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USAID HISTORY

- On September 4, 1961, the Congress passed the *Foreign Assistance Act*, which reorganized the U.S. foreign assistance programs including separating military and non-military aid. The Act mandated the creation of an agency to administer economic assistance programs, and on November 3, 1961, President John F. Kennedy established the U.S. Agency for International Development (USAID).
- USAID became the first U.S. foreign assistance organization whose primary emphasis was on long-range economic and social development assistance efforts.



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This Is USAID

- **U.S. foreign assistance has always had the twofold purpose of furthering America's foreign policy interests in expanding democracy and free markets while improving the lives of the citizens of the developing world.**
- **USAID's history goes back to the Marshall Plan reconstruction of Europe after World War Two and the Truman Administration's Point Four Program. In 1961, the Foreign Assistance Act was signed into law and USAID was created by executive order.**
- **Since that time, USAID has been the principal U.S. agency to extend assistance to countries recovering from disaster, trying to escape poverty, and engaging in democratic reforms.**



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USAID: What We Do and How We Do It

- **USAID plays a vital role in promoting U.S. national security, foreign policy, and the War on Terrorism. It does so by addressing poverty fueled by lack of economic opportunity, one of the root causes of violence today.**
- **As stated in the President's National Security Strategy, USAID's work in development joins diplomacy and defense as one of three key pieces of the nation's foreign policy apparatus.**
- **USAID promotes peace and stability by fostering economic growth, protecting human health, providing emergency humanitarian assistance, and enhancing democracy in development countries.**
- **These efforts to improve the lives of millions of people worldwide represent U.S. values and advance U.S. interests for peace and prosperity.**



