact;
- * disseminating lessons learned;
- * developing sectoral data bases;
- * assisting Missions to establish systems for effective Assessments of Programs Impact; and,
- * assisting Missions to obtain technical support services

FARA also evaluates information it receives from R&D/Ag and sends relevant reports to the missions. Many candidate project topics originate from within FARA, but they can also be developed by other parties in or outside of AFR. In such a case, the topics are channeled through FARA.

FARA is divided into five Analytical Units and one Project Management Unit. The Analytical Units were each designed to address a major theme of agricultural assistance as determined by the Objective Tree for the Agricultural and Natural Resource Sector, which was developed by FARA in accordance with DFA objectives (see attached chart). The five units are: Food Security and Productivity, Technology Development and Transfer, Agricultural Marketing and Agribusiness, Natural Resources Management, and Environmental Protection. These units serve as a supervisory structure and each establishes their own detailed agenda. However, efforts are underway to solicit input on the agendas from the missions and other organizations.

The Project Management Unit is responsible for two particular programs under the DFA. One is the Famine Early Warning System (FEWS) Project, whose goal is to reduce the incidence of famine. It was developed after the devastating drought in the Sahel region in 1984-85 when AID recognized the need to be able to predict famine. FEWS can now provide an overall assessment of famine risk through early detection devices, such as satellite imagery and locally-based secondary data. The management of this project was transferred to FARA after the recent reorganization, although it is staffed by the Tulane/Pragma Group. There are currently 7 FEWS countries, mainly in the Sahel. However, in FY 1992/93, the program will be broadened to include countries in Southern Africa and possibly East Africa.

The other program is the Policy, Analysis, Research, and Technical Support (PARTS) project initiated in FY 1992. It provides additional support to ongoing projects with high priority information and analysis not currently covered by the individual projects. Some of these projects include the Natural Resources Management Support project and the Africa Emergency Locus/Grasshopper Assistance project.

Technical Working Groups within FARA further support projects and draw experts from the Analytical Units, R&D, and outside organizations. Their purpose is to contribute peer review and analyze "cross-cutting themes and issues."

The Bureau for Africa estimates that funding for agricultural development, including natural resources has been about \$200 million per year, or 27% of DFA funds (see attached chart).

The Research and Development Bureau

Sometimes, agriculture projects are developed by the Office of Agriculture in the Research and Development Bureau (R&D/Ag). R&D/Ag develops agricultural research projects that support the missions and the regional bureaus. The projects are global in nature and tend to focus on scientific and technical issues. R&D/Ag has three main divisions: Agricultural Production, Renewable Natural Resources, and Economic Policy and Planning. Also within the office are the Agriculture Program Development and Support Project and a project to support International Agricultural Research Centers (IARC). Through research, extension training, and technical support, R&D/Ag develops projects which promote "agronomically, economically, and environmentally sustainable agriculture" in LDCs.

Many of the projects in R&D/Ag are actually implemented by other agencies, such as universities, research institutions, or private contractors. AID can hire the implementing institution through consulting contracts, grants, or cooperative agreements. Contracts are usually negotiated with consultants for specific services in a project. Grants are extended to an institution to conduct research or develop a project in a certain sector or area in which AID lacks extensive experience. Within the specified topic area, the institution has significant freedom to develop the program. Under a

cooperative agreement, AID and the institution equally participate in the design of the program. Using implementing institutions for projects allows AID to fund a large number of programs without greatly increasing operating expenses (full-time salaries). R&D/Ag can also bring in staff from other US agencies, such as USDA, to work on projects.

An interesting aspect of the R&D/Ag program is its development and support of Collaborative Research Support Programs (CRSP). CRSPs are collaborative efforts between the US and LDC research centers. In a few cases, the collaborating agency is a government entity. An example is the Bean/Cowpea CRSP, begun in 1980 and anticipated to last 15-25 years. This CRSP is a multi-institutional US-LDC collaboration focussed in Africa and Latin America. It conducts research on constraints to bean and cowpea production, provides short-term and degree training, and places emphasis on the role of women in all aspects of agricultural production. USAID missions buy special services of the program through either grants to Michigan State University or through a Basic Ordering Agreement (BOA).

Actual obligations for the R&D bureau in 1991 were \$469.676 million, of which \$37.979 million went to the Office of Agriculture. Actual appropriations were slightly higher. The FY 1993 request for Ag is \$29.5 million out of total of \$422.9 million for R&D.

Coordination between the two bureaus

While R&D/Ag does occasionally have direct contact with the missions, it is FARA which is the main link between the missions and AID/W. FARA works closely with R&D/Ag, providing them with the African context to their global projects. R&D/Ag must have FARA concurrence to begin a project in Africa, but usually gets involved in Africa at the request of FARA or the missions.

AFR can participate in R&D/Ag projects affecting Africa through "buy-ins." Regional bureaus or their missions usually buy into a project through a bilateral arrangement with the implementing institution via R&D/Ag. Using a Basic Ordering Agreement (BOA), AFR "purchases" services available from the project. R&D/Ag projects are long term and it often takes 7-10 years to commercialize results. In practice, therefore, mission or bureau buy-ins tend to be for the technical assistance parts of existing projects. When missions do buy into research projects, it is usually towards the end of a project, closer to the analysis of results. AFR currently has a \$900,000 buy-in for food security research and a \$600,000 for agriculture policy research.

Strategy

R&D/Ag does not have a specific strategy for Africa, outside of its strategy for agriculture projects worldwide. African missions choose to participate in those projects which are consistent with their overall programs. Agricultural strategy for Africa is developed in the Africa Bureau with the help of FARA. FARA has developed a strategic framework which outlines a direction for African agricultural programs in general. FARA uses this framework to work with the missions in developing their country strategies. The decisions are delegated to the missions, but they are subject to approval by AID/W.

The DFA agriculture program developed by FARA is focussed on sustained increases in agriculture productivity and improved food security through self reliance. To work towards this goal, improved agricultural marketing and agribusiness, higher yielding technology, and better natural resource management were established as the three main targets.

Programs in agribusiness and marketing systems have become increasingly important to AFR. It was realized that even if production was improved, food security would not be achieved unless the products were available at appropriate prices to consumers. Thus, new efforts have begun to work on the demand side as well as the productive side. FARA believes that pursuing a balanced and broad approach to market development is the key to making agribusiness systems more efficient and competitive. The division works with countries to improve policies which encourage investment and competition and ensure that all participants in the market have access to the necessary skills, technology, resources, and financial services.

Secondly, in order to encourage a demand driven and efficient technology system in Africa, a policy environment is needed which promotes the most efficient use of resources and does not discourage the private sector. Programs seek to involve all African producers in increasing the value of agricultural outputs. Also important to this target area is a technology system which interacts with consumers, getting technical supplies and research to participants, as well as developing a broad client base.

Under the DFA, there is a 10% target for the environment due in large part to the influence environmental NGOs have exerted in Congress. In Africa, the main environmental concern is natural resource management. The "Plan for Supporting Natural Resource Management in Sub-Saharan Africa," developed by FARA, seeks to incorporate this issue into the overall AFR strategy. It also strives to determine the best use of limited resources. The focus of FARA's strategy in this area is sustainability, both of agricultural practices and of biological diversity. Towards this end, FARA identified and concentrates in three technical priorities in which AID has a comparative advantage.

Through concentrating on these three main targets, FARA guides AFR and the missions in developing an agriculture policy that will contribute to sustainable broad-based economic growth in Africa.

FOOD AID PROGRAMS

Background

When the U.S. food aid program was established in 1954 in accordance with the Agriculture Trade Development and Assistance Act (PL-480), it was designed to promote US foreign policy and to create overseas markets for US agricultural products by providing surplus commodities as loans to governments in need of food.

Throughout the late 1960's and 1970's, Basic Human Needs (BHN) became the key concern for development and reducing world hunger, the goal of US food aid. Grant aid was created and had several purposes, including humanitarian assistance, agriculture development, export promotion, and support for friendly countries. It also emphasized the need for developing countries to undertake their own policies to improve agriculture production.

