

Additional Help: 200-203  
File Name: 200sai\_100400\_cd20  
Last Revised: 10/04/2000

## **USAID'S STRATEGY FOR SUSTAINABLE DEVELOPMENT: AN OVERVIEW**

### **The Challenge**

The United States Agency for International Development was created in 1961 with two purposes in mind: to respond to the threat of communism and to help poorer nations develop and progress. Both were legitimate strategic roles for the Agency; both were grounded in the belief that it was possible to defend our national interests while promoting our national values.

In these capacities, USAID helped the United States achieve critical objectives. It advanced a foreign policy that embodied a commitment to justice and liberty, a desire to bring the benefits of democracy to people throughout the world, a willingness to be a helpful neighbor, a humanitarian response to people in need, and a determination to lead. Over three decades, USAID achieved considerable success fulfilling these strategic mandates.

With the end of the Cold War, the international community can view the challenge of development directly, free from the demands of superpower competition. The international community in general and the United States in particular now have an historic opportunity: to serve our long-term national interests by applying our ideals, our sense of decency, and our humanitarian impulse to the repair of the world.

It is not wishful thinking to believe that we can constructively address the pollution of the seas and the air, overburdened cities, rural poverty, economic migration, oppression of minorities and women, and ethnic and religious hostilities. On the contrary, the cost of not acting, of having to deal with the global impact of imploding societies and failed states, will be far greater than the cost of effective action. Investment in development is an investment in prevention.

Serious problems of development will yield to effective strategies: This is a lesson of the last 30 years. Many poor nations have experienced unparalleled economic growth

during this time. Some have become predominantly middle-class societies; others are well along in similar transformations. In many nations, poverty has declined significantly. Foreign assistance has accomplished much: Vast resources and expertise have been invested to help poor countries develop, and millions of lives have been made better as a result.

Why then is the issue of development so urgent now? It is no exaggeration to suggest that the challenges we face constitute potential global threats to peace, stability, and the well-being of Americans and people throughout the world.

The threats come from a multitude of sources:

- The continuing poverty of a quarter of the world's people, leading to the hunger and malnutrition of millions and their desperate search for jobs and economic security.
- Population growth and rapid urbanization that outstrip the ability of nations to provide jobs, education, and other services to millions of new citizens.
- The widespread inability to read, write, and acquire the technical skills necessary to participate in modern society.
- New diseases and endemic ailments that overwhelm the health facilities of developing countries, disrupt societies, rob economies of their growth potential, and absorb scarce resources.
- Environmental damage, often arising from population pressures, that destroys land, sickens populations, blocks growth, and manifests itself on a regional and global scale.
- And finally, the threat comes from the absence of democracy, from anarchy, from the persistence of autocracy and oppression, from human rights abuses, and from the failure of new and fragile democracies to take hold and endure.

Americans cannot insulate themselves from these conditions. Pollution elsewhere poisons our atmosphere and our coastal waters and threatens the health of our people. Unsustainable population growth and spreading poverty can lead to mass migrations and social dislocations, feeding terrorism, crime, and conflict as desperate people with little to lose attempt to take what they want by force.

These threats pose a strategic challenge to the United States. If we do not address them now, we shall have to pay dearly to deal with them later.

To respond in a meaningful way, the United States must articulate a strategy for sustainable development. It must forge a partnership with the nations and the people it assists. It must focus on countries where its help is most needed and where it can make the most difference. It must make the most of limited financial resources and employ methods that promise the greatest impact. And the United States must bring all its resources to bear -- not only its money, but its expertise, its values, its technology, and most of all, the involvement of ordinary Americans.

Effectively delivered, development assistance provides a powerful means to address, ameliorate, and even eliminate the problems of rapid population growth, environmental degradation, endemic poverty, debilitating hunger, mass migration, and anarchy. We cannot "develop" nations, but we can help them unleash their productive potential and deal effectively with the challenges of development. As President Clinton has affirmed, foreign assistance is a central component of effective foreign policy. Development cooperation is not just a tactic, but an integral part of our vision of how a community of nations, some rich and some poor, should function.

Because development assistance is designed to help other nations deal with the problems of national life peacefully and productively, our work is both altruistic and self-interested. Successful development creates new markets for our exports and promotes economic growth in the United States. America's poor increasingly benefit from development methods pioneered abroad, such as microenterprise and childhood nutrition interventions. Moreover, foreign assistance facilitates international cooperation on issues of global concern.

USAID lacks the resources to implement all the programs outlined in these papers, and budgetary pressures are forcing our nation to make hard choices among worthy investments. Yet we believe that those choices cannot be made unless the full extent of the threat is understood. These papers are both battle plans and advocacy documents. They articulate a strategic vision that will guide our work. They also are designed to focus attention within the Executive Branch, in Congress, among the American people, and within the donor community on the crucial role that promoting sustainable development must play in our foreign policy.

The current situation demands nothing less. It is unrealistic to expect that international conflict, oppression, and disorder can be eradicated. But it is not unrealistic to try to address those problems by providing nations, communities, and individuals with opportunities for development. The ultimate dividend should be nothing less than a more peaceful, more prosperous world.

## **Operational Approaches**

USAID recognizes that its success will be determined by the way it approaches its development mission and the way it responds to urgent humanitarian needs. To meet the challenges of the post-Cold War world, USAID will employ certain operational methods in all its endeavors: support for sustainable and participatory development; an emphasis on partnerships; and the use of integrated approaches to promoting development.

**Sustainable development** is characterized by economic and social growth that does not exhaust the resources of a host country; that respects and safeguards the economic, cultural, and natural environment; that creates many incomes and chains of enterprises; that is nurtured by an enabling policy environment; and that builds indigenous institutions that involve and empower the citizenry. Development is "sustainable" when it permanently enhances the capacity of a society to improve its quality of life. Sustainable development enlarges the range of freedom and opportunity, not only day to day but generation to generation.

When sustainable development is the goal, the focus moves from projects to the web of human relations changed by those projects. Sustainable development requires investments in human capital -- in the education, health, food security, and well-being of the population. Sustainable development sparks changes within society, from the distribution of power to the dissemination of technology. It continually challenges the status quo.

Sustainable development mandates **participation**. It must be based on the aspirations and experience of ordinary people, their notion of what problems should be addressed, and their consultations with government, development agencies, and among themselves. It must involve, respond to, and be accountable to the people who will live with the results of the development effort. It must help them build institutions of free discourse and inclusive decision-making.

Thus, the fundamental thrust of USAID's programs, whether in democracy building, environment, economic growth, or population and health, will aim at building indigenous capacity, enhancing participation, and encouraging accountability, transparency, decentralization, and the empowerment of communities and individuals. Our projects will involve and strengthen the elements of a self-sustaining, civic society: indigenous non-governmental organizations (NGOs), including private voluntary organizations (PVOs), productive associations, educational institutions, community groups, and local political institutions. This approach will make empowerment an integral part of the development process, and not just an end result.

**Partnerships** begin with collaboration between donors and host nations. Donors must recognize that development, in every sense, depends on the developing country itself. Donors assist. They can help, facilitate, even accelerate, but the major task must be carried out by the host nation, not the donor. Sustainable development is built upon a sense of ownership and participation. It is not something that donors do for developing countries; it is something that donors help the people of developing countries do for themselves.

The notion of partnership imposes certain responsibilities on host governments. In determining where it will invest its resources, USAID will consider whether the host government permits development agencies and NGOs full access to the people; whether it invests its own resources in development; whether it encourages development through an enabling environment that comprises sound policies and responsive institutions; and whether it fosters local empowerment, particularly of women and members of minorities, as part of the development process.

An increasing portion of development work is being carried out by NGOs, including U.S.-based PVOs, indigenous NGOs, institutions of higher learning, and professional and academic groups. These organizations possess unique skills and contacts; they are USAID's natural partners in development and their work is reinforced by the private sector. Improved coordination with these agencies will permit USAID to do the things it does best and concentrate the skills of its employees where they are most needed.

USAID recognizes that the effectiveness of these organizations depends in large measure on their institutional autonomy. USAID cannot and should not micromanage these organizations. However, to ensure that programs achieve their objectives, USAID will insist upon a critical evaluation of project design, implementation capabilities, and

past field performance. It will maintain oversight and communicate regularly once projects have commenced.

Donors must reinforce each other and coordinate at every stage of the development process. USAID can improve its own effectiveness by cooperating with other donors in a multitude of ways, including: joint assessment of development problems and the threats they represent; cooperative planning and division of responsibility; allocation of resources to reinforce other development efforts; pooling of financial resources where possible and appropriate; sharing of technical resources and expertise; rapid transfer of information about methods and results; and collaboration and communication in the field and collectively with host governments.

Partnership also includes leveraging. In its narrowest sense, leveraging involves the pursuit of matching funds. Much of our leveraging work will continue to be done in coordination with multilateral development banks (MDBs). USAID also will encourage other donors to contribute to worthy projects and to become involved in areas that deserve support but where we lack funds to operate. The Agency will also encourage the active participation of private enterprise. A strategy for development should seek to increase the number and kind of participants in the development process, and efforts to this end are a legitimate part of USAID's mission.

Finally, USAID will use **integrated approaches and methods**.

Integration begins with policy. USAID conducts its programs under the direction and guidance of the Secretary of State and attaches the highest priority to coordinating its work with the needs and objectives of the Department of State and the U.S. Ambassador and the country team, wherever its missions operate.

The fundamental building block of USAID's programs will be integrated country strategies. These strategies will take into account the totality of development problems confronting the society. They will be developed in close cooperation with host governments, local communities, and other donors and will consider how social, economic, political, and cultural factors combine to impede development. They will seek to identify root causes and the remedies that can address them. We intend to minimize so-called "stovepipe" projects and programs that operate without regard for other development efforts or larger objectives.

USAID will pay special attention to the role of women. In much of the world, women and girls are disproportionately poor, ill, and exploited. Of necessity, the development process must focus on their social, political, and economic empowerment. We will integrate the needs and participation of women into development programs and into the societal changes those programs are designed to achieve. Women represent an enormous source of untapped talent, especially in developing nations. The success of women -- as workers, food producers, health providers and teachers of their children, as managers of natural resources, and as participants in a democratic society -- is essential to successful development. A development process that fails to involve half of society is inherently unsustainable.

Development assistance must address the specific needs of women in developing nations: health, housing, education, equal access to productive resources and employment, participation in society, and empowerment. In their design and implementation, programs must take gender issues into account and pay particular attention to the needs of women in poverty. The ultimate success of our work will be determined by the impact it has upon the lives of the women and men it is designed to assist.

### **Areas of Concentration**

The United States must commit itself to act, must act in concert with other donors, must act where it can have maximum effect, and must draw on its strengths. These strengths determine where USAID will concentrate its resources.

USAID's programs will be undertaken in three types of countries:

- Countries where USAID will provide an integrated package of assistance -- these will be termed sustainable development countries. Assistance to these countries will be based on an integrated country strategy that includes clearly defined program objectives and performance targets.
- Countries that have recently experienced a national crisis, a significant political transition, or a natural disaster, where timely assistance is needed to reinforce institutions and national order. These are classified as transitional countries.