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**STAGE III:
2011 -**

SUSTAINABLE DEVELOPMENT

Secure and Stable Society

Effective & Legitimate
Government

Market-based, Licit Economy

**STAGE II:
2006 - 2010**

RECONSTRUCTION

STABILIZED ENVIRONMENT
FOR DEVELOPMENT

THRIVING LICIT ECONOMY
LED BY THE PRIVATE
SECTOR

DEMOCRATIC GOVERNANCE
WITH BROAD CITIZEN
PARTICIPATION

BETTER EDUCATED &
HEALTHIER POPULATION

**STAGE I:
2001 - 2005**

RELIEF & STABILIZATION

Humanitarian
Assistance

Infrastructure
Reconstruction

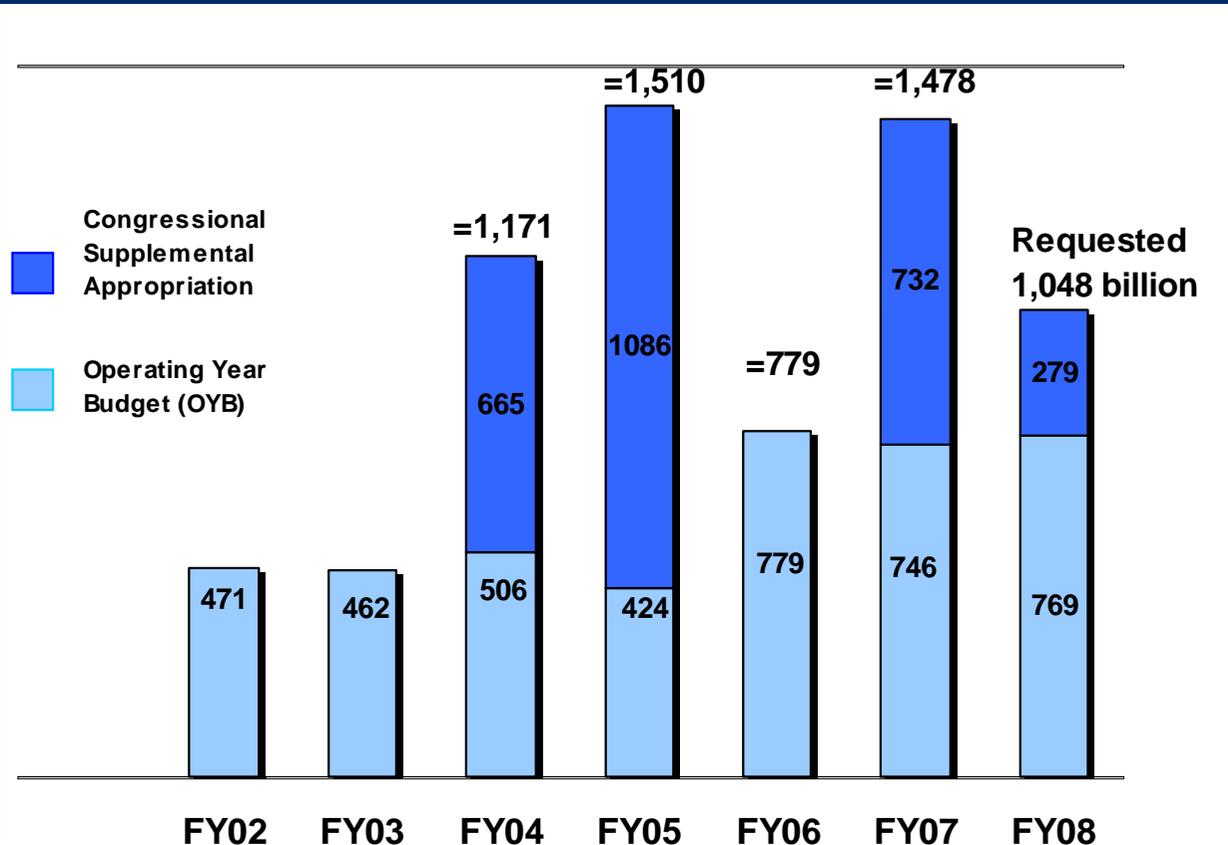
Social Services
Provision

Economic
Restructuring

Support of
Bonn Process



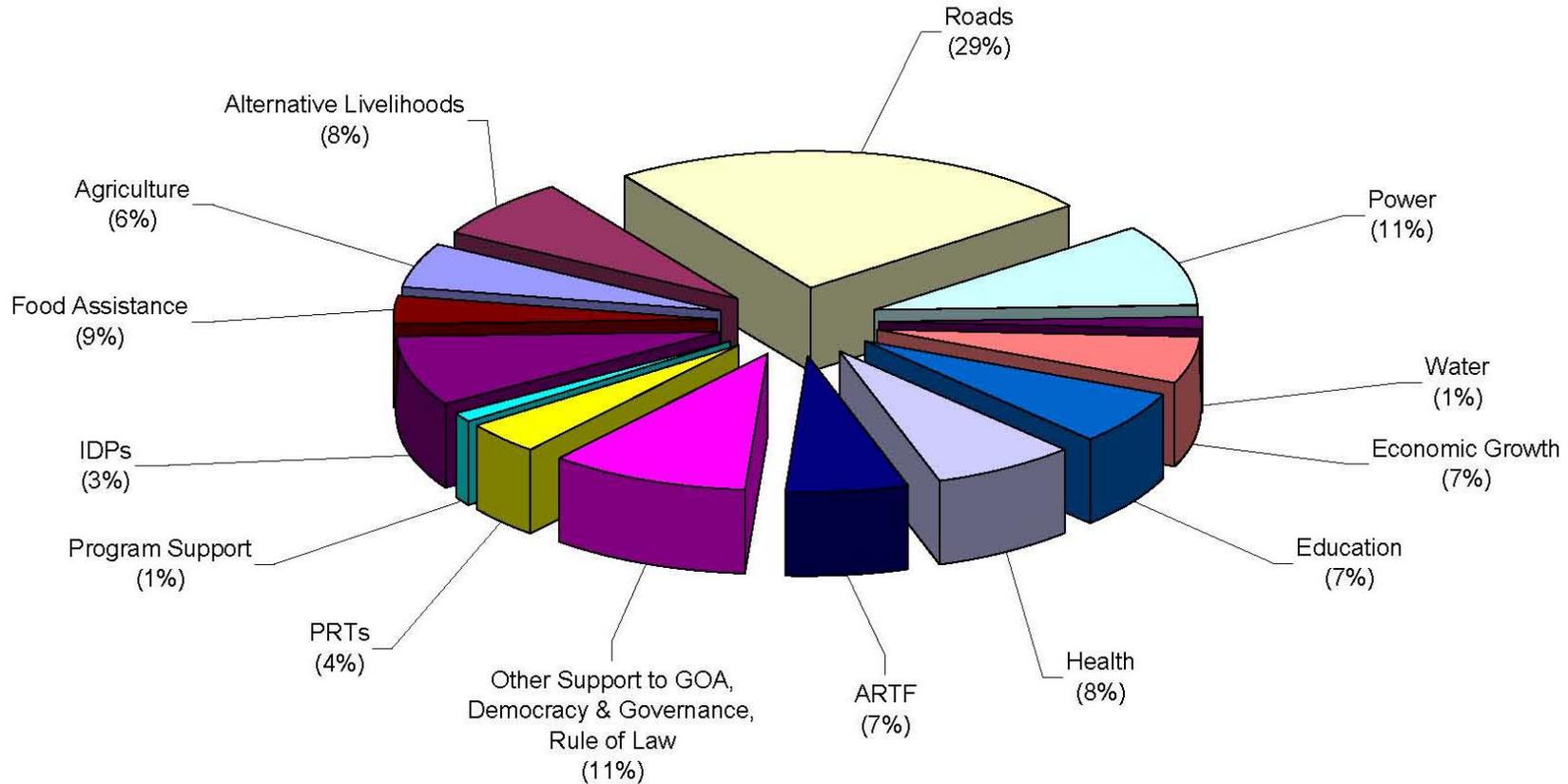
Budget



- 2000 – 2002
USAID Emergency Mission to Afghanistan.
- 2003
USAID Development Assistance to Afghanistan.
- FY07
Additional resources will focus on roads, energy, alternative development and PRTs.



USAID Afghanistan Obligations (FY 2002 - FY 2006) - in millions of USD (\$4.394 Billion; includes Humanitarian and Food Assistance)





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Achievements

- Two peaceful, democratic elections held
- Roads begin to link the country
- Agricultural output rises
- Domestic revenue increases
- Access to healthcare expands
- Older students catch up
- Central Bank established
- New currency introduced

Challenges

- Security; lack of capacity; sustainability; expectations
- These things take time



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“NATIONAL” PROJECTS

Roads

- Build **Regional Highways** (ring road and road linkages to neighboring countries); **National Highways** (extends RH to Provincial Capitals); **Provincial Roads** (connects provincial capitals to District Headquarters); and **Rural Roads** (roads inside districts)

Power

- Build power plants, turbines
- Supply emergency fuel
- Generate power
- Increase transmission capacity
- Establish power purchase agreements with neighboring countries



ROADS: *Objectives and Tactics*

Objectives: Increase mobility, national security, stability, regional trade, economic growth through construction and expansion of important roadway links