Concerned with rising food security deficits in the poorest countries, Congress decided to focus US food aid on the countries in greatest need. The 1990 Farm Bill, which completely overhauled the PL-480 program, stated that the primary goal of food aid was to increase a country's food security. Management of the program was divided between USDA and AID according to their interests in food aid. USDA, whose concern is agricultural export promotion, became completely responsible for Title I loan programs, and AID was charged with grant food aid for emergency, humanitarian, and

development aid (Title II and Title III). The transfer of loan assistance to USDA did not greatly effect assistance to Africa, however, as few African countries had been able to afford loan assistance.

Programs

Title I is a loan assistance program of USDA which sells US agricultural commodities to developing countries on concessional credit terms. Countries who have a shortage of foreign exchange earnings and have difficulty meeting their food needs through normal commercial channels are eligible. Preference is given to those who are in greatest need of food, are undertaking policies to work towards sustainable development, and who have the potential to become commercial markets for US agricultural commodities. Payments can be made in local currency which is then retained by the US and used for development purposes or trade promotion.

The grant food aid program is implemented by AID and is divided into Title II and Title III. Approximately three quarters of Title II is non-emergency assistance and is required by Congress to be provided through eligible PVOs, cooperatives, or the World Food Program (WFP). These organizations receive food for distribution or sale and use the proceeds for such programs as maternal and child health, school feeding, or food for work. The remaining quarter of Title II is put into an unallocated reserve for emergency assistance. However, this reserve was depleted earlier this year by the drought in Southern Africa.

Grant commodities are also provided to the governments of developing countries under Title III. Governments can use the food for direct feeding, emergency food reserves, or for sale to support economic development programs. Title III is designed for the poorest countries, and recipients must meet poverty requirements set by the World Bank. They must have a per capita calorie consumption under 2300 calories, a child (under 5 years) mortality rate higher than 100 out of 1000, and an inability to meet food requirements through domestic production or imports. Out of 56 countries eligible for this assistance, 36 are in Africa (US Food Aid, What Is It?).

AID works extensively with American and indigenous PVOS and implements the Farmer to Farmer program, which provides cash grants to PVOs and cooperatives implementing food aid programs. AID also established the Food Aid Consultative Group with PVOs.

Program funding levels

Since 1954, the US has provided \$44 billion of food aid to the world. Though AID manages the Title II and Title III programs, the funds for all food aid are actually appropriated in USDA's budget. In 1991, 1,348,100 metric tons of food aid were sent to Africa. See chart for FY 1991.

U.S. Food Aid, in Dollar Values, Fiscal Year 1991				
by Region and by Title of PL480				
in millions				
	Title I	Title II	Title III	All Titles
Asia/Near East	\$247.3	\$265.7	\$115.5	\$628.5
Latin America/ the Caribbean	\$158.8	\$129.9	\$86.8	\$375.5
Africa	\$33.0	\$407.6*	\$74.5	\$515.1
All Regions	\$439.1	\$803.2	\$276.8	\$1,519.1

* \$325 million of this was emergency food aid.

IMPACT OF THE DROUGHT

The crisis situation

Until recently, the Southern Africa region held the most promise for success in Africa. Most of the region's countries have undertaken strong reforms that have resulted in encouraging economic growth. The drought, which is considered the worst to strike the continent in this century, threatens to destroy much of this progress.

However, despite the severity of the drought, the region is politically more stable and economically stronger than were the countries in the Sahel and the Horn during their drought of 1984-1985. Governments were able to begin taking steps early to prepare for the drought. Also, there is a better transportation infrastructure in place.

The situation, though, is still very critical. The United Nations estimates that 30 million people will be affected by the drought. Approximately 50% of the region's crops will be lost this year. In Zimbabwe and South Africa, usually food exporters, crop losses are even higher at 60% - 70%. The UN World Food Program (WFP) estimates that 4.2 million metric tons of food will need to be imported to the region to make up for the losses and that food needs will remain high until the next harvest expected in May 1993. Additionally, the drought comes at a time when donor resources are already stretched due to the many severe conflict and disaster situations in other parts of the world.

USAID and other donors are also very concerned that the drought will hamper structural adjustment efforts of the countries, especially Zimbabwe and Zambia. The costs of the drought are depleting government resources and national production has plummeted as all industries, especially those that rely on water, have shut down or are at risk of closing. Lack of potable water has contributed to increases in health risks and population movement and loss in the region's livestock not only further weakens food supply, but will also cause problems for farms when the new planting season begins.

Drought-related assistance

Due to AID's in-country presence and the technical capabilities of the governments of Zimbabwe and South Africa, the drought was identified early enough in the year to prepare a comprehensive response. As of August 1, the US government had allocated \$535 million in drought related assistance. Of that amount, \$427 million is food aid from both AID and USDA. Resources are for the entire region, but are concentrated in the four most severely affected countries: Malawi, Mozambique, Zambia, and Zimbabwe. In order to meet increasing demands, AID has reallocated funds to the region from less critical programs, although the agency firmly maintains that no funds have been taken from emergency programs in other regions.

Resources are provided through targeted food distribution, "program food aid" and non-food assistance. Title III resources have been redirected to Title II emergency aid. Program food aid, which accounts for approximately 50% of US food aid, is food that is sold on the markets. This is the first time that program aid has been used in an emergency drought situation and it was affordable for the countries because they had such early warning. AID considers the program aid necessary not only to keep the markets stable, but also because the extent of the drought is such that it would be impossible to meet the region's needs through direct assistance only.

AID has also changed FY 1992 non-food assistance programs to alleviate other constraints of the drought and has created drought-related water projects, and increased health and transportation infrastructure projects. WFP is charged with coordination of in-country distribution and donor coordination, and is working closely with SADCC in

this area. Through SARP, AID has allocated special funds (\$13.1 million) to WFP, SADCC, and other groups in project support, including equipment and technical assistance. The FEWS project of the AFR will be extended to the region. US assistance is also provided by the Office of Disaster Assistance (OFDA), part of AID's Bureau for Food and Humanitarian Assistance.

AID is very concerned with donor coordination, but is pleased with the success the US has had in this area. The international response to the crisis has been impressive, but alleviation of widespread famine will depend on the drought not lasting another year.

US drought related assistance in FY 1992 (\$535 million) consists of:

\$29 million from the Office of Foreign Disaster Assistance (OFDA)
\$67.4 from the Bureau for Africa
\$130 million from AID PL480 Title II and Title III grant programs
\$297 million from USDA PL480 Title I and Section 416 (b)
\$12 million from Department of State Bureau of Refugee Programs

In FY 1993, additional funding will be allocated for the drought, although it will not be as high as the extensive aid provided in FY 1992.

FUTURE

Agriculture will always be an important part of the DFA strategy in Africa and funding is not expected to change greatly. Future trends will include more emphasis at the local level. Instead of broad development theories, programs will seek to identify and alleviate the local constraints to agricultural development. In addition, AID will continue to further shift programs towards creating efficient agribusiness and marketing systems. Program strategy will also seek further involvement of the private sector in development projects. With these measures, AID hopes to have more success in enhancing not only the production of food, but also each African's access to it.