- Countries where USAID's presence is limited, but where aid to non-governmental sectors may facilitate the emergence of a civic society, help alleviate repression, meet basic humanitarian needs, enhance food security, or influence a problem with regional or global implications. In such countries, USAID may operate from a central or regional base, may focus on policy and institutional changes in the public sector, or may support the work of U.S. or indigenous NGOs or institutions of higher education.

Within these nations, USAID will support programs in four areas that are fundamental to sustainable development: Population and Health, Broad-based Economic Growth, Environment, and Democracy. Progress in any of these areas is beneficial to the others. This is especially true with rapid and unsustainable population growth, which consumes economic gains, deepens environmental destruction, and spreads poverty.

Problems of the environment, population, health, economic growth, and democracy also have a transnational impact. They require approaches that consider the global impact and that are not confined to individual states. Investments in these areas thus must be seen as primary prevention of the crises, deep-seated poverty, and despair that fuel civil unrest and international turmoil.

The United States in general and USAID in particular have extensive skills in each of these key areas. Moreover, USAID's partners in development -- American PVOs, universities, and training organizations, and the American private sector -- are particularly experienced in these areas.

Finally, solutions to these problems will help create self-sustaining, civic societies. Such solutions are characterized by local empowerment, the involvement of the recipients of aid in their own development, decentralization of decision-making, and the establishment of institutions of consensus-building and conflict resolution. They mandate the creation and involvement of indigenous NGOs -- intermediary organizations that enhance popular participation, that deepen the benefits to society, and whose very existence can promote peaceful change. Such solutions are the essence of sustainable development.

USAID will continue to carry out its other traditional mandate: providing emergency humanitarian assistance and disaster relief with dollars, technical expertise, and food assistance. Emergency humanitarian assistance and disaster aid are integral to the process of promoting sustainable development. Emergency humanitarian assistance relieves suffering and stabilizes nations that have experienced natural disaster or famine.

Typical humanitarian crises such as famine, civil conflict, and the inability to respond to natural disaster increasingly owe directly to failures of development. Emergency humanitarian assistance is a necessary, stop-gap response that helps nations recover to the point where they can address the larger issues of development.

As part of its humanitarian assistance and disaster relief function, USAID will acquire the capability to respond rapidly to the needs of countries in crisis. This is particularly critical to USAID's long-term development mission. A gap in development assistance currently exists: Emergency relief helps nations that have suffered acute crisis or natural disaster; programs of sustainable development address the long-term needs of developing societies. But nations that are trying to emerge from crisis or make a transition from authoritarianism to democracy often have urgent, short-term political requirements that are not addressed by either traditional relief programs or programs of sustainable development.

USAID can help mitigate these problems in two ways:

First, by helping countries reestablish a degree of food self-reliance through the distribution of such things as tools, seeds, and other agricultural supplies essential to begin planting and to reinvigorate the agricultural sector.

Second, by helping to reinforce and rebuild institutions. The transition from disaster or civil conflict is itself a crisis. From the political point of view, it is best to address such crises early, before famine and social disorder perpetuate and the momentum of civil conflict becomes irresistible, and before the cost of reconstruction grows geometrically. From the developmental point of view, it is best to arrest conflict and buttress institutions before the social structure collapses and takes with it the coherent pieces of an economy and a civic society that could grow and modernize.

## **Measuring Results**

The success of foreign assistance is determined by its impact upon developing nations. Inputs are meaningless without reference to effects.

With this in mind, USAID will measure its results by asking how projects and programs achieve discrete, agreed objectives. This is a demanding approach that forces everyone involved in the foreign assistance process to focus on how projects actually

affect the way people live and to distinguish self-sustaining accomplishments from ephemeral ones.

This approach also forces people within USAID to work as a team in designing, implementing, and evaluating projects and programs. It obligates them to cooperate with contractors and grantees; with NGOs, universities, and colleges; with the private sector; with other donors; with multilateral institutions; with host governments; with local authorities; and most important of all, with the citizens of developing countries, the intended beneficiaries of these programs.

While no program can touch every aspect of life within a society, individual programs in each of USAID's areas of concentration need to be structured and implemented to produce affirmative answers to these kinds of questions:

Is the program consistent with the interests and values of the American people?

Does the program or project produce measurable, positive effects? Does it lower population growth rates, create jobs and incomes, augment food security, enhance public health, improve air and water purity, slow the loss of soil and soil fertility, arrest the loss of biodiversity, create indigenous democratic institutions?

Does it address the actual needs of the local people as they themselves define them? Does it consult local people to identify related problems and opportunities?

Does the program build indigenous capacities and permanently enhance the capacity of the society to improve the quality of life?

Does the program involve and empower the people who are supposed to benefit from it? Do they participate in planning, allocation of resources, selection of methods, management, oversight, and assessment of accomplishments? Does the program help create the institutions of a civic society? By its design and operation, does the program help establish and strengthen indigenous NGOs?

Does the program avoid duplication and incorporate lessons learned by the development community? Are the specific ways in which the program affects global and transnational problems shared locally, nationally, and regionally?

Does the program create economic opportunities for different groups in society? Does it generate economic opportunities for American business? Are USAID mechanisms used to identify and disseminate these opportunities to the agencies, companies, and individuals in the country, in the region, and in the United States who might benefit from them?

By applying standards such as these, USAID can ensure that its development programs help the United States respond to the strategic threat of failed development. These standards will shape USAID's approach to each of the areas of strategic concern, as is evident in the five accompanying papers. The value of these standards will be evident in the attitudes they affect within the Agency and the development community, in the development effort that ensues, and in the global improvement in the quality of life.

## **PROTECTING THE ENVIRONMENT: USAID'S STRATEGY**

### **The Challenge**

Environmental problems increasingly threaten the economic and political interests of the United States and the world at large. Both industrialized and developing nations contribute to the threat.

Human activities are disrupting the Earth's global life support systems -- the atmosphere and the planet's wealth of biological resources. Atmospheric concentrations of greenhouse gases continue to rise, with potentially catastrophic consequences for the global climate. The loss of untold numbers of plant and animal species and their habitats impoverishes the natural world for future generations and eliminates raw materials for advances in medicine, agriculture, and other fields.

At the local level, environmental degradation poses a growing threat to the physical health and economic and social well-being of people throughout the world. Explosive and poorly managed urbanization has contributed significantly to air, water, and soil pollution worldwide. The erosion and degradation of soils, loss of fertility, deforestation, and desertification beset rural communities and undermine food production, cause malnutrition, and impel migration. Water shortages cause conflicts among industrial, agricultural, and household users within countries and among nations.

The impact on developing nations can be measured in graphic human and economic terms. Widespread soil degradation is reducing the capacity of many countries, particularly in the tropics, to achieve food security. In Eastern Europe and the former Soviet Union, air-borne pollutants are the likely cause of high levels of morbidity and respiratory illnesses. Water pollution alone accounts for some 2 million preventable deaths and millions of illnesses each year. Environmental degradation can reduce national incomes by 5 percent or more.

America's own well-being is directly threatened by environmental degradation around the world. We cannot escape the effects of global climate change, biodiversity loss, and unsustainable resource depletion. The consequences of local environmental

mismanagement -- increasing poverty, social instability, wars over resources -- endanger our political and economic interests. The quality of life for future generations of Americans will in no small measure be determined by the success or failure of our common stewardship of the planet's resources.

The scope of the problem is clear:

**Environmental problems are caused by the way people use resources.**

Workable solutions must focus on how humans and their economic interests interact with the natural environment and its resources. They must address how people perceive the environment and how they utilize it; how they judge the costs of using resources; and how political, industrial, and agricultural processes either damage or protect the environment.

**Environmental damage often is driven by poverty and food insecurity.** These two factors deprive people of the possibility of making rational choices about how to use resources. They force individuals and communities to choose short-term exploitation over long-term management.

**Environmental problems reflect the imperfections of private markets.** Adam Smith's "invisible hand" is not always a "green" hand. Government policies often distort markets and encourage excessive exploitation of natural resources. Public interventions to correct market failures and eliminate market distortions often are necessary to protect the environment. Effective public institutions that create and monitor an environment favorable to sustainable resource use are critical. This, in turn, requires active public participation in the setting of standards, monitoring, and enforcement. Market-based approaches should be pursued wherever possible and appropriate; since solutions ultimately must make economic sense, regulatory institutions, the policy environment, and incentives must help define what is economically rational and what is not.

**Environmental problems have systemic effects.** The impact of most environmental problems is ultimately regional or global, so the solutions must transcend borders. Interventions produce the best results when they simultaneously address the problem locally, nationally, regionally, and globally.

**Environmental damage often is irreversible. Thus, the need for action is urgent.** Early intervention is critical to preventing the extinction of a species or limiting the impact of pollution on public health. Debates over ways to save biodiversity after the tropical forest is gone or how to clean up a river after children have been hurt are moot.

Worse, the failure to act makes it more difficult to respond effectively to future environmental problems.

At the 1992 United Nations Conference on Environment and Development (UNCED), both rich and poor nations agreed that economic growth and environmental stewardship must both be pursued to avoid a catastrophic overload of the Earth's carrying capacity in the next century. Economic growth cannot be sustained if the natural resources that fuel that growth are irresponsibly depleted. Conversely, protection of the environment and careful stewardship of natural resources will not be possible where poverty is pervasive. This is the conundrum and the opportunity of sustainable development.

### **Strategic Goals and Areas of Concentration**

USAID will pursue two strategic goals:

- Reducing long-term threats to the global environment, particularly loss of biodiversity and climate change.
- Promoting sustainable economic growth locally, nationally, and regionally by addressing environmental, economic, and developmental practices that impede development and are unsustainable.

USAID will concentrate on the following kinds of problems:

**Globally**, it will focus on the growing sources and diminishing sinks of greenhouse gas emissions and on impoverishment of the planet's biological diversity at the genetic, species, and ecosystem levels.

**Locally**, it will focus on the abiding impairment of human health due to air, water, and soil contamination from industrial, agricultural, and household activity; unsustainable exploitation of forests, wetlands, coastal zones, coral reefs, and other ecosystems that provide vital ecological services; degradation and depletion of water resources; unsustainable agricultural practices; inefficient and environmentally unsound energy production and use; inadequate management of household and municipal wastes in growing urban areas; regulatory, statutory, enforcement, and policy issues; and social and

economic patterns, including the lack of local participation and empowerment, that contribute to the aforementioned problems or impede solutions.

## **Operational Approaches**

USAID will pursue an integrated approach to environmental issues as outlined in Agenda 21 of the UNCED (Earth Summit) guidelines for ecologically sustainable development. The causes of environmental degradation often are the result of underlying pressures of poverty and rapid population growth. Programs in every sphere of development -- environment, economic growth, population and health, democracy -- must be designed with conscious regard for their impact on the natural environment and their potential for improving environmental stewardship locally, nationally, regionally, and globally.