Tactics: Build Regional Highways, National Highways, Provincial Roads, and Rural Roads; Hire Afghans to build roads: provides income, builds technical expertise

Results & Benefits: Built over **1600 km** of roads. A kilometer of road reconstruction generates an average of 3,500 labor days, injecting \$26 million into local economies. Reduces transportation costs, including travel time, freight costs/transportation time, and public transport costs. Supports regional trade. Improves accessibility of health care and education.



POWER & ENERGY: *Objectives & Tactics*

Objectives: Provide the least-cost power solution through a combination of Afghan-generated power, the North Eastern Power System (NEPS) and the South Eastern Power Systems (SEPS)

Tactics: Build power plants, turbines; Generate power; Increase transmission capacity; Establish power purchase agreements with neighboring countries. 100 MW additional diesel generation for Kabul.

Results:

Kept the lights on in major cities by:

- Spending \$6.6 million for operation and maintenance of plants in Kandahar, Lashkar Gah & Qalat
- Provided over \$130 Million for the purchase of diesel fuel since Nov. 2003 for Kabul, Kandahar, Lashkar Gah & Qalat



HEALTH CARE: *Objectives and Indicators*

Objectives: A better educated and healthier population by improving child survival, health, nutrition and maternal health

Challenges:

- Infant and Maternal mortality rates are gradually declining but are still some of the highest in the world
- Shortage of qualified medical staff, especially women
- Essential drugs and supplies are being provided by donors, but costs are increasing. Approximately 30% of the medicines on the local market are counterfeit.
- An inadequate infrastructure which is the result of 25 years of fighting and destruction of the health care system



HEALTH CARE: *Tactics*

USAID is:

- Provided health services to more than 397,000 clinic clients throughout 13 provinces during July 2007
- Selling more than 16 million basic health products through a network of over 21,000 private sector social marketing outlets as of August 2007.

