# Testimony of Earl W. Gast Assistant Administrator for Africa U.S. Agency for International Development Before the House Appropriations Subcommittee on State, Foreign Operations April 29, 2014

Nowhere in the world is development such an important part of U.S. engagement efforts as it is in Africa, and the changing tide on the continent requires a new style of engagement. Today, Africans are the architects of their development, not just beneficiaries. Donors support their plans, they do not dictate them. Citizens demand democracy, not autocracy, and they are seizing the opportunities that come with better education, better health, and better public services.

Taking advantage of this changing landscape requires a new model for development, one built on expanding and deepening partnerships with African governments, businesses, universities, and civil society—as well as with the new generation of African leaders, thinkers, entrepreneurs, and innovators, who are leading the transformation of their societies. This new model is at the core of USAID's approach in Africa, which seeks to end extreme poverty by investing in Africa's greatest resource—its people—to sustain and further development, opportunity, and human rights for this and future generations. Across the continent, we are implementing major initiatives to improve health, food security, electricity access, trade, and resilience that are underpinned by commitments to good governance, education, gender equity, and the environment. These programs are driven by a culture of innovation powered by efforts like USAID's Global Development Lab, which brings together a diverse set of partners to discover, test, and scale breakthrough solutions to chronic development challenges.

But Africa is not a monolith. Each of the 42 countries where USAID works is unique and requires unique support—the devastation in the Central African Republic and the rising prosperity in Tanzania; the violent political crisis in South Sudan and the peaceful political transition in Senegal; the fragility of Niger and the anchor of South Africa. While the governing principles of our work apply across the continent, our strategies are tailored to each country's singular challenges and opportunities.

We are committed to continuing to work together with Africans to advance this new model of development to realize the promise of a more peaceful, more productive, more prosperous 21<sup>st</sup> century Africa.

The total FY 2015 budget request for Africa (excluding food assistance) is \$6.717 billion, representing less than a 1 percent decrease from the FY 2013 initial actual level (\$6.762) enacted total.

• Roughly 70.5 percent (\$4.73 billion) of the request consists of bilateral assistance for 15 priority countries in sub-Saharan Africa that are critical to national security and economic trade (Côte d'Ivoire, the Democratic Republic of Congo, Ethiopia, Ghana, Kenya,

Liberia, Mali, Mozambique, Nigeria, Somalia, South Africa, South Sudan, Sudan, Tanzania, and Zimbabwe).

- Eighty percent of the request would go toward three of the President's global initiatives: Feed the Future (\$500.5 million), the Global Health Initiative (\$4.8 billion), and the Global Climate Change Initiative (\$88.1 million).
- The request also supports three Africa-specific initiatives—Power Africa, Trade Africa, and the Young African Leaders Initiative—that complement the global initiatives and broaden our development impact.

These overarching efforts value partnership over patronage and innovation over stagnancy. And when they are applied on a country or community level, along with the work of other U.S. Government and donor agencies, they are designed to take root and fuel real, long-term change.

### **Resilience and Food Security**

Deep and chronic poverty is a shared characteristic of households and communities most vulnerable to climatic, social and economic shocks; it undermines even the most basic of coping strategies, leaving lives and livelihoods at risk. However, while we cannot prevent such a shock from happening, we can reduce the likelihood that it will trigger a humanitarian crisis. By supporting local and national capacities to mitigate, adapt to, and recover from shocks, we can both protect communities and contribute to longer-term stability and growth.

This is not only the right thing to do—it is also fiscally responsible. Investing in the long-term resilience of communities in advance of a disruptive event can help minimize losses and reduce the need for immediate humanitarian aid. In fact, a recent study by the United Kingdom's Department for International Development showed that for every \$1 invested in resilience efforts, \$2.80 in benefits is gained through avoided emergency aid costs and animal losses.

A focus on resilience is being institutionalized within Feed the Future, and progress has been steady, especially in areas that recently suffered from historic drought. With the introduction of new technology in Ethiopia, nearly 140,000 people now have improved access to water (with the goal of reaching 1 million people in the next two years), which will help them better cope with future climate shocks. And the Government of Kenya through Feed the Future is equipping more than 4,000 county experts and trainers to deliver critical demonstrations on the links between agriculture and nutrition and best practices for people struggling to meet their families' nutritional needs. In turn, these workers have reached more than 40,000 households with information that can reduce chronic disease and improve food preparation.