USAID will strengthen its institutional capacity to ensure that all Agency-supported efforts, whether projects or program-related investments, are environmentally sound. Where necessary, it will require mitigating measures or project redesign.

Solutions begin at the local level, even for environmental problems with global implications. Lack of education, antiquated and inappropriate technologies, the local regulatory environment, economic policy distortions, and the absence of economic and social incentives to protect the environment all contribute to the continuation of damaging practices. USAID's environmental assistance programs thus must empower individuals and communities to act; they also must facilitate collaboration among government agencies, the private sector, and local groups. Such empowerment efforts must specifically reach out to include women and members of minority groups. Experience has shown, for example, that improving education for girls may be one of the most effective, long-term environmental policies in Africa and other parts of the developing world.

USAID will promote the involvement of citizens in identifying problem areas, suggesting and designing solutions, overseeing implementation, and evaluating results. USAID will actively support environmental initiatives by local governments, communities, and non-governmental organizations (NGOs) to help articulate local concerns and involve individuals and communities in decisions that affect the local and global environments.

Close coordination and communication with the host government are essential to all development work; they are especially critical here. Environmental projects invariably involve diverse political actors, economic forces, and social groups. USAID will work to create and strengthen consultative, management, review, regulatory, and monitoring

capacities at the regional, national, and local levels, in order to avoid misunderstandings and build consensus about plans and action.

To sustain the environmental impact of its work, USAID will encourage the development of an institutional and policy capacity within recipient countries. This improved capacity will help facilitate the flow of information, encourage consultations in-country, support economically efficient and environmentally sound policies, and promote the development, transfer, and adoption of technologies that enhance environmentally sound growth. Since many environmental problems (and solutions) are regional in nature, USAID will encourage regional approaches, including ongoing coordination, establishment of priorities, allocation of responsibilities, exchange of techniques, and sharing of technical resources.

USAID will coordinate its efforts with other members of the donor community. It will pursue partnerships with the U.S. and international environmental community of universities, private voluntary organizations (PVOs), professional and academic groups, scientific organizations, and the private sector to identify priority areas and appropriate methods, share responsibilities and technical resources, reinforce the efforts of other donors, and avoid duplication. Agency field missions will work to strengthen local markets for U.S. environmental technology services and equipment through capacity building, local environmental management, training, and dissemination of information.

## **Programs and Methods**

USAID will focus on programs that address these issues and use these methods:

**Global Issues:** In the area of **climate change**, USAID will identify key developing and former Soviet bloc countries that are, or will become, significant contributors to global greenhouse gas emissions. USAID will work with these countries on a case-by-case basis to develop appropriate action plans to reduce sources and enhance sinks of greenhouse gas emissions, through activities consistent with local environmental and economic goals. As appropriate, efforts in this area will include energy efficiency improvements; expanded use of renewable energy technologies; limiting deforestation, the burning of forests and agricultural lands, and other carbon-emitting land-use changes; and introduction of new agricultural practices to reduce methane emissions.

USAID's approach to **biodiversity** will focus on promoting innovative approaches to the conservation and sustainable use of the planet's biological diversity at the genetic,

species, and ecosystem levels. "Biodiversity" refers to the variability among living organisms from all sources, including terrestrial, marine, and other aquatic ecosystems, and among the ecological complexes of which they are part. This includes diversity within species, between species, and among ecosystems. We are only beginning to fully understand the economic value and biological underpinnings of biodiverse areas.

Protecting biodiversity is a complex and multifaceted challenge. It involves promoting sustainable economic uses of biological resources, strengthening systems of parks and protected areas, and supporting ex-situ efforts such as herbaria, gene banks, and zoos. Geographically, USAID will maintain a special focus on two types of areas: those richest in biodiversity and facing the greatest threat; and those that are least disturbed and present the greatest opportunity for long-term conservation. USAID also will support conservation and sustainable use of biological resources where this is judged to be a priority for sustainable development at the country level.

Substantively, USAID will focus on developing sustainable economic uses of biological resources; building local capacity for the management of biodiverse areas, including management of parks and protected areas; supporting innovative, non-governmental conservation and research programs; encouraging the involvement of indigenous peoples and local communities at every stage of decision-making; and facilitating the setting of conservation priorities that respect the rights of indigenous peoples at the local, national, and regional levels.

**Country Issues:** USAID's approach to national environmental problems will differ on a country-by-country basis, depending on a particular country's environmental priorities -- as determined by the host government and local communities and citizens -- and USAID's overall country program. All country strategies will include assessments of these elements:

**Improving agricultural, industrial, and natural resource management practices that play a central role in environmental degradation.** As appropriate, USAID-supported programs will target objectives such as:

- Conservation of soil and water through improved tilling practices, erosion planning and control, integrated pest management, reductions in the use of pesticides and in fertilizer and pesticide runoff, efficient design and management of irrigation systems, and protection of aquifers and integrated water resource planning and management.

- Reduction of industrial- and energy-related environmental degradation through the adoption of pollution prevention strategies and pollution control systems in industry, and through energy efficiency programs, renewable energy applications, fuel switching, and installation of environmental controls in the energy sector.

- Amelioration of rural and urban natural resource management problems and land-use problems through efforts to limit deforestation and promote reforestation; support for conservation and environmentally sustainable uses of forests, coastal zones, and other important ecosystems; and in urban areas, improved water resources management, land-use, sewage and waste disposal, and transportation planning.

**Strengthening public policies and institutions to protect the environment.** As appropriate, USAID will support such activities as:

- Reform of national economic policies, development strategies, and market mechanisms to end unintended or misguided environmental damage, promote conservation, and encourage sustainable resource management.

- Development of a comprehensive environmental policy framework, including laws, regulations, and standards at the national and local levels, as appropriate.

- Promotion of procedures for measuring, assessing, monitoring, and mitigating the environmental impact of economic growth.

- Improved enforcement of environmental laws and regulations through increased funding and technical training for regulatory agencies, enhanced public participation, and development of non-governmental advocacy groups.

- Creation or strengthening of competent environmental institutions within government, the private sector, the NGO community, and academia.

- Creation of environmental data bases and natural resource inventories.

**Bilateral and multilateral interventions.** USAID also will work bilaterally and multilaterally, pursuing dialogues with governments on environmental issues, such as environmental regulations, natural resource usage, and energy pricing policies; dialogues with international agencies, especially agencies of the United Nations and international financial institutions, on the environmental impact of lending practices in developing nations; and the design and implementation of innovative mechanisms to support

environmental work, including the establishment of trust funds and endowments and the design and completion of debt swaps and debt forgiveness.

**Environmental research and education.** As resources permit, USAID will continue its support for applied research on key environmental issues; non-capital intensive elements of technology transfer, such as institutional cooperation, scientific exchanges, development of human resources, and policy development; and support for public education on issues affecting the environment.

## Measuring Results

USAID will insist on measurable results from its programs. It is not enough to measure project inputs, funds spent, etc. The sole standard of success is the impact that programs have on host nations, their societies, and the lives of citizens. Detailed performance criteria for environmental activities will be developed in consultation with expert and interested outside parties. As appropriate, the following types of questions will be asked of environmental programs supported by USAID:

**In the area of climate change:** Are greenhouse gas emissions being reduced in countries that contribute most to the problem? Have these countries identified sources and sinks of emissions and implemented national action plans that address key sectors, e.g., energy, forestry, agriculture?

**In the area of biodiversity:** Have levels of biodiversity in key geographical areas been conserved? Have conservation plans and strategies been implemented for these areas, including provision for protection of parks and sensitive areas and support for sustainable economic activities for inhabitants of these areas and their buffer zones? Do these plans enjoy the support of local people, such that they can be maintained over time? Have national and regional biodiversity strategies that address underlying social and economic forces been implemented, including both in-situ and ex-situ approaches? Have economic policy distortions that encourage excessive exploitation of critical habitats been reformed?

**In countries where the concern is environmentally harmful agricultural practices:** Have agricultural activities in fragile lands been reduced? Has soil management improved, as demonstrated by better soil tilth and nutrient content and reduced soil erosion? Has the use of inappropriate pesticides been ended? Has pollution

from chemical runoff been reduced? Have integrated pest management techniques been disseminated and adopted? Have government subsidies or other policies encouraging environmentally harmful agricultural practices been reformed? Has an indigenous research capacity committed to the development of environmentally sustainable agricultural technology been developed? Do local farmers, both male and female, benefit from this research and from permanent lines of communication with international agricultural experts and institutions?

**In countries where the concern is environmentally harmful urbanization practices:** Have urban land-use plans been developed in consultation with affected businesses and communities and implemented? Have local governments adopted, implemented, and enforced integrated solid and liquid waste management programs? Are the levels of primary, secondary, and tertiary sewage treatment before discharge increasing?

**In countries where the concern is environmentally harmful industrial and energy practices:** Have ambient levels of air and water pollution been reduced in target airsheds and water bodies? Have pollution-related public health conditions, including the incidence of lead- and heavy metal-poisoning, improved? Have industries implemented pollution prevention and control strategies? Have government subsidies or other policies that encourage inefficient and environmentally harmful industrial practices or activities been reformed? Have policies for energy efficiency, renewable energy, and fuel switching been implemented? Have energy production facilities adopted appropriate environmental controls?

**In countries where the concern is environmentally harmful natural resources management and land-use practices:** Have rates of deforestation been reduced? Have subsidies or other policies that encourage deforestation been reformed? Have conservation strategies been implemented for watersheds, critical ecosystems, and habitats for rare, threatened, or endangered species? Have national forestry policies been reformed to discourage unsustainable forestry practices? Have rates of destruction for other critical ecosystems, e.g., wetlands, coral reefs, and coastal zones, been reduced?

**In poorer countries where the concern is strengthening environmental policies and institutions:** Have culturally appropriate incentives to encourage the conservation of resources been established? Has a comprehensive environmental policy framework been adopted? Have regulatory agencies been established and are they functioning effectively? Have local NGOs been created or strengthened and do they participate at all levels of

environmental planning and monitoring? Has the environmental research capacity of indigenous institutions been enhanced?

**In advanced developing countries and economies in transition where the concern is strengthening environmental policies and institutions:** Are national economic development strategies consistent with environmental goals? Has a comprehensive environmental policy framework been established that is appropriate to changing economic and social circumstances? Are regulatory institutions well funded, staffed, and trained? Do NGOs, including PVOs, academic research institutions, and community groups participate in all levels of environmental planning and monitoring?

## **BUILDING DEMOCRACY: USAID'S STRATEGY**

### **The Challenge**

People throughout the world have demonstrated by their own actions that freedom is a universal concept. Men and women have risked their lives for the proposition that freedom, human rights, and accountable government are not just the province of a few industrialized states. The influence of democratic ideas has never been greater.

Political openings during the past decade came as a result of concerted, often courageous, indigenous efforts to build democracy. Some autocrats conceded their failure at the ballot box; some simply resigned; some embraced reform. A number of nations pursued democracy as an alternative to civil war.