JAPAN'S ASSISTANCE

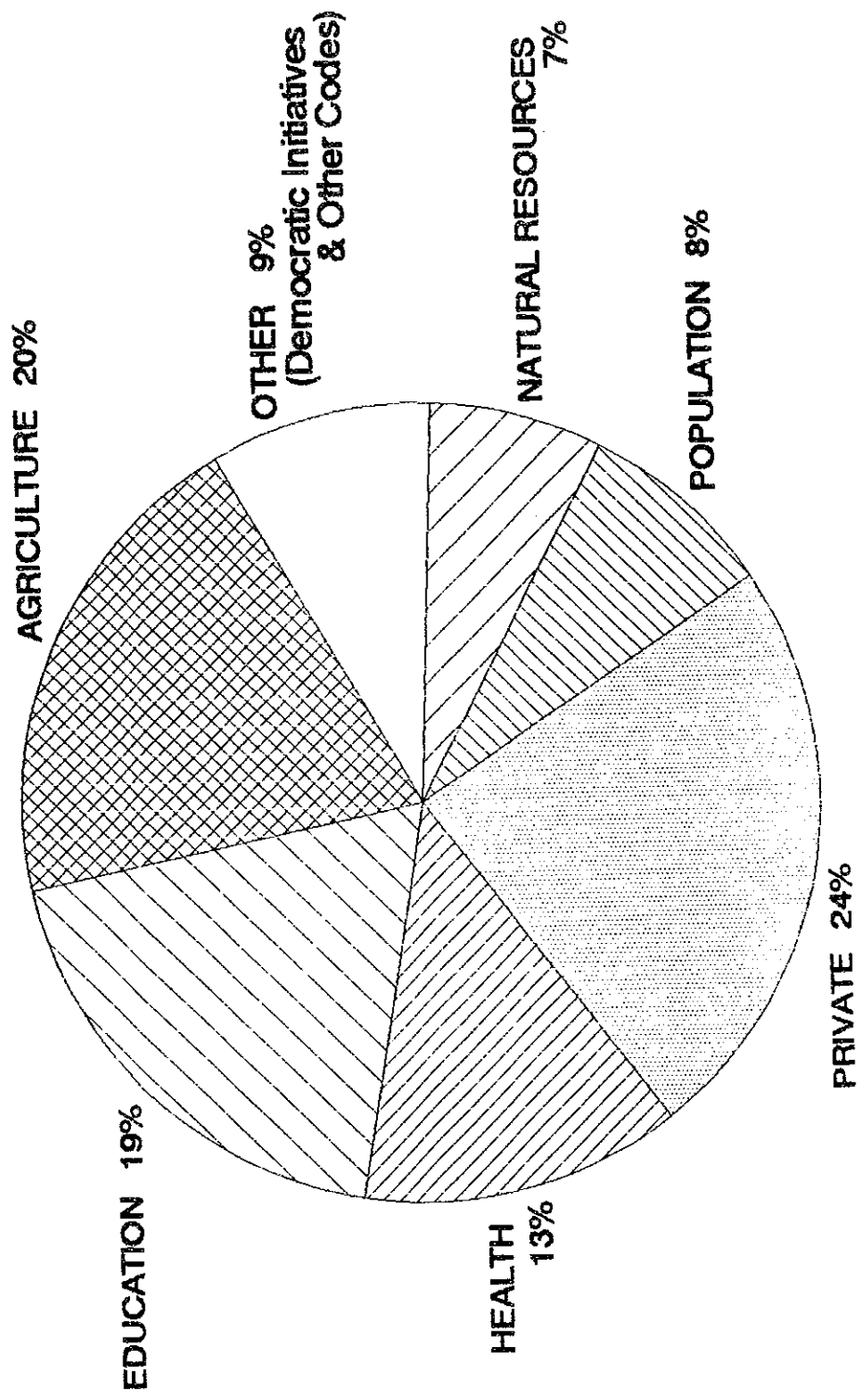
Japan's assistance to the agriculture sector encompasses three areas: access to reliable supplies of food, development of agricultural regions, and environmental conservation. Research, technical assistance, provision of fertilizer and high-quality seeds, improvement of agricultural production infrastructure (especially post harvest), and credit to farmers through two-step loans are some examples of Japanese contributions to agricultural production. Japan also places importance in Africa on improvement in agricultural production on rural family lots.

Given Japan's experience in the area, irrigation and rice production have been central to Japanese agricultural assistance. These programs have substantially increased food production, especially in Asian countries, and are being developed in Africa, as well. AID has not had a positive experience with such projects and does very little work in this area. Irrigation projects are too costly, and maintenance of past projects has been disappointing. Japan's large scale projects are complemented by the people-level projects in which AID has comparative advantage.

Japan has been diversifying its activities in the sector, however, and projects include research into new crops and farming techniques, technical assistance in new fields, and rural development based on integrated sectors. Bilateral aid in the sector

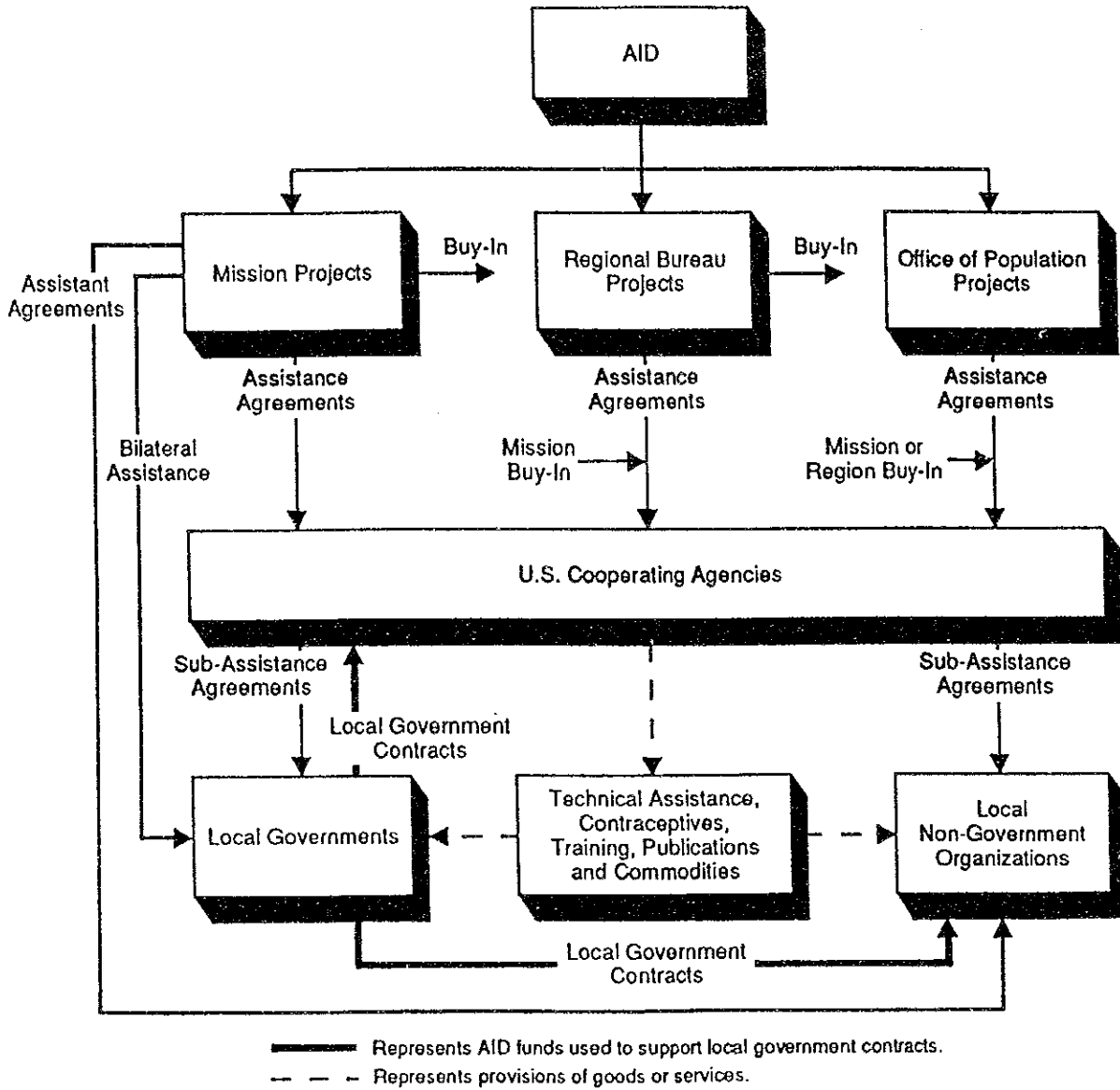
worldwide was approximately \$1.24 billion in 1990 or 11.9% of total bilateral ODA. While Africa's share of grant aid from FY 1985 through FY 1989 was only 30% and most assistance is still allocated to Asia, Africa's share has slightly increased in recent years.