Indicators:

- Expanded and improved quality of health services; strengthened government systems; increased utilization of private health sector; decreased mortality/improved health of population.

Desired Outcomes:

- A more developed health system that provides increased access to quality health services with a focus on women and children in suitable environments, enables the population to achieve personal aspirations, and provides employers with a healthy labor force to meet market demand.



HEALTH CARE: *Accomplishments*

Access to Basic Public Health Care

- The great majority of people (80%+) have access to basic package of health services: Over 7.5 million receive services per year (average 20,000+ per day)
- Over 7 million vaccinated against polio (95% coverage)
- Operational and technical support provided to over 360 health facilities in 13 provinces

Health Practices & Capacity Building

- Over 10,600 health workers trained including doctors, midwives, nurses and community health workers

Clinic Construction

- Over 670 clinics constructed or rehabilitated

Private Health Sector

- Over 16 million health products sold through private sector



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EDUCATION: *Objectives and Tactics*

Objective: Increase Access to Quality Education

Education Approach:

- Construct, rehabilitate, strengthen, and expand schools
- Train teachers
- Print and distribute textbooks and other school materials
- Upgrade equipment in schools
- Strengthen Ministry capacity



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EDUCATION: *Details*

USAID is improving **Basic Education** through:

- Strengthening ministry capacity;
- Improving teacher performance and skills development; and
- Ensuring adequate school materials and environments for learning.

In **Higher Education**, USAID is:

- Upgrading teaching standards, teaching facilities and equipment in all 16 faculties of education in Afghanistan.
- Sending over 20 professors to the US via a “Study Abroad Program”.
- Developing an in-country Masters curriculum.
- Providing private, American-style higher education opportunities through funding the American University of Afghanistan.
- Improving the management capacity, information systems and distance learning capabilities of universities.
- The National Women’s Dorm has enabled girls from rural areas to attend one of four institutions of higher learning in Kabul, including the medical school, the Afghan Education University, the Polytechnic Institute and Kabul University.
- In addition, USAID works with Balkh University Faculty of Agriculture in Mazar-e-Sharif to modernize curriculum, teaching technologies, and techniques.

In **Non-Formal Education**, USAID is:

- Providing literacy and skills training, especially to older girls and women
- Strengthening civil society to give a greater voice to women/ young adults



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EDUCATION: *Accomplishments*

Basic / Higher Education & Teacher Training

- 170,000+ students enrolled in accelerated learning programs; over 150,000 (55% girls) graduated by December 2006, a **90% completion rate**
- 60+ million books printed, continuing printing support for next 5 years
- Established The American University of Afghanistan
- 5+ million students enrolled in school according to 2006 MOE data, vs. 900,000 under Taliban; 35% are girls vs. none under Taliban
- **65,000 primary school teachers** received weekly teacher training via radio - based on studies, improved their classroom performance

School Construction

- Over **670** schools constructed/rebuilt, including learning spaces for the accelerated learning program

Non-Formal Education

- Established Women's Teacher Training Institute
- Trained 9,200+ literacy learners across 190 villages in five provinces
- Initiated 850+ self-help savings groups, **over 420 of which were women's groups**; formed 200+ community banks and lending groups within their own communities

September 2007

Afghanistan Accelerated Primary Education Program, Khost



EDUCATION: *Future Plans*

Basic / Higher Education & Teacher Training

- Provide technical assistance and training to strengthen faculties of education at 16 universities
- Provide technical assistance and training to build national Ministry of Education database
- Starting late spring 2007, construction, renovation, equipment for 16 faculties of education

School Construction

- Starting spring 2007, construction of more than 10 Teacher Training Centers and dormitories
- Rebuilding two Kabul high schools, 430+ new classrooms added to existing schools in Kabul province