Leveraging the solid foundation laid by Feed the Future, the President further challenged the global community to mobilize resources from the private sector for even greater impact by launching the New Alliance for Food Security and Nutrition at the G-8 Summit in 2012. The New Alliance aims to achieve sustained and inclusive agricultural growth to lift 50 million people out of poverty by 2022 by driving effective country-led plans and policies for food and nutrition security and leveraging the commitments of the private sector to increase investments where the conditions are right. Since the launch of the New Alliance, more than 140

companies—two-thirds of them African—have committed to responsibly invest more than \$3.7 billion in New Alliance countries. In addition, the new USAID nutrition strategy recognizes the essential role that nutrition plays in individuals' and countries' development.

This achievement is on the horizon: The number of hungry people in the world is declining and the Millennium Development Goal of halving the number of hungry people in the developing world is reachable by 2015. Now in its fourth year of implementation, Feed the Future's results are tangible. Conservation farming techniques in Senegal resulted in at least a 20 percent increase in yields of maize, millet, and sorghum between 2011 and 2012. The most dramatic results were the Fatick region's 57.3 percent increase in maize; Kédougou's 44.7 percent increase in sorghum; and Tambacounda's 43 percent increase in maize. To address malnutrition, Feed the Future promotes bio-fortified crops, including vitamin A-rich orange-fleshed sweet potato, and encourages diet diversification through household production of leafy green vegetables and small livestock. In Uganda, more than 50,000 households received inputs to grow bio-fortified crops such as iron-rich beans and orange-fleshed sweet potato.

A deeper look reveals the individual families who together make up these results: Through the Master Farmer program, farmers receive the instruction, funding and ongoing support to develop one hectare of farmland and demonstrate best practices with field crops, gardening, fruit trees, and natural resource management. One participant in the Master Farmer program not only increased his income enough to cover his children's school fees, he also trained more than 200 community members on new farming techniques. As of May 2012, this U.S. Government project had trained 32 master farmers and worked with over 30,000 people to plant over 130,000 trees and start or improve 465 gardens in Senegal.

## **Power Africa**

Africa hosts vast reserves of natural resources, from geothermal and natural gas reserves to hydro and solar power potential. Tapping into these plentiful, sustainable resources will advance efforts to mitigate the effects of climate change, promote economic development, and improve education and healthcare. Cleaner energy and new technologies can power Africa's growth by bringing new businesses and jobs, and improving quality of life, while leapfrogging many older-generation technologies that pollute the environment and harm public health.

Power Africa is helping to make that happen through the U.S. Government's partnerships with African governments, private investors, and other development partners, which will bring sustained economic growth and benefits to the people of Africa and the United States. In six initial countries—Ethiopia, Kenya, Tanzania, Ghana, Liberia, and Nigeria—the U.S. Government will work with its partners to add 10,000 MWs of new generation capacity; increase the number of electricity connections by 20 million; increase the reliability of electricity; increase the number of countries participating in regional cross-border energy trade; and enhance the resource management capabilities of selected countries, allowing them to gain greater energy security.

For USAID, Power Africa is our new model for development in action: facilitating private sector investment to advance development outcomes. By leveraging U.S. strengths in energy technology, private sector engagement, and policy and regulatory reform, Power Africa is

galvanizing collaboration, making quick-impact interventions, and driving systemic reforms to facilitate future investment. When Power Africa was launched less than a year ago, we secured partnerships with more than 35 businesses and organizations from the United States, Africa, and other regions, as well as the support of our multilateral partners – the World Bank Group and the African Development Bank -- that collectively committed over \$14 billion to achieving Power Africa's objectives. Through these partnerships, Power Africa has helped close deals that will generate 2,486 MW of electricity—25 percent of the initiative's 10,000 MW goal—and we are in the planning stages of projects that will add 5,579 MW more.

### **Trade Africa**

Africa is home to the most promising untapped markets in the world. Fourteen percent of the world's population lives there, yet African products make up just 2 percent of world trade. Consumer spending is set to rise 80 percent by 2020 and Africa now has a fast-growing middle class, expected to increase from 60 million to 100 million people by 2015.