DFA TOTAL PERCENTAGE ALLOCATIONS FY 90 - 93



SOURCE: DFA ABS 4/27/91, REVISED 5/6/92

Flow of AID's Population Assistance Funds

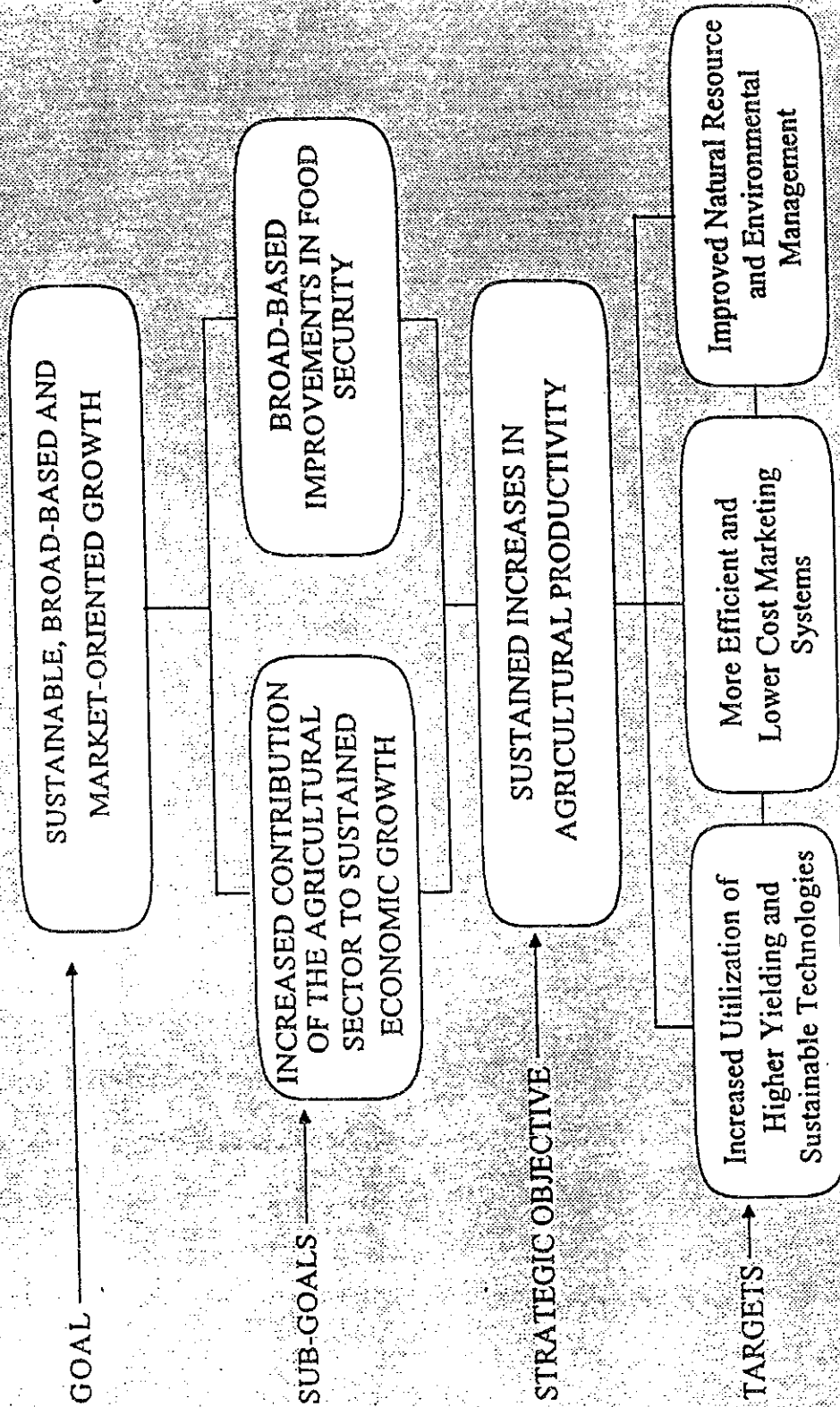


Source: GAO/NSIAD-90-112

Note: Assistance agreements include contracts, grants, cooperative and other types of assistance agreement instruments.

Figure 1: ANR Objective Tree

OBJECTIVE TREE: Agriculture and Natural Resource Sector



ASSISTANCE FOR PRIVATE SECTOR DEVELOPMENT IN AFRICA

THE IMPORTANCE OF PRIVATE SECTOR DEVELOPMENT IN USAID ASSISTANCE

USAID emphasizes the importance of private sector development in its assistance to Sub-Saharan Africa. As discussed in Chapter II, the Congressional Presentation Overview, "Development Fund for Africa" (FY 1993) describes four Strategic Objectives. One of these objectives is "strengthening competitive markets," and the other three are "improving management of Africa economies," "developing the potential for long-term increases in productivity," and "improving food security. "Strengthening competitive markets" directly aims at private sector development, but even under the other strategic objectives, the concept of private sector development plays an important role. For example, "improving management of African economies" emphasizes that "for Africa to achieve broadly-based and sustainable economic growth, development needs to be private-sector led, and for this to occur, governments should perform fewer, only essential tasks, which they must do better."

Under these proclaimed strategic objectives, USAID implements various kinds and numbers of "private sector projects" in Sub-Saharan Africa. According to the USAID document, "Compendium of Africa Bureau Missions Private Sector Projects and Programs 1980 to Date," there have been 103 projects/programs whose purpose is to promote development of the private sector in Africa. USAID's resident missions have been implementing these projects/programs since 1980, although almost all of them stem from the mid-1980s.

This feature of USAID's recent assistance to Sub-Saharan Africa differs from Japan's approach since Japan is not as active as the US in this field. Japan's bilateral development assistance (concessional loan assistance or grant assistance) to Sub-Saharan Africa for promoting private sector development is limited to a few non-project operations. These take the form of co-financing with structural adjustment programs or sector adjustment programs of IDA/IBRD mainly under the SPA (Special Program of Assistance for Sub-Saharan Africa), which are not of Japan's initiative. Japan's project assistance is heavily public-sector oriented. The direct beneficiary of Japan's project assistance is usually the public entity in the recipient country, although private sector activities enjoy the benefit of this assistance indirectly (through the improvement of economic infrastructure, for example). Moreover, Japan seems to be rather hesitant in using her bilateral development assistance directly for the promotion of private sector development. Whether or not OECF loans (Japan's concessional loan assistance) should be extended for a project (like telecommunications or energy projects) in which the implementing agency (telephone company or power company) is privatized is an unsettled issue in Japan's aid community.

HISTORY OF USAID INVOLVEMENT IN PRIVATE SECTOR DEVELOPMENT

The first question, then, is why USAID has become so active in private sector development in Africa. Although there seem to have been various reasons, the following two reasons seem to have been especially important.

1. Since the Reagan administration (Republican), US development policy has emphasized private sector development. Influenced by this ideological emphasis, USAID has been formulating its development assistance policy accordingly for all

- developing countries, including those in Sub-Saharan Africa, since the mid-1980s.
2. USAID had experiences of failure in its assistance for constructing huge infrastructure projects in Sub-Saharan African countries in the past (1960s-1970s) due to the inefficient public sectors in these countries. Such experience of USAID in Sub-Saharan Africa diverted its assistance from public sector related activities to private-sector-oriented activities.

USAID ASSISTANCE FOR PRIVATE SECTOR DEVELOPMENT

1. Composition of activities.

US assistance for private sector development in Sub-Saharan Africa is extended through various channels.

Mission-managed Activities

The core of USAID's assistance for private sector development are the mission-managed activities. These are projects/programs which are identified, prepared, appraised, and managed by USAID's field mission in the recipient countries. USAID's "Draft Compendium of African Bureau Mission Projects and Programs" contains 103 projects/programs, almost all of them stemming from the mid-1980s.