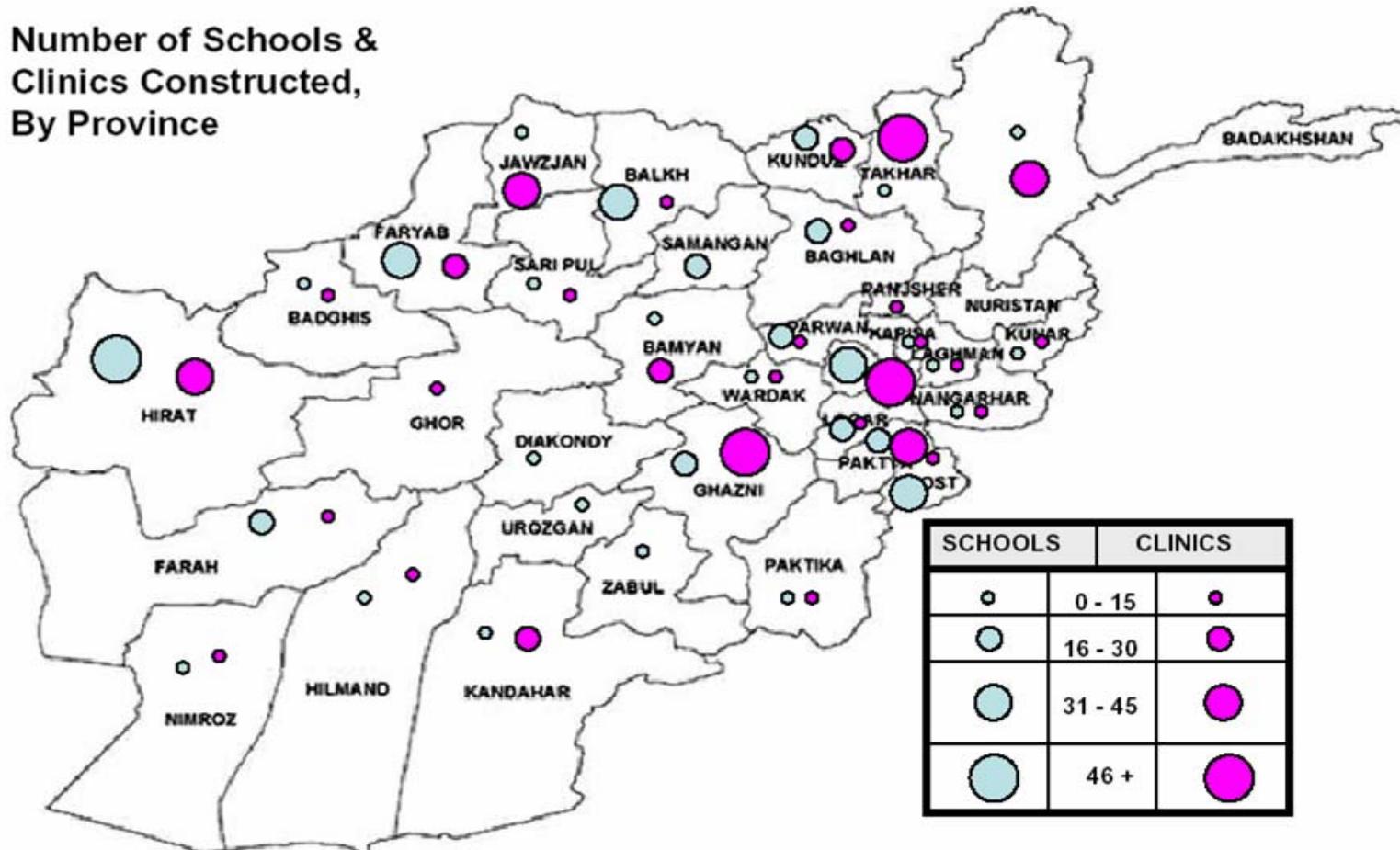
Non-Formal Education

- Starting in 2007, new literacy and productivity skills program to serve 3,000 communities
- New community-based education program to reach 1,500 other communities not served by government schools