The democratic transitions of the last few years create the possibility of a more peaceful, more rational, and more productive world. At the same time, nascent democratic institutions and processes are strained by unrealistic expectations of immediate socioeconomic progress, and by the rekindling of old enmities, including religious, regional, and ethnic passions. Moreover, many new democracies need to expand and deepen the transition process beyond a periodic vote for national leadership. They need to institutionalize community participation at the local level and an accountable, transparent style of governance that can ensure citizens a modicum of control over their own lives.

The absence of democratic change is also a matter of concern. Autocracy survives in many parts of the world. Violations of human rights remain a major problem in many countries. Every day -- in fewer nations than a decade ago, but in too many nations nonetheless -- people are victimized and denied any meaningful participation in decisions that affect their lives. As illegitimate governments crumble, violence and corruption by those acting under state authority frequently ensue.

Faltering democracies and persistent oppression pose serious threats to the security of the United States and other nations. Narco-terrorism, ethnic warfare, uncontrolled migration, and religious intolerance threaten the very notion of a world community and international peace.

Because democratic regimes contribute to peace and security in the world and because democracy and respect for human rights coincide with fundamental American values, the Clinton Administration has identified the promotion of democracy as a primary objective of U.S. foreign policy. Foreign assistance is a natural vehicle for achieving this goal.

In accordance with Administration policy and congressional mandate, USAID will decline to provide any form of assistance, except to meet humanitarian needs, to governments that engage in a consistent pattern of gross violations of internationally recognized human rights. Further, when allocating scarce development resources among countries, USAID will consider a government's human rights performance, including its willingness to permit the emergence and functioning of democratic institutions and independent political groups. At the same time, USAID will continue supporting human rights organizations and other groups that are struggling for political freedom in non-democratic societies.

Democratization is an essential part of sustainable development because it facilitates the protection of human rights, informed participation, and public sector accountability. USAID's success in the other core areas of sustainable development is inextricably related to democratization and good governance. Repression, exclusion of marginalized groups, human rights abuses, disregard for the rule of law, corruption, and autocracy are antithetical to development. Therefore, USAID has attached a high priority to strengthening of democratic institutions and popular participation in decision-making.

Democracy's freedoms permit the formation of a wide range of non-governmental organizations throughout society, including community associations, service providers,

unions, advocacy groups, and religious institutions. These private organizations often stimulate innovation in production and social services, confront corruption, advocate respect for human rights, and promote and defend democratic processes and institutions.

## **Strategic Objectives and Areas of Concentration**

USAID's strategic objective is the transition to and consolidation of democratic regimes throughout the world -- as an end in itself and because it is a critical element in promoting sustainable development. This objective is achieved through the establishment of democratic institutions, free and open markets, an informed and educated populace, a vibrant civic society, and a relationship between state and society that encourages pluralism, inclusion, and peaceful conflict resolution. The promotion of democracy is a long-term process that will require sustained commitment and timely and politically adept interventions.

Local involvement is important in any kind of foreign assistance, but it is essential in democracy building. Local forces must provide the principal impetus for creating, nurturing, and sustaining an environment in which democracy can thrive. USAID's role is to stimulate and reinforce democratic elements at the city and community level.

USAID faces a twofold task: to help people make the transition to democracy from authoritarian rule and to facilitate the empowerment of individuals and communities in non-democratic societies, in order to create a climate conducive to sustainable development. USAID aims to accomplish this task not only through democracy-building programs, but also through economic and social development programs that mandate participation, transparency, and accountability.

USAID recognizes that there are many paths to democracy and many variations of governmental mechanisms based on historical, social, and cultural realities. However, all sustainable democracies share certain fundamental characteristics: respect for human and civil rights, peaceful competition for political power, free and fair elections, respect for the rule of law, accountable government, and an environment that encourages participation by all sectors of the population. USAID will emphasize these universal elements in implementing programs.

USAID's programs will focus on some of the following types of problems:

- Human rights abuses, arbitrary action by civilian governments and security forces, and impunity of government officials from the rule of law.
- Misperceptions about democracy and free-market capitalism.
- Lack of experience with democratic institutions.
- The absence or weakness of intermediary organizations, such as labor unions, business associations, media outlets, educational institutions, and civic groups.
- Nonexistent, ineffectual, or undemocratic political parties.
- Disenfranchisement of women, indigenous peoples, and minorities; ethnic divisions; and the reemergence of politics based on ethnic, national, and religious chauvinism.
- Absence of or failure to implement national charter documents -- a constitution, a bill of rights, citizenship laws -- that promote democratic practices.
- Powerless or poorly defined democratic institutions, including politicized or corrupt judiciaries that deny due process, overly centralized government institutions, and ineffective or unaccountable institutions of local government.
- Elected positions for which there is no meaningful competition.
- Tainted elections.
- The inability to resolve conflicts peacefully.

## **Operational Approaches**

Democracy programs are often undertaken in a dynamic political environment. They can be subject to significant time pressures. They are intensely scrutinized locally and internationally -- especially when the United States is involved.

Given these realities, USAID must pay considerable attention to the political situation within a country and must work closely with other U.S. Government agencies, especially the Department of State, to devise and implement democracy programs. In

particular, USAID field missions, in collaboration with U.S. Embassy personnel operating as part of a country team, must continue to monitor the political situation once programs are under way and must be prepared to respond to changing circumstances.

This is a particular challenge when decisions must be made about whether to withdraw from a country or suspend programs -- for example, in a situation where human rights abuses are steadily increasing. Difficult decisions to suspend programs may have to be made; the amount of money already invested should not preclude such decisions.

Timing can be critical. One-time events, such as a transition election or the formation of a constituent assembly, can jumpstart the democratization process, even where conditions in the country are not propitious. USAID will develop the capability to respond rapidly to these opportunities. This will enable the Agency to quickly provide start-up funds for democracy-building activities where events warrant. Such assistance will demonstrate a U.S. commitment to the democratization process and encourage other donors to act in a similar fashion.

The United Nations, the Organization of American States, the Conference on Security and Cooperation in Europe, and other intergovernmental organizations are committed to assisting member states in responding to requests for assistance in the democratization process. USAID will coordinate with these organizations on planning and programming. Many of these organizations are enhancing their ability to support democracy building, and USAID will assist them in that endeavor.

The potential damage caused by conflicting signals emanating from the international community and the waste caused by duplication demand a high level of coordination among bilateral and multilateral donors through such mechanisms as the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD) and in-country consultation. Coordination may include joint assessments of priorities, needs, and donor strengths; harmonizing of financial allocations; sharing of technical resources and expertise; rapid transfer of relevant information; consultation on program effectiveness; and ongoing reassessments of a dynamic political situation.

USAID recognizes the dilemma posed by providing direct democracy program assistance to regimes in which the commitment to democracy is weak or absent. To implement programs effectively in such an environment, USAID officials must reconcile host government sensitivities with the interests of democratic forces outside government, whose views must be solicited before assistance is provided. Moreover, in no

circumstances will USAID provide assistance that legitimizes an entrenched, non-democratic regime or that supports a government where human rights abuses continue or are increasing.

USAID will develop programs in full consultation with local groups. Their active participation in the design and implementation of specific programs is vital to promoting a sustainable democratic polity.

In implementing programs, USAID will work closely with U.S.-based private voluntary organizations (PVOs), non-governmental organizations (NGOs), educational institutions, professional and academic associations, and private organizations that are committed to supporting democratic development abroad and that have experience working in this field. Their ties to indigenous counterparts and their international credibility make these organizations valuable partners in democracy building.

USAID will ensure that its programs build upon, but do not duplicate, the important work undertaken by the National Endowment for Democracy. The Endowment provides early funding to support activities that stimulate momentum for democratic change in pre-transitional and emerging transitional environments. Its independence from the U.S. Government provides for flexibility in programming and in establishing partnerships.

USAID will encourage contractors, grantees, and other development partners to take an international approach to democracy promotion and enlist parliamentarians, local officials, judges, election administrators, and men and women with technical skills from throughout the world in program activities. Internationalism conveys a fundamental lesson: Democracies support and assist each other. Experience has shown that nascent democrats are influenced by the insights and perspectives of people who have faced similar challenges, especially those from their own region.

USAID will concentrate on building local democratic capacities, rather than relying exclusively on the intermittent importation of outside experts. USAID programs should stress appropriate technologies that can be maintained locally without continuous international involvement.

USAID will conduct periodic, cross-regional reviews of democracy programs. These will help ensure that USAID, its contractors and grantees, other donors, and the international community share experiences and benefit from field experiences.

Finally, USAID recognizes that the lack of economic development impedes the consolidation of democratic institutions. Where governments commit themselves to democratization, USAID will endeavor to provide assistance to promote broad-based economic growth through direct USAID programs and will encourage other bilateral and multilateral donors to provide appropriate support.

## **Programs and Methods**

The specific types of democracy programs undertaken or supported by USAID will depend upon the social, political, economic, and cultural realities of a country, including the initiatives taken by its citizens, and upon available resources. In sustainable development countries, and to a lesser extent, transition countries, democracy programs will form part of an integrated country plan, which will have both short-term and long-term objectives. In countries with limited USAID presence, democracy programs will focus on discrete objectives, e.g., supporting non-governmental organizations.

USAID's democracy programs will support:

**Constitutional mechanisms**, including technical and organizational assistance to constitutional conventions and constitution-makers.

**Democratically elected legislatures**, including programs to improve the material, technical, and decision-making capabilities of legislatures.

**Legal systems**, including independent judiciaries and civilian-controlled police, and alternative and informal mechanisms for resolving disputes.

**Local government entities**, particularly those that have recently acquired additional institutional authority and responsibilities.

**Credible and effective elections**, where voters have confidence in the process.

**Local, national, regional, and international organizations that protect human rights**, including the rights of workers, indigenous peoples, minorities, and women.

**Trade unions, professional associations, women's groups, educational entities, and a wide range of indigenous NGOs**, particularly those that are partners in development programs.

**Political parties and other national mechanisms of political expression** in a strictly nonpartisan manner and, consistent with statutory limitations, in a manner that does not influence the outcome of an election.

**Independent media outlets** and groups formed to promote and protect freedom of expression.

**Improved civil-military relations**, including effective civilian control of the military establishment.

**Institutions and organizations that increase government responsiveness and accountability** at the national, state, and local levels.

**Educational efforts for children and adults** that reflect community participation, promote the development of local NGOs, and encourage tolerance within society.

Finally, as a natural complement to longer-term democracy-building efforts, USAID, in consultation with other U.S. Government agencies and with adequate human rights safeguards, will support programs in transition situations for the establishment of democratic political institutions and for the demobilization and retraining of soldiers and insurgents.

## **Measuring Results**

Democracy building is inherently a long-term, cumulative process. The fruits of a particular effort frequently are not discernable for a considerable period of time. Breakthroughs sometimes are followed by sudden reversals that are beyond the control of external actors. Moreover, democratic progress is a complex process, making it difficult to pinpoint precise cause-and-effect relationships. Democratic progress also is defined by changes in perceptions and attitudes that are difficult to measure.