These projects/programs cover various kinds of aid activities and sometimes contain several different components. The typical components of these projects/programs are as follows:

1. Import support grants to finance private sector imports. USAID calls this type of assistance 'program' type assistance. It is usually tied to the policy reform program of the recipient government aimed at improving the environment surrounding the private sector. Like IBRD/IDA's adjustment lending, the funds are usually released in two or three tranches. The provision of this kind of grant assistance sometimes takes the form of co-financing with the IBRD/IDA's adjustment lending; the conditionalities are well coordinated between USAID and IBRD/IDA, although not exactly the same.
2. Technical assistance. Technical assistance is provided for the improvement of the environment surrounding the private sector in the recipient country. This kind of activity can either be an independent project or can be one component of a project or program (like (1) above).
3. Industrial credits. These are extended to private businesses in the recipient country through financial intermediaries. USAID may create a new intermediary or use an existing one. USAID prefers a private intermediary rather than a public one and the on-lending term shall be commercial terms in order to prevent distortion in the financial market.
4. Assistance for micro-industries, rural enterprises, or informal sectors. USAID sometimes channels its funds through PVOs (Private Voluntary Organization - equal to NGO) towards these sectors.

Africa Bureau Regional Activities

In addition to Mission-managed activities, the Africa Bureau is implementing a number of region-wide programs to promote private sector development. Among them, the Africa Private Enterprise Fund [APEF] and the Africa Project Development Facility [APDF] are important.

Central Bureau Activities

USAID's central bureau is extending cross-regional assistance for private sector development such as the Bureau for Private Enterprise's privatization projects/ programs.

2. Implication to Japan's development assistance strategy

USAID's assistance toward private sector development in Sub-Saharan African countries is, in a sense, complementary with Japan's emphasis on infrastructure development assistance, from which USAID diverted its assistance.

However, as a donor country which has the experience of successful private sector development in her history, Japan seems to have room for strengthening its assistance for private sector development - especially transferring its experience and lessons to developing countries, including African countries. From this viewpoint, USAID's activities seems to have the following implications on Japan's development assistance strategy.

(a) Japan currently provides non-project assistance through concessional loans (OECF loans) or non-project grant assistance to African countries mainly under the framework of SPA in order to promote the creation of a better environment for private sector development through economic reform in these countries. Presently, such provision of non-project assistance does not seem to be well coordinated with Japan's technical assistance program. Therefore, the incorporation of the technical assistance component in OECF's adjustment lending and non-project grant assistance should be considered.

(b) In relation to (a) above, the human resources which USAID is currently utilizing for its technical cooperation program in private sector development could be a useful example for Japanese aid agencies to consider its applicability in Japan. USAID uses various resources in the US such as universities, US government agencies, private consultants (including accounting firms, law firms, etc.), US business organizations, and NGOs. Similar resources exist in Japan. Why don't we use them?

(c) Even in the case of Japan's traditional infrastructure assistance, Japan should consider the involvement of the private sector instead of inefficient public sector in African countries. USAID does not hesitate to involve the private sector in its assistance programs. USAID, in fact, encourages such involvement.

POPULATION AND FAMILY PLANNING

INTRODUCTION

Given the limited nature of the world's resources and the increasing demands placed on the global environment, population and family planning is an area of crucial importance to international development. AID recognizes the significance of the issue and is a major source of world assistance in the sector. In FY1991, AID spent US\$291,932,000 on population and family planning activities.

In Africa, population problems are particularly severe. The region has the world's highest fertility rate, and population growth of 3.2% per year. This growth rate places immense pressures on African countries' ability to provide primary health care, education, food, and employment. It also creates an ever-increasing strain on the relatively fragile natural resource base. AID places the largest share of its population expenditures in Africa. In FY1991, the region claimed about 27% of total expenditures, or US\$83,835,000.

The scale of expenditure to Africa is maintained, in part, through Congressional earmarking of 10% of DFA funds for population programs. In some instances, the Bureau for Africa has reallocated funds from other activities in order to attain this level, and it tends to view the Congressional mandate seriously. Congressional interest in population and its impact on development emerged during the late 1960s when hearings of the Subcommittee on Foreign Aid Expenditures of the Senate Committee on Government Operations created a more open climate for the issue. Subsequently, a world food shortage in the mid-1960s raised the problem to an even higher priority. The FY1968 Foreign Aid Appropriations Bill included the first Congressional earmarking of population funds. The support of Presidents Johnson and Nixon and the pressure of population activists also played a role in the increasing emphasis on population assistance during the late 1960s and early 1970s.¹ Many Members of Congress continue to place a special emphasis on population issues.

According to the FY1993 Congressional Presentation, the basic strategy of the AID population program is, "to ensure the availability of quality voluntary family planning services." Major assistance has been in the following areas: demographic and economic analysis, policy development, research, family planning services, population communication, and training and institutional development. The majority of AID support went to provide family planning services, including the purchase of contraceptives. (UNFPA, Guide to Sources of Population Assistance 1991, 169)

ORGANIZATION

Population assistance is provided by the Bureau for Research & Development's Office of Population (R&D/POP) through centrally-funded projects, and by AID's Regional Bureaus, either through bilateral projects monitored by overseas Missions or through regional projects monitored by the Regional Bureau officer in AID/W. The Population Sector Council reviews policy and program issues related to population assistance. The Council is chaired by the Director of R&D/POP and is comprised of representatives from the five Regional Bureaus.

¹ Phyllis T. Piotrow, World Population Crisis: The United States Response, (New York: Praeger Publishers, 1973).

The Office of Population consists of six divisions: Family Planning Services Division, Commodities and Program Support Division, Information and Training Division, Regional Coordination Division, Policy and Evaluation, and Research Division. (See Chart) It accounts for about 60% of AID's population assistance. R&D/POP carries out its activities through 47 grant agreements and contracts with US government and private agencies

Bilateral and country programs account for about 40% of population assistance and are carried out by AID overseas Missions. The Bureau for Africa in Washington, D.C. has a small technical staff for population issues, some of whom are in the Bureau's Office of Analysis, Research and Technical Support. Regional population assistance programs are managed by AID Regional Bureaus and account for less than one percent of assistance.

Project planning and implementation may arise from both the Office of Population and in-country Missions. Similarly, funds for such projects may be drawn from either the DFA or Office of Population accounts. More detailed information on project funding and process will be provided in sections which follow.

BUDGET AND FUNDING

FY1991 population project expenditures in Africa were US\$83.8 million. Of this total, US\$51.5 million came from Mission/Region projects and US\$32.3 million from Office of Population projects. Of the total, the largest shares were received by: Kenya (14%), Nigeria (10%), Zaire (7%), Ghana (7%), Mali (5%), Tanzania (4%), Senegal (4%), Zimbabwe (3%), Niger (3%), and Cameroon (3%). The total amount for Africa will probably increase slightly in coming years, although the distribution by country may shift.

As described above, funds for AID population activities originate from both R&D/POP funds and from the DFA. The DFA funds may be used to support both Mission/Region and R&D/POP projects. The use of Mission (DFA) moneys for R&D/POP activities often involves a "buy-in." A "buy-in" is a sort of contract between the field Mission and the Office of Population in which the Mission "purchases" (with DFA money) a "service" from R&D/POP. In 1991, the Office of Population processed US\$28,099,000 in "buy-ins."