SOCIAL SECTOR: *Accomplishments*

Number of Schools & Clinics Constructed, By Province





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ECONOMIC GROWTH: *Objectives & Tactics*

Objective: A thriving licit economy led by private sector

Indicators:

- Change in foreign direct investment
- Change in GDP from drugs, % GDP from the private sector

Tactics & Funding:

Fiscal Reforms (Total budget \$55m; To date: \$31m)

- Ministry of Finance administrative systems; Customs Administration reforms; Central Bank reforms

Privatization / Land Titling (Total budget \$29m; To date \$21)

- Land titling & Registration; Corporatization & Rationalization of State-owned Enterprises

Strengthening Business Associations (Total budget \$12m; To date \$7.2m)

- Afghan International Chamber of Commerce; Afghan Women's Business Federation

Private Sector Development (Total budget \$58m; To date \$21m)

- Industrial Parks Deployment; Small & Medium Enterprise Development

Financial Sector Development (Total budget \$100m; to date \$ 7.6 M)

- Bank Business Loans; Credit Unions; Agribusiness; Microfinance



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ECONOMIC GROWTH: *Accomplishments*

Fiscal Reform

- Introduced a new currency in January 2003; currency remains stable
- Supported the central bank with more than \$2.5 billion in reserves
- Established over 15 new private banks; completed re-licensing of 3 state-owned banks; initiated licensing of foreign exchange dealers.
- Increased customs revenue at \$500 Million equals half of government-collected revenue.

Land Titling

- 6+ million (90%) existing land records and legal documentation reorganized in over 20 regional court registries (Makhzans); simplified immovable property registration.

Afghan International Chamber of Commerce (AICC)

- Regional branches established in 6 regions (Mazar-e Sharif, Kandahar, Jalalabad, Kunduz, Herat, Uruzgan) with more than 3,000 members.

Industrial Parks Development

- More than 600 Afghans employed by this project in the park sites; More than 10,000 men and women will be employed at 3 sites (Kabul, Mazar and Kandahar), 24 sites are planned throughout Afghanistan in 17 provinces



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ALTERNATIVE DEVELOPMENT AND AGRICULTURE: *Objectives and Tactics*

Objectives: *To promote job creation and sustainable rural economic growth*

Tactics:

- Market development and promotion
- Alternative livelihoods for poppy producing regions
- Agribusiness development
- Access to capital
- Commercial agriculture production (e.g., ensuring quality, including food safety, in a timely manner)
- Information management and education
- Infrastructure improvement (e.g., electricity, farm roads, communication, irrigation)
- Natural resources management



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ALTERNATIVE DEVELOPMENT AND AGRICULTURE: *Activities*

- **Alternative Development Program Southern Region** (\$121 million) Locations: Helmand, Kandahar, and Uruzgan. Increases the responsiveness of the private sector and government to promote licit economic growth and employment opportunities
- **Alternative Development Program Eastern Region** (\$108 million) Locations: Nangarhar, Laghman, Kunar and Nuristan. Promotes licit crop production and business activities.
- **Alternative Development Program Northern Region** (\$59 million) Locations: Badakshan and Takhar. The major components are agricultural enterprise development, infrastructure improvement, and institutional capacity building.
- **UNDP/Good Performer's Initiative** (\$15 million) This fund is designed to reward those provinces and districts that have been tough on poppy production and successful in reducing it.
- **UNDP/National Area Based Development Program** (\$8 million) Develops the capacity of provincial- and district-level governance and specifically conflict reconstruction in the Kandahar districts of Panjway and Zhery



ALTERNATIVE DEVELOPMENT AND AGRICULTURE: *Activities*

- **Accelerating Sustainable Agriculture Program** (\$61 million)
Increases domestic and export agricultural productivity in Afghanistan through increased sales, job creation and investment
- **Agribusiness Global Development Alliance** (\$25 million) Builds public-private partnerships to develop agriculture in all areas of Afghanistan. Partners are required to provide a minimum of one-to-one matching funds.
- **Purdue University Global Development Alliance** (\$7 million)
Promotes capacity building in agriculture faculty at five Afghan Universities
- **Environment** (\$11 million) Manages natural resources to increase sustainable agricultural productivity and conserve biodiversity
- **Paktika, Paktia, Khost** (FY 2007 Supplemental, \$15 million)
Community development to increase high-value horticulture, animal husbandry, commercial woodlots and marketing
- **USDA PASAs** (\$5 million) Direct government capacity building in Natural Resource Management, Animal Health, and sanitary/physo-sanitary measures