Notwithstanding these hurdles, USAID will assess results, rather than just count inputs and outputs, in order to incorporate lessons learned from past work into future

programs. USAID will review individual democracy programs to determine whether they have met their original specific objectives, whether they were carried out in an efficient and professional manner, and whether they had unanticipated positive or negative effects. Democracy programs concentrated on particular areas, e.g., rule of law or electoral assistance, will be reviewed on a cross-regional basis to identify effective program designs and mechanisms for overcoming specific political, social, and cultural obstacles. Finally, programs that address other development issues will be reviewed to assess their impact on democratization objectives, in order to facilitate the successful integration of our efforts.

USAID will consider discrete standards in evaluating the performance of democracy programs, including transformed attitudes and perceptions and changes in process and behavior. Detailed performance criteria will be developed in consultation with expert and interested outside parties. As appropriate, the following types of questions will be asked in the context of evaluating USAID's democracy programs:

Are basic laws relating to human rights being enforced? Has there been a significant reduction in the overall rate of human rights abuses in the country?

Is the electoral process honest, as judged by all parties or by experienced international observers? Are election laws the product of consensus? Are they fairly and universally enforced?

Do the institutions of a civic society take an increasingly active role in decision-making? Do they measurably influence policy outcomes? Do they involve broad sectors of society, including disenfranchised groups such as women, minorities, and indigenous peoples? Are mechanisms that mandate pluralism and protect minority opinions in place and functional?

Do institutions exist at both the national and local levels that are accountable, transparent, and accessible? Are institutions structured to provide individuals with access and recourse?

Is there evidence that the rule of law is increasingly respected and that disputes are resolved without violence? Are gender-inequitable laws being changed so that women share the same rights under the law as men? Do institutions and processes exist that provide democratic education?

USAID's emphasis on results should not discourage experimentation and innovation. International democracy is a laboratory in which individuals and nations are expected to both borrow ideas and apply new methods.

The political process, by definition, is never complete; even long-established democracies continuously reinvent themselves. However, democratization is ultimately an internally driven process. Sustainable democracy is a fact when indigenous forces within a society can maintain and strengthen democracy without external support. USAID's programs will aim at this outcome.

# **STABILIZING WORLD POPULATION GROWTH AND PROTECTING HUMAN HEALTH: USAID'S STRATEGY**

## **The Challenge**

Certain factors play a critical role in keeping nations poor: a lack of resources; limited educational opportunities; a dearth of skills; and economic, social, and political systems that impede broad-based growth. Rapid population growth and poor health are inextricably linked, and they make every one of these conditions worse.

Poor health conditions and rapid population growth are closely associated with low status and limited rights for women. Moreover, the lack of basic rights, high rates of unintended pregnancy, and lack of access to basic health and family planning services threaten the health of both women and children. Conversely, the expectation of infant and child mortality encourages people to have numerous children in order to ensure that a few survive. When access to information about nutrition and sanitation is poor and health care and family planning services are inadequate, the result is increased mortality that contributes to high rates of fertility.

Poor health conditions and rapid population growth obstruct rational planning by forcing the national discourse to focus on day-to-day survival. No other factors so limit the options and flexibility of developing nations. Rapid population growth renders inadequate any investment in schools, housing, food production capacity, and infrastructure. It challenges the ability of governments to provide even the most basic health and social services. When people are undernourished and disease-prone, they cannot contribute to their own development.

As expanding populations demand an ever greater number of jobs, a climate is created where workers, especially women and minorities, are oppressed. The educational and economic framework gradually collapses from supporting too many people with too few resources.

The problems of population and health in the developing world are being aggravated by the spread of HIV/AIDS. This health crisis threatens to overwhelm already

limited health facilities and consume resources needed for long-term investments, both human and financial.

By their nature and consequences, population and health are global issues. Population pressure puts increasing stress on the Earth's already fragile environment. The world's population will grow by almost 1 billion people over the next 10 years, despite the fact that fertility and growth rates have begun to drop in many countries due to efforts made over the past three decades. This translates into a net increase of more than 270,000 people every day -- 95 percent of them in the developing world.

Actions taken this decade -- especially the expansion of reproductive choice -- will determine when the world's population will stabilize. **What is done, or not done, in the next decade will determine the economic, social, and political prospects for much of the world for the next century.**

The high fertility rates associated with poverty and rapid population growth have implications for the individual and the family. Very early, multiple, closely spaced pregnancies drastically increase the health risks to women and their children, limit opportunities for women, and diminish the ability of families to invest in their children's education and health. Millions of unwanted births and the prevalence of abortion are evidence that many women lack adequate access to reproductive health services.

More than 500,000 women die each year because of preventable complications from pregnancy, abortion, and childbirth; over 35,000 children die each day, mostly from preventable causes, and mostly in the developing world. The HIV/AIDS epidemic continues to spread at the rate of approximately 5,000 new infections per day. These conditions impede sustainable development and are tragedies for individuals, families, communities, and nations.

Yet the population and health problems in the developing world can be addressed. With better access to family planning and health services, individuals can enhance their ability to affect and improve their own lives and the lives of their children. Moreover, by slowing the rate of population increase, societies can give themselves more time and better options.

Progress has been made. The delivery of child survival technologies, notably immunizations and oral rehydration therapy, has led to markedly lower child mortality. At the same time, fertility rates in most countries have been brought down by the

increased use of contraception, decreased child mortality, expanded education (especially among females), and economic growth. USAID-supported population and health programs, conducted in close cooperation with concerned national governments, local and international private voluntary organizations (PVOs), other donors, and indigenous non-governmental organization (NGO) partners, have contributed significantly to this progress.

## **Strategic Goals and Areas of Concentration**

USAID's population and health goals are mutually reinforcing. Specifically, USAID will contribute to a cooperative global effort to stabilize world population growth and support women's reproductive rights. Consistent with U.N. projections, this effort should result in a total world population between 8 billion and 9 billion by the year 2025, and less than 10 billion by the year 2050, with very low growth thereafter. Over this decade, USAID also will contribute to a global health goal of halving current maternal mortality rates, reducing child mortality rates by one-third, and decreasing the rate of new HIV infections by 15 percent.

To achieve this, USAID will concentrate its population and health programs on two types of countries:

**Countries that contribute the most to global population and health problems.** Such countries have the following characteristics: childbearing by large numbers of very young and older women; many closely spaced births; high numbers of infant, child, and maternal deaths; high female illiteracy; large numbers of women with an articulated but unmet need for family planning services; and large numbers of persons infected with HIV, or growing rates of HIV infection.

**Countries where population and health conditions impede sustainable development.** Relevant characteristics of these countries include fertility and population growth rates that outstrip the country's ability to provide adequate food and social services; growth rates that threaten the environment; significant reproductive health problems due to heavy reliance on unsafe abortions; health conditions that impede the ability of children to learn and the ability of adults to produce and participate; growing rates of HIV infection; and significant gender gaps in education.

## **Operational Approaches**

At the program level, USAID's operational approach will be founded on these principles and objectives:

- Promoting the rights of couples and individuals to determine freely and responsibly the number and spacing of their children.
- Improving individual health, with special attention to the reproductive health needs of women and adolescents and the general health needs of infants and children.
- Reducing population growth rates to levels consistent with sustainable development.
- Making programs responsive and accountable to the end-user.

USAID will collaborate with other donors, host country governments, development agencies, universities and academic organizations, the private sector, PVOs, and NGOs. Where appropriate, USAID will pursue and practice joint planning and allocation of resources, sharing of methods, and pooling of technical resources. This will extend from the institutional level to the field.

Working closely with host country governments and local communities, USAID will construct country strategies that address the core elements of sustainable development. The population and health component of the country strategy will take into account the activities of other donors, development efforts in other sectors, and every element of USAID's population and health assistance in that country. These population and health strategy components will address how population growth problems can be solved in that country, how the country can acquire the independent ability to cope with its population and health problems, and how USAID's programs will help the country graduate from foreign assistance. These plans must take into account the quality and strength of the health infrastructure; the true access that citizens, especially women, have to health and family planning services; the situation regarding HIV/AIDS and sexually transmitted diseases; and the employment, education, and empowerment of women.

We will help the United States expand its leadership in the field of population and health. The United States already possesses an extensive network of specialized programs, institutions, and technical experts. USAID will rely on these resources and encourage their expanded use by the donor community and developing nations.

The Agency will operate both bilaterally and multilaterally. It will continue to work with and support the United Nations Population Fund (UNFPA), the International Planned Parenthood Federation (IPPF/London), the World Health Organization (WHO), the United Nations Development Program (UNDP), the United Nations Children's Fund (UNICEF), and the World Bank and other international financial institutions and their global population, health, research, and information activities. This will enhance USAID's ability to deal with the transnational effect of population and health problems while enabling USAID to share its resources with virtually all developing countries.

Population and health programs will be responsive to needs and problems as they are defined locally. They will actively involve women clients, providers, and indigenous experts in the conception, design, operation, evolution, and evaluation of population and health programs. To be effective, programs must encourage the development and involvement of indigenous PVOs and NGOs.

We will emphasize the use of integrated approaches to expand reproductive choice and rights, help slow population growth, decrease maternal and child mortality, and reduce the spread of HIV/AIDS and other sexually transmitted diseases.

By "integrated approaches," USAID means that population programs should seek to provide individuals with access to a range of family planning methods; should integrate family planning programs, as appropriate, with services that enhance women's health and child well-being and survival, in order to enhance both the effectiveness and the acceptance of family planning services; should utilize family planning systems, as appropriate, to provide information and services that limit the spread of sexually transmitted diseases; and should emphasize the importance of providing education for girls and women. By addressing co-factors, and by implementing related programs at the same place and time, integrated approaches increase the impact and sustainability of population programs.

Integrated approaches can save resources. They also are important in addressing HIV/AIDS because this disease particularly afflicts the very people who are in their most economically productive years and who should be most active in the development process: the young, the well-educated, and people in urban centers. Care and treatment consume ever-larger portions of national resources. The progress of the disease destroys family structure and increases infant mortality and the failure of children to thrive.

Limiting the spread of HIV/AIDS thus is an economical and essential investment in sustainable development.

Where appropriate, USAID will seek to integrate family planning programs with programs that enhance public health. For instance, barrier contraceptive methods, particularly condoms, are the most effective means of preventing the spread of AIDS and other sexually transmitted diseases. Similarly, mothers taking their children for immunizations may also wish to take advantage of family planning services.

Finally, USAID will emphasize the quality, continuity, availability, and technical standards of services. We will build on existing health and family planning programs, assets, and investments.

## **Programs and Methods**

The types of programs USAID supports will vary with the particular needs of the individual country and the kind of approaches that local communities initiate and support. However, most of USAID's resources will be directed to the following areas:

**Support for voluntary family planning systems**, including facilities and institutions that provide information on family planning methods and distribute contraceptives. Self-sustaining family planning systems and services will remain the core of USAID's population programs. Over 100 million women in the developing world have an articulated but unmet need for family planning. Moreover, millions of young people will reach reproductive age in the near future, creating even greater demand for family planning services and imposing additional burdens on existing family planning systems. Providing information about and access to a wide range of appropriate family planning methods not only remains the most effective means of reducing population growth rates to levels consistent with sustainable development but also significantly improves the health of women and children.