PROJECT PROCESS

AID population-oriented projects may be developed and planned in two ways:

- 1) An in-country Mission may choose to develop a country-based population project. At present, there are 44 existing and planned bilateral population programs worldwide. With these activities, the process proceeds as with any other sort of project. The Office of Population is often involved through the provision of technical assistance and advice to the Mission. In some cases, a "parachute approach" is used in which a technical team from AID/W, often composed of private consultants as well as AID staff, visits a Mission for a discrete period of time and provides technical cooperation for project development and planning.
- 2) The Office of Population also develops projects. In such a case, R&D/POP writes a "concept paper", which it cables to AID Missions around the world. The Missions respond regarding their potential level of interest in the proposed project. After developing a rough framework, the Office of Population puts out a "Request for Proposals" (RFP) to technical organizations, such as consulting firms. Interested organizations write proposals and submit bids for the project; an Office of Population committee subsequently decides on funding and selects a firm to implement the project. In many cases, the private firm and AID then approach AID Missions with a proposal to implement the project in their host countries. The private firm negotiates with the host country government and the AID Mission on the project. If the decision is made to go forward with the project in a certain

country, funding comes from DFA money through a Mission "buy-in" or from Office of Population funds.

Implementation of projects varies significantly by case and may involve the in-country Mission, the Office of Population, and U.S. "Cooperating Agencies." Cooperating agencies may be NGOs, universities, U.S. government offices, and private consultants. For example, The Futures Group, the Centre for Development and Population Activities (CEDPA), Johns Hopkins University, and the U.S. Bureau of the Census are all involved in current projects. Many U.S. NGOs are particularly strong in the population sector. This expertise has developed, at least in part, under the encouragement and funding of USAID, which needed alternatives to traditional bilateral programs when it first became involved in population activities. At that time, due to the reluctance of some host country governments (particularly in Africa), AID often found working through NGOs and central funding to be a more effective way of operating in this sector. As a result, it encouraged the development of the necessary expertise within the U.S. NGO community. (Note: The term "central funding" refers to projects initiated and funded by the central, functional bureaus and offices, rather than by USAID overseas Missions and regional bureaus.)

Activities may be carried out with the participation of host institutions within the host country, particularly in the case of subprojects. In Africa, 38% of subprojects were undertaken by government or parastatal organizations, a figure far higher than the government involvement in either Asia or Latin America. The private sector (IPPF affiliates, other non-profit, and for-profit) accounted for 47% of subproject expenditures. Universities undertook 9% of the total.

To summarize, within AID, the Office of Population, the Africa Bureau, and staff in the AID Missions may all play a part in population projects. Project planning may originate either in AID/W or in the field; funding may be provided by R&D/POP, individual Missions' DFA funds, or the two sources in parallel. Regional projects have regional funding. Implementation often involves a number of different parties. In general, R&D/POP activities are designed to complement AID programs. Its projects provide support to activities that are not readily included in the existing and planned bilateral programs. In those countries that do not receive bilateral assistance, R&D/POP projects provide support that complements the AID development assistance strategy. At all levels, R&D/POP provides an invaluable source of technical knowledge while the Missions are responsible for overall AID activities and strategy within the individual countries.

AID STRATEGY AND PROJECT CONTENT

AID population policy is described as follows: "Support for population and family planning programs is an essential part of U.S. development assistance. Family planning programs enhance individual freedom to choose the number and spacing of children and provide critical health benefits for mothers and young children." ("Highlights of AID's Population Program")

Allocation of DFA funds for population activities is affected by the 10% Congressional earmark, but is ultimately determined by the individual country Missions' chosen sectors of concentration. The allocation of R&D/POP funds is determined in part by the Office of Population's recently established "Big Country Strategy." Given increasing demand for population activities, dwindling resources and staff, and Congressional demands for "impact," the Office has chosen to "focus and concentrate" its resources in countries where the need for family planning is greatest. "Need" has been defined as the combination of three factors: the number of women who have an unmet need for family planning, the number of births of parity four or higher, and the number of multiple-risk births. This

strategy will effectively lead to a reduction in the number of countries of operation in order to have a demonstrable effect.

In Africa, these countries include Ethiopia, Kenya, Ghana, Nigeria, Tanzania, and Uganda. The Office of Population's "Big Country" concept differs from the Africa Bureau's "focus country" strategy. In many cases, the two lists do overlap. However, the Africa Bureau expresses concern about how to maintain current population programs in countries which are not on the Office of Population's shorter "Big Country" list.

Several factors are included in the design of country-specific assistance. These include an assessment of each country's need to: a) strengthen government commitment to voluntary family planning; b) develop effective public and private family planning programs; c) increase the utilization of these programs; and d) decrease dependence on external donors for program support.

Within the countries where it is active, AID operates a variety of programs, including family planning assistance; information, education, and training programs; and policy analysis. AID is also involved in four broad areas of research: demography, social science, operations, and biomedicine.

Service delivery and supporting research have the highest priority for the Agency. Just over 75% of R&D/POP activities support service delivery and include:

- Programs to enhance policy development that can legitimize and encourage family planning programs.
- Program support for voluntary family planning programs, particularly for innovative activities.
- Training of program personnel.
- Provision of contraceptive supplies.
- Assistance to population information and education programs.

Research accounts for the remaining approximately 25% of R&D/POP funding and includes:

- Biomedical research on safer, more acceptable, more effective, and more affordable methods of contraception.
- Operations research to improve the management and operation of service delivery programs.
- Social science and demographic research to increase knowledge of population dynamics and to improve the collection and analysis of demographic data.

The Family Planning Service Expansion and Technical Support (SEATS) project is one example of an R&D/POP centrally-funded activity. The purpose of the project is "to expand the development of national family planning programs; increase access to, and use of, quality family planning services in currently underserved populations; and ensure that unmet demand for these services is addressed through the provision of appropriate financial, technical and human resources." (1992 "Guide to the Office of Population") Focusing on Sub-Saharan Africa and selected low contraceptive prevalence countries in Asia, the Near East and the South Pacific, SEATS will assist both public and private sector organizations which have a commitment to providing technical and financial support. Technical staff based in two regional offices (Harare, Zimbabwe and Lome, Togo), AID/W, and resident advisors based in priority countries provide assistance in program planning and management, IEC, training, commodity distribution, and management information systems (MIS). The project has a five year contract level (July 1989 - July 1994) of US\$43,000,000; John Snow, Inc. is the cooperating agency.

SELECTED COUNTRY PROGRAMS

AID programs have been particularly "successful" in some countries in Africa, such as Kenya and Nigeria.

Kenya

The largest share (14%) of AID population project expenditures in Africa are channelled to Kenya, and the country is frequently cited as a "success story" for an AID population and family planning program. The total fertility rate has dropped from 8.0 in 1980 to 6.6 in 1990. Contraceptive use has increased from only 7% in 1977/78 to 27% in 1989. The population growth rate has fallen from 4.1% in 1978 to 3.6% in 1992. Impressive results in this area have been attributed, in part, to AID programs to improve the availability of quality family planning services, part of the strategic objective to increase contraceptive use in Kenya. Population sector projects in Kenya include Family Planning Services and Support, Contraceptive Social Marketing, Private Sector Family Planning II, and General Contraceptive Procurement. Funding for these projects comes from both R&D/POP and DFA accounts. In the past, Health Account funds have also been used for population projects.

Nigeria

The AID development strategy in Nigeria focuses almost entirely on family planning and child survival. About 10% of AID funds for population activities in Africa go to Nigeria. Since 1985, the Family Health Services Project and other activities have assisted the Government of Nigeria and NGOs to implement the country's national population policy, increase contraceptive use and expand a nation-wide network of public and private family planning service delivery facilities. Other projects include the Program for Voluntary Sterilization and Central Contraceptive Procurement. Fertility rates in Nigeria appear to have fallen by 1.5 children over the past 10 years. The population growth rate decreased slightly from 3.1% in 1978 to 3.0% in 1992. Funds from both the DFA and R&D/POP accounts have been utilized for population and family planning activities in Nigeria.

FUTURE DIRECTIONS

AID funding levels for population activities will probably increase slightly in the near future. The geographical distribution of the total, however, may shift depending on changes in R&D/POP's "Big Country" Strategy. At present, it is discussing utilizing the concept on a global basis, concentrating population resources on the twenty most "needy" countries in the world. A "second tier" of fifteen additional nations would also receive assistance. Of these 35 first and second tier countries, 10 are in Africa, so African nations would be likely to continue receiving a substantial amount of AID population-sector support. First tier countries would include Kenya, Nigeria, Ghana, Uganda, Zaire, and Ethiopia, although activities in the last two have been sharply curtailed due to political and human rights problems. Rwanda, Senegal, Zimbabwe, and Mali would be in the second tier.