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DEMOCRACY & GOVERNANCE: *Objectives & Tactics*

Objective: *Democratic Government with Broad Citizen Participation*

Indicators:

- Improved capacity of public, private, and civil society sectors
- Enhanced Rule of Law
- Strengthened election and political processes
- Strengthened institutions for good governance
- Increased presence and performance of civil society

Tactics:

- Improve capacity of government officials throughout government
- Improve legal system
- Improve Afghan elections
- Increase effectiveness of National Assembly and Provincial Councils
- Improve management skills of provincial leaders
- Build radio stations and teach journalism skills
- Fund and train Afghan grassroots NGOs



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DEMOCRACY & GOVERNANCE: *Accomplishments*

Civil Society & Media Development

- NGO Law passed; over \$6 million in small grants to over 200 Afghan NGOs; more than half of grants have gone to women-led NGOs or groups focused on women's issues
- Built a network of 36 independent, community based radio stations throughout the country – coverage to over 60% of the population; and trained 550+ male & female media journalists
- Established Salam Watandar, a national network of independent local radio stations that air national satellite programs

Judicial Facilities

- Built 40 court houses and justice facilities in 18 provinces covering approximately 60% of national population

Support to the Courts

- Publication of all laws back to 1963; judicial code of conduct adopted; new case filing procedures adopted

Judicial & Legal Education

- 980+ judges trained - over half of current judiciary; common law course curriculum accepted for all Law and Sharia faculties; implemented redesigned nine-month pre-entry training program for all new judges



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DEMOCRACY & GOVERNANCE: *Future Plans*

Capacity Building

- Map capacity building needs of key ministries and train government officials

Elections

- Build capacity of Independent Elections Commission

Governance

- Sponsor scholarships for 180 MPs to earn Bachelor's degrees from Kabul University
- Expand improvement of municipal service delivery to provincial capitals
- Strengthen subnational government

Rule of Law

- Common Law/Sharia curriculum and course syllabi/texts by fall 2008
- All sitting judges to receive foundation/refresher training by fall 2008
- All courts will use new management procedures by fall 2008
- All judges will be trained on code of conduct requirements by fall 2008

Civil Society

- Establish up to 20 new radio stations; train journalists, operators, and media associations.
- Provide capacity building/training and sub-grants to NGOs



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How USAID implements its projects

USAID's program is carried out through a combination of contracts and grants with Public International Organizations and non-governmental organizations, focusing on those areas determined by the Mission and its Afghan counterparts to be of highest priority and greatest potential impact. The selection of specific contractors and grantees is usually based on competitive processes. ***Contracting*** actions are initiated through a **Request for Proposals (RFP)**; ***Grants and Cooperative Agreements*** are initiated through **Requests for Applications (RFA)**.



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AQUISITION

- USAID generally utilizes ***Contracts*** when the principal purpose is to acquire commodities or services, with the expectation that USAID will exercise a substantial degree of day-to-day operational control. This is often the case in Afghanistan on vertical and horizontal construction and infrastructure projects.



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ASSISTANCE – COOPERATIVE AGREEMENTS

- ***Cooperative Agreements*** are used when the principal purpose of the relationship is the transfer of money, property, services or anything of value to the recipient in order to accomplish the objectives of the USAID program; under a cooperative agreement, substantial involvement is anticipated between USAID and the recipient during the performance of the proposed activity.



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ASSISTANCE - GRANTS

- **Grants** are used when the principal purpose of the relationship is similar to that of cooperative agreements, however, USAID's substantial involvement is not anticipated.



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FOR FURTHER INFORMATION :

- <http://www.fedbizopps.gov/>
- <http://www.fedgrants.gov>
- http://www.usaid.gov/locations/asia_near_east/countries/afghanistan/

- David Brown, Deputy Director USAID/AFGHANISTAN
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