Building the local capacity of self-sustaining family planning systems and services also requires support for training (including clinical training), management, logistics, other support systems, and access to technical information and technology. Programs designed to affect popular attitudes toward family planning should address the needs and attitudes of men as well as women, emphasize free and informed choice, and assess the reasons why people participate or do not participate in programs. Targets or quotas for

the recruitment of clients should not be imposed on family planning providers; over the long term, meeting the unmet need for information and services is the best way to achieve national demographic goals.

**Reproductive health care**, including prevention and control of sexually transmitted diseases, especially HIV/AIDS, and improved prenatal and delivery services. Contraception is but one element of reproductive health, and to be effective, population and health policies must address women's reproductive health needs throughout their lives.

**The particular needs of adolescents and young adults**, including easily accessible information, counseling, and services dealing with early sexual activity, the health and economic consequences of early childbearing and unsafe abortions, and prevention of sexually transmitted diseases, including HIV/AIDS. Enhancing the ability and freedom of adolescents and young adults to make informed choices about contraception and health is especially critical.

**Infant and child health**, particularly immunizations, diarrheal and respiratory disease control, and nutrition. Complete immunization coverage and good nutrition are among the most cost-effective preventive health strategies.

**Education for girls and women**, particularly at the primary and secondary school levels, and basic literacy for adolescents and young women. This also correlates strongly with lower birth rates, improved child survival, and smaller desired family size.

USAID, its indigenous partners, contractors, and grantees will design programs with certain critical standards in mind to maximize their impact and to ensure the greatest return from the development funds invested:

Does the program contribute to achieving population growth rates that are in balance with available resources as measured at the global and national levels?

Does the program contribute to measurable improvements in immunization coverage; reductions in infant, child, and maternal mortality; and reductions in new HIV infections at the global and country levels?

Does the program address the attitudes as well as practices of both men and women? Does it enhance the capacity of local institutions, communities, and individuals

to identify and solve health and family planning problems? Do programs and projects address issues of sustainability, especially the technical and managerial aspects?

Does the program take into account links between population and environment, health, working conditions, social mobility, and democratic governance?

Does the program contribute to greater participation by women in the work force? Does it address issues of increased empowerment of women?

## **Measuring Results**

To measure progress toward its goals and the effectiveness of its population and health programs, USAID will evaluate results in terms of the following measures: reduced fertility; reduced infant and child mortality; reduced high-risk births; reduced maternal mortality; and slower growth (and eventual reduction) in the number of new AIDS cases.

Measures of success at the country level will vary. There will be many intermediate signs of progress, such as expanded access to, increased use of, and improved quality of family planning and reproductive health services; increased contraceptive prevalence and continuation; improved women's reproductive health; expanded immunization coverage; decreases in the incidence and severity of communicable diseases among children; lower malnutrition rates; equal access to health care by gender; and higher school enrollment ratios for girls.

Ultimately, the success of USAID's population and health strategy will be measured in terms of its contribution to expanding reproductive choice and rights, improving the health of women and children, reducing the spread of HIV/AIDS, and stabilizing world population at a level consistent with sustainable development.

## **ENCOURAGING BROAD-BASED ECONOMIC GROWTH: USAID'S STRATEGY**

### **The Challenge**

The world economy has grown by an average of 3.5 percent per year during the last quarter century. However, the pattern of growth has been uneven among countries and within countries. A significant number of developing nations have achieved broad-based economic growth and thereby reduced poverty substantially, but many others have not. A quarter of the world's people remain on the margin of survival, struggling with malnutrition, poor housing, illness, and unemployment. Poverty on this scale is a global problem that makes other global problems worse.

Economic stagnation and persistent poverty in developing countries directly affect the interests of the United States and other industrial nations. Developing countries that have achieved sustained economic growth and substantial reductions in poverty are the fastest-growing market for U.S. exports. But opportunities to expand into new markets cannot materialize where growth does not occur and where poverty limits the demand for goods and services.

Slow or inequitable growth and widespread poverty feed political instability and civil strife. They can drive economic migrations, as people flee economic hardship and political conflict for safer, more prosperous countries. They cause unplanned, unmanageable urbanization, as economic refugees flee rural areas for the city. They figure prominently in environmental degradation. Moreover, privation, poor health, and illiteracy contribute to high fertility, rapid population growth, and food insecurity.

The keys to economic growth and reduced poverty are an appropriate policy environment, sound institutions, good governance, adequate investment and savings, the availability of appropriate productive technologies, and access by the population to adequate food, health care, education, and housing. But beyond these basic requirements, there is no single best way to promote economic growth. USAID believes that a strategy for economic growth should be shaped by strategic objectives, not specific methods. What then is USAID's vision of economic growth?

USAID will help developing nations permanently enhance their capacity to improve the quality of life. Our fundamental goal is to help individuals within those societies improve the quality of their own lives and share equitably in the benefits of economic growth. We will concentrate on helping nations remove the obstacles that interfere with their economic vitality. We will concentrate on helping people unleash their creative and productive energies. The inevitable result of these endeavors, we believe, will be broad-based and sustainable economic growth.

## **Strategic Goals and Areas of Concentration**

USAID aims at helping the people of developing nations become participants in the economic and political lives of their nations, thus creating markets and reducing global poverty. We believe we can measurably contribute to this by supporting policy reforms in key economic sectors; by strengthening economic and political institutions critical to good governance; by encouraging the effective functioning of markets; by investing in human resources, especially the education and health of people; and by aiding projects designed to promote sustainable growth.

USAID will promote broad-based, sustainable growth by addressing the factors that enhance the capacity for growth and by working to remove the obstacles that stand in the way of individual opportunity. In this context, USAID will concentrate its efforts in three areas:

**Strengthening markets:** Healthy market economies offer the best prospects for sustained, broad-based growth, expanded individual opportunity, and reduced poverty. USAID will address policy and regulatory impediments to the development of local markets and exports. This would include the enabling environment of policies, regulations, and laws; this environment affects agriculture and commerce, especially small farms, microenterprises (including poverty lending), and small businesses. USAID will also address weak or absent institutions of a market economy; inadequate infrastructure (including markets, storage, and transport); and technical assistance for the privatization of state-owned enterprises.

**Expanding access and opportunity:** USAID will pay particular attention to expanding economic opportunities for the less-advantaged in developing countries by helping to promote microenterprises and small businesses; by focusing on the development and delivery of technology, including agricultural technologies appropriate

to small farmers; by enhancing food security at the household and community level; by increasing the access of women to employment, land, capital, and technology; and by supporting social sector development intended to enhance the well-being of poor and disadvantaged peoples.

**Investing in people:** Building human skills and capacities throughout a society is essential for sustained growth, poverty reduction, and improved quality of life. USAID will support programs that address inadequate health services, particularly in the area of basic, preventive, and reproductive health care; education systems, especially primary education for girls and women; technical and business skills and access to technology; and other related social services and institutions that facilitate broad-based participation, especially by women, indigenous peoples, and other disadvantaged groups.

## **Operational Approaches**

USAID's efforts to promote broad-based economic growth will be shaped by these thematic approaches:

**Participation.** Fundamental to broad-based economic growth is the widespread involvement of individuals in the economy and society at large. USAID programs will foster participation in this broader sense, ensuring that efforts to promote economic growth involve and enhance the prosperity of people throughout the productive sector, especially microentrepreneurs, small business owners, smallholders, and members of cooperatives.

**Institutional Development.** Development must rely on local capacities. Foreign donors can assist, but the fundamental burden rests with the people and institutions of developing countries. USAID seeks to strengthen public and private institutions in developing countries, so that they can manage their own development process, consistent with the wishes and needs of their citizens. The objective should not simply be more institutions, but better institutions -- legal codes that are more coherent; courts that can enforce their decisions; and bureaucracies that are more effective and more responsive to the individual.

**Sustainability.** USAID has an interest only in economic growth that is sustainable. Growth that occurs without regard for degradation of the natural resource

base impoverishes future generations. Growth that depends on constant infusions of grants or subsidized financing from abroad is inherently unsustainable.

Sustainability entails transformations. It requires the transformation of the work force so that it is healthier, better educated, and more inclusive. Concomitantly, sustainability entails increases in productivity that do not rely on the increased exploitation of workers. Sustainability requires an indigenous capacity to generate technology appropriate to local needs, as well as policies and institutions that facilitate the transfer and adaptation of technology from abroad. In predominantly agrarian societies, sustainability entails the transformation of subsistence farming into an agriculture that can create surpluses and increase rural incomes. It depends upon a viable urban sector that can generate jobs, provide essential services, accommodate migration, and boost productivity. Most important of all, sustainability mandates the greater involvement of individuals and communities in the decisions that affect their well-being.

## **Programs and Methods**

In planning and supporting programs, USAID will ask: What is needed to unleash the productive capacity of this society? To strengthen markets, invest in people, and expand access and opportunity, especially for the less advantaged, USAID will support the following kinds of programs and methods:

**In the Area of Strengthening Markets:** The foundation of economic growth is a favorable policy and institutional environment. This creates and strengthens markets, which, in turn, increase efficiency, encourage broader participation, and reduce poverty. Few foreign assistance projects can achieve their goals in an unfavorable environment.

Our objective is to work with host country governments, local authorities, communities, individuals, and other donors to create an enabling environment, comprising policies and institutions, that systematically and consciously encourages both individual initiative and choice in the private sector. USAID's programs to strengthen markets will pay close attention to improved governance and local empowerment, because these factors, more than anything else, determine the success or failure of policy reforms and institutional investments.

USAID will assist host nations in building indigenous institutions and developing policies that promote openness to trade and investment, support agriculture and rural

enterprise, strengthen infrastructure and delivery of services in cities, provide adequate incentives for exports, reinforce the effectiveness and transparency of fiscal and monetary policy and regulations, avoid inefficient import substitution and unwarranted protection, and strengthen the enabling environment for development of the private sector.

USAID's programs for policy, regulatory, and legal reforms will help governments address such areas as tariffs and other trade restrictions; tax codes; investment; privatization; pricing mechanisms; the informal sector in both rural and urban economies; financial markets and services; agricultural production, marketing, subsidies, and land tenure arrangements; labor laws and policies; formalized property rights, including intellectual property rights and patents; contract and property law; and business regulations. Particularly at the macroeconomic level, USAID will coordinate closely with the reform programs of the World Bank and the International Monetary Fund. USAID will assist recipient governments in their efforts to formulate and implement adjustment policies that are consistent with the country's development and can be supported by its people.

The Agency will help to build institutions by addressing the restructuring and development of local, provincial, urban, and regional markets; reform of the education and health sectors; and reforms that encourage efficient private and public investments in infrastructure, especially capital projects such as roads, ports, housing, water supplies, sewage and waste systems, and electrical grids.