In the future, individual projects may contain an increased emphasis on sustainability, including financing issues such as cost recovery. There may also be more interest in broadening private sector involvement, a trend that is evident throughout the Agency. In any case, general population policy, as well as the content of individual projects, will be affected by policy changes and political shifts within AID, Congress, and the Administration.

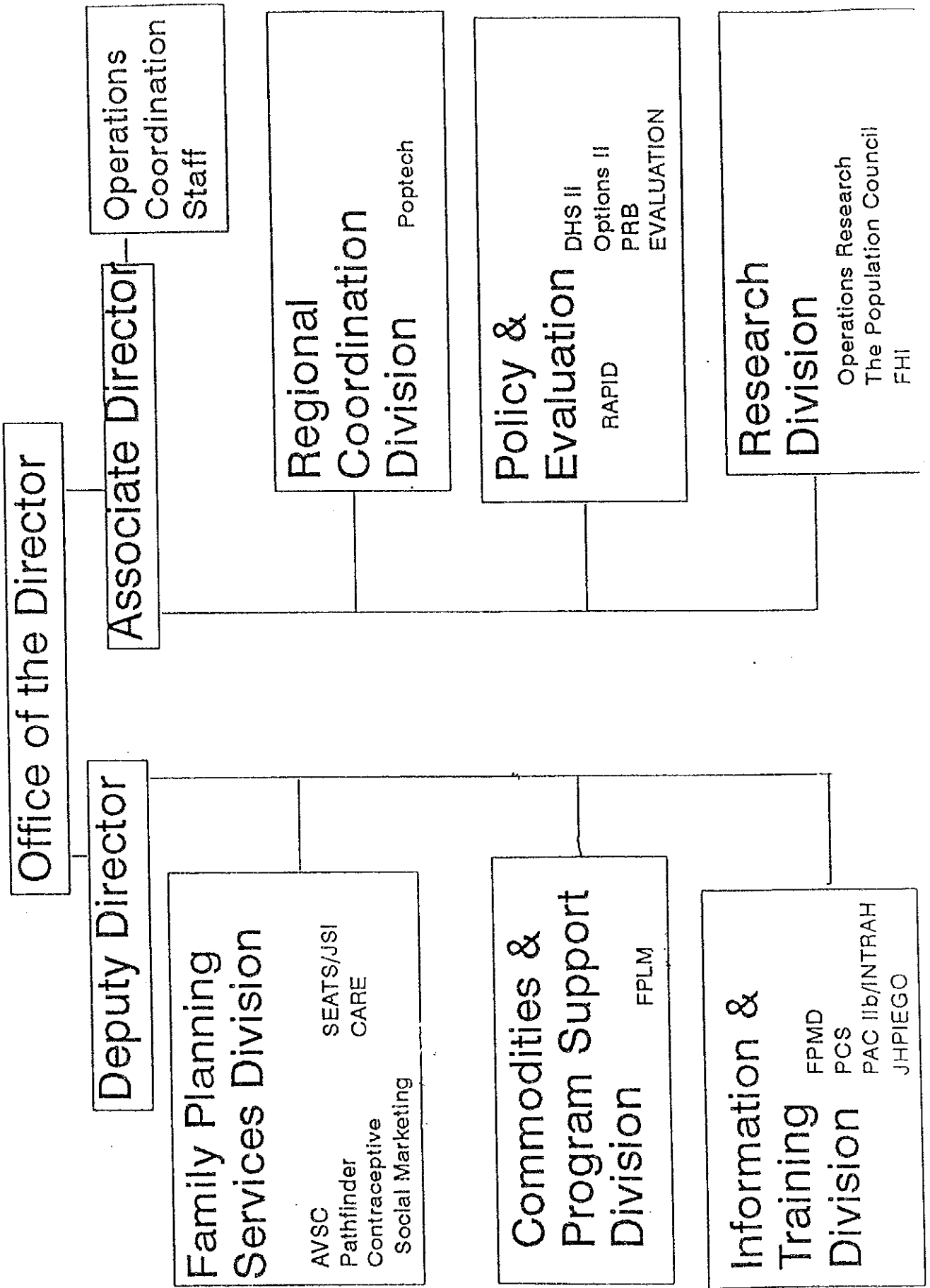
JAPAN'S POPULATION AND FAMILY PLANNING ACTIVITIES

Japan has been contributing funds to the United Nations Fund for Population Activities since 1971. Since 1969, JICA has been carrying out Project-Type Technical Cooperation focused on the areas of family planning and maternal and child health care. Current JICA activities in population and family planning are taking place in nine countries. Assistance may be in one of three modes: 1) Integration with maternal and child health care (Indonesia, Philippines, Thailand, Egypt, Mexico, and Peru); 2) Emphasis on educational activities (Turkey and Kenya); and 3) Emphasis on preparation of population statistical materials (Sri Lanka).

Japan's population activities in Africa are limited to "The Project of Promotion of Population Education" in Kenya. The objective of this JICA project is to reinforce family planning and maternal and child health care activities by promoting information, education, and communication activities at the Kenya Institute of Mass Communication. To achieve this objective, JICA cooperates in the strengthening of the organizational functions of the National Council for Population and Development, and in the development of media for disseminating public information. The activity has a planned duration of five years, from December 1988 to December 1993.

In addition to implementing such activities, JICA mandated the establishment of a Study Group on Development Assistance for Population and Development in June 1991. The Study Group released its findings in March 1992. The report reviews strategies for improving population assistance and makes recommendations on the implementation of population assistance.

OFFICE OF POPULATION



A.I.D. Population Activities by Country

FY 1991 Expenditures (in \$000s)

Region: Africa

	Mis/Reg Projects	R&D/POP Projects	Total Country
Benin	0	102	102
Botswana	982	11	993
Burkina Faso	989	994	1,983
Burundi	210	57	267
Cameroon	187	2,533	2,720
Cape Verde	0	150	150
Central African Rep.	0	18	18
Chad	184	2	186
Cote d'Ivoire	138	1,972	2,110
Ethiopia	0	5	5
Gambia	0	330	330
Ghana	4,760	782	5,542
Guinea	0	244	244
Guinea-Bissau	8	0	8
Kenya	8,392	3,331	11,723
Lesotho	425	18	443
Liberia	0	105	105
Madagascar	0	999	999
Malawi	0	783	783
Mali	3,121	971	4,092
Mauritania	8	0	8
Mauritius	0	206	206
Mozambique	0	171	171
Multiple - Africa	10,310	4,568	14,878
Niger	1,786	1,004	2,790
Nigeria	7,058	1,289	8,347
Rwanda	924	1,414	2,338
Sahel Regional	0	184	184
Senegal	1,821	1,225	3,046
Seychelles	0	1	1
Sierra Leone	0	99	99
Somalia	1,254	4	1,258
Sudan	0	7	7
Swaziland	191	130	321
Tanzania	1,748	1,728	3,476
Togo	375	1,396	1,771
Uganda	149	2,311	2,460
Zaire	5,084	690	5,774
Zambia	186	867	1,053
Zimbabwe	1,240	1,604	2,844
Africa Total	\$51,530	\$32,305	\$83,835

Sources: Mission/Region Projects — Congressional Presentation (FY 1993); PAIS system data (2/28/92); and NEWVERN database expenditure memorandum (11/27/91).

R&D/POP Projects — CA Cost Reports (3/19/92); and NEWVERN database (3/18/92)

VI. CONCLUSION: IMPLICATIONS FOR OECF/JICA ASSISTANCE

This study has highlighted several aspects of the U.S. program of assistance to Africa which may prove of interest to the Japanese aid community. The Conclusion presents a series of observations drawn from the information gathered and suggests the implications of these findings for Japan's ODA program.

Development Fund for Africa

One problem often associated with assistance to Sub-Saharan Africa is that of the impact of aid. Japan's aid to Africa does not go beyond its international obligation in part due to the skepticism of the Japanese aid community about the effectiveness of aid to SSA. At USAID, the Agency is obligated to prove to Congress the impact of aid to SSA. In return, the DFA budget has acquired a degree of independent discretion not available in assistance programs to other regions; this characteristic is worthy of further discussion. First, since both Japan and the United States have not had colonies in Africa, both nations are free to concentrate assistance on countries where aid is most effective (Focus Countries). Second, in terms of the most effective methodology of assistance in SSA, rather than simply utilizing established methods, aid agencies should have the flexibility to experiment in order to determine the most effective methodology; this approach has been made systematic in the DFA. In Japan, OECF and JICA should be given a relatively "free hand" in assistance to Africa. In addition, rather than allocating aid across the board, Japan's assistance should be concentrated on countries with high impact of assistance programs and in priority sectors. If such a strategy is followed, JICA and OECF will be able to show to the Japanese people and government that assistance to Africa also can have an impact.

Country-Assistance Strategy

The factors which act as pillars of USAID assistance to Africa are 1) selection of focus countries; and 2) development of Country Program Strategy Plans (CPSPs). This style of planned assistance stands in contrast to the government-request basis of Japan's aid program, particularly in Africa. Japan's philosophy of relying on government requests means that the content of assistance programs is based entirely upon requests from the recipient government, and Japan does not impose its own plans on the recipient country. In Asia, particularly in the ASEAN countries, this government-request system is supplemented by an "Annual Policy Discussion" system in which Japan and the recipient discuss development strategy and assistance programs for the following year. In the case of OECF loans, it also includes an "Annual Provision" system in which, based on a request list submitted by the recipient government, a package of OECF loans is extended at a certain time each year; the monetary size of the package usually increases yearly. Thus, while maintaining a strong sense of ownership of the development strategy, the countries involved are also able to incorporate Japanese assistance in advance into development plans and to utilize it in long-term development. An important premise of this approach is the belief, which has been cultivated based on experiences of the past, that these countries have obtained the capacity to create independently their own development strategies. However, since Japan's relationship with SSA is rather weak, "Annual Policy Discussion" and "Annual Provision" systems have not been established. In addition, information with which to evaluate the capacity of SSA is rather scarce. Thus, the chances of success of the "government request basis," as is used in Asia, are not high, and a more strategic and planned approach, such as that of USAID, may be more successful in the region. Nevertheless, such an approach has the danger of weakening the recipient country's

"ownership" of the development plan. Further, any attempt to imitate the USAID approach may be adversely impacted by the difficulty in accumulating necessary funding and staff in the Japanese aid institutions. The aspect of USAID's approach to assistance in SSA which should be considered by Japan concerns the fact that since even USAID, which enjoys more abundant staff than OECF and JICA, uses the Focus Country approach, the Japanese aid institutions, which are operating under less favorable circumstances, should have a more urgent need to follow such an "elective" approach.

Institutional and Human Resources Issues

First, USAID and the Africa Bureau possess a great deal of knowledge and experience on Sub-Saharan Africa. This strength stems from several sources, including the expertise of individual staff members and the institutional knowledge provided by USAID's fairly extensive presence overseas. The Agency's training courses contribute to the enhancement of USAID's human-resource capacity. In addition, the use of contractors may allow USAID to select those who have specialized expertise in Africa and in certain sectors.

This comparative strength has allowed the U.S. to be successful in many of the "labor-intensive" social sectors which require a great deal of specialized knowledge and expertise. Of course, other factors such as funding cuts and changes in the Congressional mandate, have also influenced the direction of the US assistance program to Africa, but USAID's strong human resource capacity have reinforced shifts towards the social sectors.

USAID's strong presence in the field also provides invaluable, long-term knowledge on the situation in recipient countries. Such information affects not only success in particular programs, but also the formulation of development assistance plans.

USAID's comparative strengths in human resource capacity have several implications for the Japanese aid community. First, JICA and OECF may be able to learn valuable lessons from examining in more detail the Agency's training program and personnel-selection procedures and, perhaps, adopting some of its practices. For example, perhaps JICA could more actively recruit ex-JOCV participants, given the relatively high number of ex-Peace Corps volunteers employed at USAID. Second, the advantages of USAID's strong presence in the field should not be ignored by the Japanese aid community.

Post-Infrastructure Assistance

Recognition of the failure of a strategy emphasizing infrastructure assistance to Africa in the 1960s and 1970s was the starting point for USAID's current mode of operation of assistance in the region; it could be called "post-infrastructure assistance." On the other hand, Japan's aid basically stresses infrastructure. Although those involved with Japan's assistance program are aware of the problems which accompany infrastructure assistance, they believe that infrastructure aid can yield positive results which exceed any bad effects. This way of thinking may grow out of experiences in Asia. One cannot say unconditionally whether USAID's viewpoint or the beliefs of Japan's aid agencies are correct. However, in the case that OECF and JICA plan to promote assistance to SSA in the future, in order to minimize the negative effects of infrastructure assistance as pointed out by USAID's experience, it will be necessary to ensure the existence of a maintenance management system, to confirm that related policies are appropriate, and to prevent corruption, even more than in Asia.

Emphasis of Private Sector and Use of PVOs (NGOs)

In USAID assistance to SSA, there are many cases in which USAID assists the host-country private sector directly through U.S. and host-country PVOs, without going through the host-country government. USAID is more complete in its emphasis on the private sector than the World Bank. (In the case of the World Bank, the borrower must be a government or a government-related institution.) On the other hand, in the case of Japan, the recipient of funds (in the case of OECF, the borrower), must be a government, and it is usually required that the direct beneficiary of the assistance (the project's implementing agency) be a government-related institution. However, as to whether this will work in the evolving situation in SSA, close scrutiny would be needed. As for Japan, concrete methods of strengthening assistance to the private sector in SSA may include the following three points.

1. At present, most of Japan's assistance in support of structural adjustment under the SPA framework is in the form of "money." Although Japan has not been active in technical cooperation for the transfer of its know-how in the area of private sector development, where it is comparatively strong, in the future it could develop a structure to expand such assistance and to extend not only "money" but also "wisdom."
2. USAID broadly uses human resources from a variety of sources, such as private consultants, U.S. company groups, NGOs, and also including universities, government institutions, and accounting firms. In comparison, Japan's use of people who have participated in its technical cooperation programs may be said to be rather narrow, and expansion of this aspect could be planned.
3. As to the strengths of Japan's assistance in the area of infrastructure, introduction of the private sector in infrastructure development in SSA countries could be investigated. More specifically, there could be established a system which makes possible the extension of OECF loans to enterprises (electricity, water) which have been privatized as the implementing agency.

Donor Coordination

Many of the findings of this investigation have implications for efforts to improve donor coordination. First, as many of the USAID officials indicated, a great deal of donor coordination occurs at the field level. Although forums such as the SPA provide an invaluable opportunity for overall policy coordination, they do not replace contacts in the field. Japan should try to increase field-level communications, either through overseas JICA and OECF offices and the Japanese Embassy, or through JICA and OECF study teams which visit recipient countries.

Second, donor coordination at the policy level is also important. Japan must be aware of the potential for conflict between its ODA-funded projects and the policies of other donors and multilateral institutions such as the World Bank.

Finally, this investigation has revealed that USAID is concentrating most of its resources in Africa in the social sectors. Given that Japan remains involved in large infrastructure projects, recognition of the two countries' strengths could lead to many opportunities for donor coordination at the individual project level. If Japan and the US each focus on their particular areas of experience and expertise, both donors' funds could be utilized more effectively. Such cooperation should not, however, preclude either donor from becoming involved in new sectors in the future. Nevertheless, Japan's strength in infrastructure and USAID's advantages in the social sectors may be viewed as mutually reinforcing, and the need for aid coordination between the U.S. and Japan is particularly high in order to achieve effective implementation of assistance.