USAID will encourage the establishment of flourishing agricultural sectors by addressing policy issues, marketing factors, and technologies. Programs will focus on factors that are pivotal to agricultural success: market-oriented pricing and trading policies; access to inputs, such as seeds, fertilizer, credits, technologies, information, and land; access to domestic and export markets; and crop production and marketing choice. USAID will continue to support agricultural research -- work that has had a global impact and is indispensable to developing new methods and technologies that enhance growth and productive employment opportunities.

**In the Area of Expanding Access and Opportunity:** Local groups and individuals must take part in identifying problem areas, suggesting solutions, planning and designing projects, organizing intermediary institutions, overseeing implementation, and evaluating successes and failures. This, in turn, requires a commitment to leveling the playing field and empowering individuals so that they can fully participate in the development of their nation.

This is especially true for people who are mired in extreme poverty. Their primary need is the wherewithal to acquire sufficient food, a modicum of assets, and access to markets so that they can join the productive economy. Microenterprise development, including poverty lending, can be an effective way to address this need -- the overriding, daily concern of more than a billion people.

USAID's programs thus will emphasize microenterprise and small business development. Our microenterprise programs will address three elements that are critical to broad-based economic growth and participation: removing obstacles that impede the creation of new businesses that provide incomes; helping existing enterprises to expand; and supporting the transition of small businesses and microenterprises to the formal sector.

To help microenterprises and small businesses become established and grow, and to assist the poorest men and women to become economic participants, USAID will support programs to simplify regulatory procedures and increase access to markets and technology. We will work with national and local authorities and private groups to enhance access to capital through cooperatives, village and neighborhood banks, and other poverty lending institutions. To help poor individuals and communities accumulate assets, finance their own development, and lessen their dependence on external sources of capital, USAID will support the development of banks and other self-sustaining financial institutions, including credit unions, that service small savers and borrowers.

Finally, because the protection of human rights, including the rights of workers, is fundamental to sustainability, USAID will support programs that seek to expand and safeguard these basic rights. USAID programs to promote economic growth will take into account labor conditions and worker rights, especially those of women, the poor, indigenous peoples, economic and political migrants, and those vulnerable to debt servitude and indentured labor.

**In the Area of Investing in People:** USAID believes that sustainable, broad-based development requires investing in people to improve their health and productivity, enhance their skills, protect their rights, and help them be full participants in society.

The acquisition of economically valuable skills plays a central role in the empowerment of individuals. Education increases social mobility and thus serves as a formidable mechanism of conflict resolution. Moreover, rising education levels are

critical to democratic governance and peaceful political discourse. USAID's education programs will give particular emphasis to the quality and availability of primary education, especially for the poor, women and girls, and minorities. The Agency will also support targeted, market-oriented interventions, aimed at technical and vocational training; the freer flow of technology and technical information; and training in business skills.

Recent World Bank findings show that a package of basic health care services can dramatically enhance societal productivity, especially among the poor. Such services alleviate many curable but endemic and debilitating illnesses that prevent people from earning a living or participating in society. Thus, USAID will support the creation and improvement of systems that provide basic, reproductive, and preventive health care. USAID will also focus on maternal health; child survival, including nutrition, immunizations, and treatment of diarrheal diseases and acute respiratory infections; access to clean water; control and elimination of endemic tropical and infectious diseases; prevention of HIV/AIDS and other sexually transmitted diseases; and the training of professionals and technicians in basic, reproductive, and preventive health care.

## **Measuring Results**

Programs will be designed to produce results that demonstrably affect and enhance the way people live. In their conception and implementation, programs to stimulate economic growth must benefit local populations. In evaluating the impact of programs, the overarching concern should be whether standards of living have improved and whether improvements have been manifested broadly within society. While no program can touch every aspect of economic life within a society, individual programs in each of the three areas of concentration need to be structured to produce affirmative answers to these kinds of questions:

Has the incidence of poverty declined? Have incomes and employment risen for the key groups that comprise the poor? Are countries better able to address poverty using their own resources?

Are employment, incomes, and productivity in the informal sector rising? Have a significant number of microenterprises expanded their scale of operations or made the transition to the formal sector? Have women, minorities, and indigenous peoples participated in this expansion?

Have agricultural incomes and disposable rural incomes improved? Have increases in agricultural incomes been spread broadly among the rural population? Do small farmers have increased access to improved seeds, farming methods, purchasing and marketing structures, technology that allows them to increase their productivity, and export markets? Have these improvements increased farm income?

Are markets working more efficiently, with increased levels of activity and broader participation?

Have governments implemented and maintained agreed sectoral reforms? Have those reforms had the positive economic effects intended? Do the reforms enjoy sufficient public support so as to make them sustainable?

Has the quality of primary education improved? Has the number of children with access to primary education risen? Is the proportion of girls in primary schools increasing? Is the proportion of children of indigenous peoples in primary schools increasing?

Has the availability of capital to the poor increased? Are more community-based lending institutions operating? Has the number of small savings institutions, such as credit unions, increased? Has the ability of these institutions to attract deposits increased? Are they viable and sustainable?

Do indigenous NGOs, including labor unions, PVOs, cooperatives, and consultative planning councils, function in ways that empower the poorest people in society and enable them to participate in national economic and political life?

Has agricultural productivity increased? Have market prices for food remained stable or decreased? Do individuals and communities have greater access to food, either through increased production or easier acquisition through markets?

Have the flow and availability of technical and support services to small businesses and microenterprises improved, and have they had a measurable effect on productivity, job creation, and profitability?

Has public health improved? Are improvements evident among all sectors of society? Have these indicators improved: the rate of infant mortality? Access to family

planning services, including programs for prenatal care and maternal health? Number of cases of communicable diseases? Rate of childhood inoculation? The rate of malnutrition among children? Access to basic health care services? Equal access to health care by gender? Access to clean water?

By supporting programs that produce positive answers to questions like these, USAID can enhance the political and economic interests of the United States and materially assist the emergence of a more peaceful, more prosperous world.

## **PROVIDING HUMANITARIAN ASSISTANCE AND AIDING POST-CRISIS TRANSITIONS: USAID'S STRATEGY**

### **The Challenge**

The United States has a long and generous tradition of providing assistance to the victims of manmade and natural disasters. Our nation has traditionally viewed humanitarian assistance as both an act of national conscience and an investment in the future. USAID thus was established as both a development agency and America's primary means of providing emergency relief overseas.

For Americans, humanitarian assistance is not an act of charity, but an integral part of our vision of how a community of nations, some fortunate and some troubled, should operate. USAID has earned a reputation for delivering relief to people in need quickly and effectively. The Agency has embodied the conviction that with time and a helping hand, even the most afflicted nation can become stable again and turn to the future with hope.

The end of the Cold War has created new challenges that test the capacity of USAID and the international community to provide relief. Even as superpower tensions have eased, religious and ethnic rivalries have sharpened. The sudden demise of the Soviet bloc left many fragile, internally conflicted states. A number of profoundly weak nations, particularly in Africa, have reached the point of terminal collapse. Other countries are struggling to implement fragile settlements to protracted internal wars.

Increasingly, tensions are exploding into armed conflict. Civilians have become primary targets, and thousands have been killed. Entire societies have been devastated. Millions of people have been internally displaced or turned into refugees, with scant means of earning a living, and little hope of repatriation.

Traditional disaster relief has been affected by these events. Societal breakdowns increasingly impede the integrated responses that work best against drought and famine. In a nation divided by civil war, every act of charity may be politicized by one faction or another.

The disintegration of civil society, in and of itself, invites disaster: Rising disorder devastates the economy and skews the distribution of food, water, and essential goods and services. It destroys local institutions that people normally rely upon to organize a response. It makes small calamities more severe, and thus foments catastrophe.

The end of the Cold War has also created more so-called transitional situations -- circumstances in which countries try to emerge from a national conflict, a significant political transition, or a natural disaster -- where the timely provision of assistance can help revitalize society, reinforce institutions, and preserve national order. These countries have special needs that are not addressed by traditional disaster relief or long-term programs of sustainable development: the reintegration of dislocated populations, including demobilized soldiers; the restoration of elementary security and infrastructure; and the creation of political institutions. Transitional nations often are poised simultaneously for either growth or chaos. Given the opportunity and the risks -- especially from the failure to act quickly and effectively -- the donor community must try to respond.

USAID has learned four lessons in recent years that will guide our programs of humanitarian assistance.

**Humanitarian relief and disaster planning are integral to sustainable development.** Manmade and natural disasters can wipe out years of development in a matter of minutes. The costs of clean-up, reconstruction, and adjustment associated with large-scale natural disasters can impose burdens on a national economy that persist for years. War, famine, and environmental damage can undermine development for decades to come.

Annual losses from natural disasters now equal the total of official development assistance, so investments in prevention and mitigation promise a significant financial and strategic return. By enhancing local capacities to deal with disasters, we can help developing nations strengthen their technical resources, their ability to plan for the future, and ultimately, their resilience.

**Increasing attention must be given to preparation for manmade and natural disasters and to prevention or mitigation of their effects.** Local politics and government policies are the hidden components of all disasters, even natural ones, for they can ease the impact of calamity or make it worse. Prevention, especially of

manmade disasters, requires attention to policy, planning, and strengthening local capacities. Disaster preparation also demands careful examination of relief efforts and recovery plans and the assumptions on which they are based -- before disaster strikes.

**The United States cannot bear the burden alone.** It must collaborate with other donors and encourage them to contribute their share of the spiraling costs of relief. Multilateral leadership, especially from the United Nations, is essential to resolve underlying conflicts peacefully and to prevent discord from turning into crisis and societal breakdown.

**USAID's humanitarian activities mandate cooperation at home and abroad.** The United States must use its resources carefully and forge partnerships with every potential provider and contributor of humanitarian assistance in the United States, in the international donor community, and in developing nations. USAID believes that indigenous non-governmental organizations (NGOs) and the local private sector are critical partners in formulating and implementing participatory, community-level programs for disaster prevention, mitigation, and reconstruction. In the aftermath of disaster, their involvement is essential to the restoration of infrastructure, social services, food security, and local political institutions. Moreover, longer-term rehabilitation and recovery programs to achieve sustainable growth at the national level must build upon grassroots activities that involve and empower local communities and individuals.

Humanitarian assistance is not an end in itself, but an integral part of an overall strategy for sustainable development. By helping nations acquire the means to plan for and respond to disasters, and by helping them return to the path of economic and social development, USAID can measurably contribute to a more peaceful and prosperous world.

### **Strategic Goals and Areas of Concentration**

USAID will provide humanitarian assistance that saves lives, reduces suffering, helps victims return to self-sufficiency, and reinforces democracy. We will aid people in need without regard to the politics of their government.

We will focus on these types of challenges:

- Disaster prevention, preparedness, and mitigation.

- Timely delivery of disaster relief and short-term rehabilitation supplies and services.
- Preservation of basic institutions of civil governance during disaster and crisis and support for new democratic institutions during periods of national transition.
- Building and reinforcement of local capacity to anticipate and deal with disasters and their aftermath.

## **Operational Approaches**

USAID will emphasize certain methodologies and operating styles as it provides humanitarian aid:

**Coordination:** The President has designated the USAID Administrator as his Special Coordinator for Disaster Assistance. As Special Coordinator, the Administrator organizes and oversees the response by agencies and departments of the U.S. Government to foreign disasters. He also coordinates American relief efforts with those of other nations and donors.

The humanitarian, political, and military responses undertaken by the United States must be cohesive and mutually reinforcing. USAID will attach the highest priority to ensuring that its activities contribute to the U.S. Government's policy objectives in the nation and region seeking assistance. USAID will work closely with the Department of State and the Department of Defense to plan and implement relief operations, particularly the allocation of resources and the coordination of diplomatic and relief efforts.

The effectiveness of humanitarian assistance will be determined by the workings of an international relief system. USAID will help to strengthen the capacity of the United Nations to provide humanitarian relief and will coordinate closely with U.N. peacekeeping operations when they are involved in nations receiving humanitarian aid.

USAID will work with other departments and agencies of the U.S. Government; the United Nations and its agencies; multilateral development banks; other bilateral donors; international relief organizations; private voluntary organizations (PVOs), particularly those based in the United States and in recipient countries; cooperative development organizations; U.S. and foreign corporations; universities, colleges, and academic associations; business and trade associations, professional groups and groups

whose members possess specific technical skills; and individual volunteers and activists to coordinate disaster planning, allocate resources and technical services, determine prepositioning of supplies, establish systems of transportation and delivery, and make in-situ assessments.

Coordination should include such things as enhanced cooperation with technical agencies of the U.S. Government that are skilled in the environmental and energy aspects of disaster management; closer ties to technical, medical, industrial, academic, and professional associations to facilitate donations of cash, supplies, and skilled labor; relationships with local and international businesses to utilize their facilities and community ties to plan for and coordinate responses to disasters; ties with academic institutions, in the United States and abroad, to train individuals and communities in disaster prevention, mitigation, and management; programs to develop local and national disaster plans; and establishment of advanced communication networks and the sharing of technical resources and information.

USAID has extensive experience providing humanitarian assistance and the expertise necessary to manage large, complex relief programs. USAID's field missions possess an understanding of the local environment that is essential to the success of these programs. Our capabilities will be further strengthened by close coordination with international and indigenous NGOs, our natural partners in development.

**Rapid Response:** USAID has developed and will maintain the capacity to begin delivering relief supplies and services within hours after the occurrence of a natural disaster. Working with PVOs and the U.N.'s World Food Program, USAID has also developed and will continue to maintain the ability to operate large-scale emergency feeding programs.

USAID is now developing the wherewithal to respond rapidly in countries undergoing crises and transition to new political and economic systems. These include failed and "teetering" states, those subject to internationally negotiated settlements of protracted wars, and newly independent and newly democratizing states.

Certain crises and transitions have urgent requirements that traditional programs of disaster relief, peacekeeping, and long-term development do not address. In many cases, intrinsically manageable crises have spiraled out of control, at great cost and suffering, because of the inability of the international system to fill this "gap" quickly. Our rapid response capability will enable us to assist governments in planning and assessing how to

maintain basic governmental services and civil authority, restore essential infrastructure, and introduce political development programs in time to encourage democracy.

**Integrated Approaches:** Too often, the need for humanitarian assistance is the byproduct of poverty-related degradation of natural resources, such as desertification or flooding due to deforestation, or the disintegration of food production systems and communal security nets. It is much cheaper to conserve existing economic assets and systems than it is to rebuild them.

Effective development programs provide an important buffer against natural disasters. USAID will assess all of its programs to ensure that they do not directly or indirectly contribute to manmade disasters or exacerbate natural disasters. USAID will encourage host governments and local participants to examine whether current economic practices contribute to cycles of crisis. USAID will support programs, especially those dealing with the environment and economic development, to strengthen the ability of society to weather disasters, respond effectively, and recuperate quickly. By emphasizing participatory development, the building of local capacity, and the acquisition of disaster management skills, USAID will enhance the ability of host countries to pursue sustainable development and to sustain that development even in the most difficult circumstances.

## **Programs and Methods**

The types of humanitarian assistance USAID will provide will depend on the circumstances of each specific situation and each country. To ensure that the United States can respond effectively, USAID's resources will be allocated to the following programs:

**Disaster preparedness, mitigation, and prevention.** Preparedness activities will be concentrated in disaster-prone countries. These may include such programs as cyclone warning systems; volcano monitoring and evacuation plans; earthquake risk management; famine mitigation, including early warning, vulnerability mapping, and coping strategies; and professional training in disaster management. These programs will focus on preventing and mitigating disasters through improved construction and siting practices; enhanced policies, regulation, and enforcement; modern industrial and environmental planning and safety procedures; and planned emergency responses and improved crisis coordination. USAID also will preposition relief stocks in strategic locations around the world.

**Assessment of requirements.** USAID will maintain its practice of assessing emergency conditions in order to identify relief needs and establish U.S. relief priorities. Such assessments may be performed by field missions or by USAID/Washington in close coordination with indigenous and international NGOs and international disaster experts. In some cases, specific assessments of food needs may be necessary.

**Delivery of disaster relief, supplies, and services.** Major disasters will normally require close coordination with other donors, especially the United Nations and its agencies, and other agencies of the U.S. Government. Indigenous, U.S., and international PVOs frequently will participate in the delivery of assistance. Early disaster relief may include feeding programs; disease control and emergency medical services, including immunizations, child survival interventions, and maternal and reproductive health care; emergency shelter; and restoration of communications, basic transportation, and financial services.

**Disaster Assistance Response Teams.** In selected cases involving especially serious emergencies, or situations where there is no on-site field presence, Disaster Assistance Response Teams (DARTs) will be used to assess needs. DARTs may also be used to coordinate USAID's response with other donors and the host government, to direct USAID relief efforts, and to strengthen communication and coordination among other agencies of the U.S. Government, such as the Department of Defense, as well as NGOs and other donors.

**Crisis and transition assistance.** USAID will concentrate on planning and coordinating programs that help nations return to the path of sustainable development. Specific actions will depend on the needs of the country and the contributions of other donors.

USAID will evaluate potential crises and transitions and may dispatch evaluation teams to provide on-site assessments of transition needs, resources, and capabilities. Other transition activities may include planning and assessing the need for aid for demobilization, training, and the social and economic reintegration of dislocated populations, especially women, children, internally displaced people, refugees, and former combatants; supporting the processes of political reconciliation; technical and logistical support for the drafting of new national charter documents; training to improve civil-military relations; assistance with judicial reform, the administration of justice, and the protection of human rights; help in organizing, conducting, and monitoring elections;

reinforcement of national and communal institutions; providing short-term support to strengthen local NGOs; assisting other relief and development agencies in locating and utilizing services and resources; seeking matching funds and donations to leverage limited resources; and working closely with the Department of State and multilateral organizations to help ensure the safety of aid and relief workers.

Since the reestablishment of a degree of food security is an important step in the return to normality, USAID will assist nations that have just emerged from the most acute crisis phase to revive their agricultural production by providing seed, fertilizer, tools, and technical expertise. This will permit first- and second-year planting and help farmers and people returning to the farm to end their dependence on relief. Food aid itself can be an effective transition tool where, by use of monetization through the private sector, it is specifically targeted at restoring food markets that have been disrupted by crisis.

**Finally, the development of enhanced technical capacities by PVOs and multilateral partners** is critical to the delivery of humanitarian assistance. The increased capability of these organizations can only assist USAID's mission.

## **Measuring Results**

The impact of humanitarian assistance cannot be measured only in terms of supplies shipped; the ultimate test comes from judging whether lives have been saved and communities revived. This is a complex and long-term process, and to find answers, four areas for assessing performance must be addressed:

**First, the structure for responding to disasters and to the needs of countries in crisis and transition must be in place.** Before crises occur, USAID, in close coordination with other agencies of the U.S. Government, multilateral agencies, PVOs, and local authorities, will ask:

Have supplies been stockpiled and service providers identified? Are supplies secure from loss and theft? When USAID moves to deliver goods and services, will they go to the right place in the right amount with the intended effect?

Have the prevention, mitigation, and preparedness activities of USAID anticipated needs and are they effective? Have local communities and businesses been enlisted for planning, prevention, and response? Do proposed shipments of supplies match and

maximize local skills and capacities? In view of past disasters locally and regionally, are preparations commensurate with likely needs?

Are the partnerships and relations with the United Nations (including the World Food Program) and the PVOs understood by all? Are mechanisms in place to coordinate supplies, donations, and offers of skilled labor and ensure that they are delivered where and when they are needed?

**Second, actual delivery of supplies and services must be timely and effective.** During crises, USAID and its partners will ask:

Do disaster relief supplies and services reach their intended destination in time to make a difference? Are all forms of emergency relief supplies readily available and accessible to the intended beneficiaries, including women, children, the elderly, indigenous peoples, refugees, and members of minorities?

Do specific programs intended to save lives or reduce malnutrition, such as emergency feeding programs, have the intended impact?

Are profiteering and misuse effectively controlled? Are food and other relief supplies distributed so as not to discourage local production or distort local prices and markets?

Do programs of disease control and emergency medical services, including immunizations, child survival interventions, and maternal and reproductive health care, have access to necessary supplies and are they coordinated with food and nutrition interventions?

**Third, in transitional and crisis situations, assistance must target the institutions and needs critical to the resumption of sustained development, civil life, and democratic governance.** USAID and its partners will ask:

Has the response to countries in crisis and transition been appropriate to their needs, political situation, and indigenous capacities?

Have national and local political institutions been strengthened? Have key elements of the infrastructure, such as housing, communications, basic transportation, and

financial services, been reinforced? Are the specific needs of internally displaced people and refugees being addressed?

Has food security increased throughout the country? Do farmers have greater access to seed, fertilizer, and appropriate technology? Has local food production increased significantly and/or are more people able to acquire the income needed to purchase food?

Has there been measurable progress toward national reconciliation and invigoration of the mechanisms of conflict resolution, as indicated by fair and open elections, constitutional conventions, new legal codes, reintegration of combatants, etc. Is there evidence of decreased disorder in cities and in the countryside? Is there increased respect for human rights?

**Fourth, follow-on mechanisms, after relief and rehabilitation, must be in place to help prevent cycles of crisis and to permit countries to cope with their own natural disasters and political crises.** After the crisis stage has passed, USAID and its partners will ask:

Is USAID, in coordination with local authorities and communities, PVOs, and multilateral institutions, developing and implementing long-term development programs that measurably enhance the ability of countries to anticipate and manage natural disasters? Are the economic, political, environmental, social, and institutional causes of manmade disasters being addressed?

Have countries in crisis and transition made measurable progress toward a political and economic transformation?

Humanitarian assistance activities ultimately must be measured by simple, yet profound standards: Do these activities prevent human misery that is avoidable? Do they provide relief for human misery that is not? Does this assistance help countries that have suffered natural or manmade disasters and crises return to the path of sustainable development?