The continent's fortune is not the result of good luck. It is the result of years of hard work and better macroeconomic management, improved economic and political governance, increasing foreign capital inflows, and improvements in the business climate. And American support for the development of Africa's economic growth not only helps Africans translate our investments to improve living standards, but also generates new export markets for American goods and services.

Trade Africa is a partnership between the United States and sub-Saharan Africa to increase internal and regional trade within Africa, and expand trade and economic ties among Africa, the United States, and other global markets. The initiative focuses on the member states of the East African Community (EAC)—Burundi, Kenya, Rwanda, Tanzania, and Uganda. An economic success story, the EAC represents a market with significant opportunity for U.S. exports and investment. The five states of the EAC, with a population of more than 130 million people, have increasingly stable and pro-business regulations. They are home to promising local enterprises that are forming creative partnerships with multinational companies. And EAC countries are benefiting from the emergence of an educated, globalized middle class. Intra-EAC trade has doubled in the past five years, and the region's GDP has risen to more than \$80 billion.

In its initial phase, Trade Africa aims to double intra-regional trade in the EAC, increase EAC exports to the United States by 40 percent, reduce by 15 percent the average time needed to import or export a container from the ports of Mombasa or Dar es Salaam to land-locked Burundi and Rwanda in the EAC's interior, and decrease by 30 percent the average time a truck takes to transit selected borders.

And the opportunities are evident. Last year, USAID's East Africa Trade Hub invited representatives from the U.S.-based retailer Anthropologie to visit Kenya in an effort to bring the region's exceptional textiles and designs to the global marketplace. The company had never before explored sourcing materials from the region, but as a result of USAID's facilitation, Anthropologie was able to meet African designers and gain access to the marketplace. Last month, the company launched its "Legend and Song Collection," a new line using traditional African textiles, combined with Anthropologie style, and manufactured entirely in East Africa.

Anthropologie's trust in and promotion of local African companies is a testament to the rising prominence of designers and manufacturers in East Africa. In addition, these designers now have the capacity and tools necessary to find success in the US market.

### Young African Leaders Initiative

Africa's population is the youngest in the world. One in three Africans is between the ages of 10 and 24; 60 percent of Africans are below the age of 35. As the responsibility of leadership passes to the next generation, the future of Africa will come to rest on the shoulders of the youth of today. The Washington Fellowship for Young African Leaders is the U.S. Government's investment in the next generation of leaders eager and able to shape Africa's future. Our sustained investment in a network of young African leaders will lead to stronger democratic institutions, spur economic growth, and cement stronger ties to the United States.

Starting this summer, the Washington Fellowship will annually bring 500 young leaders to U.S. universities and colleges for academic and leadership training in business and entrepreneurship, civic leadership, and public administration. Formal university coursework will be augmented by workshops, mentoring, and networking opportunities with leaders in each field, as well as internships across the United States. For example, U.S. agencies such as the Overseas Private Investment Corporation and the Export-Import Bank have offered to host Washington Fellows as interns to expose them to the U.S. workplace and practices, and build their technical skills. The Fellows will also have the chance to interact with the President during an annual Summit in Washington, D.C., along with other senior U.S. government, business, and civic leaders.

What sets the Washington Fellowship apart from other exchange programs is that our support will continue even after Fellows return home. Through Regional Leadership Centers throughout the continent, USAID and the State Department, in partnership with the private sector, host governments, and civil society, will offer growth opportunities in four key areas: networking, professional development, access to seed capital for entrepreneurs, and opportunities to give back to their communities. This will significantly increase opportunities for employment and accelerate professional development for leaders. The United States African Development Foundation is also supporting this program with a \$5 million entrepreneurship grants program that will include competitively awarded grants for the Fellows with innovative business ideas.

## **Global Health Initiative**

The U.S. government's long-standing bipartisan efforts in global health are a signature of American leadership in the world. Not only do our health programs show America at its best, but they also deliver results. In the past 20 years, child mortality in Africa has dropped by nearly a third, and maternal mortality has dropped by 41 percent. The number of people newly infected with HIV is decreasing for the first time since the HIV epidemic struck, while 10 African countries have reduced the number of malaria cases and deaths by over 50 percent in the last decade.

Investments in global health strengthen fragile or failing states, promote social and economic progress, and support the rise of capable partners who can help to solve regional and global problems. The FY 2015 budget request reflects a comprehensive and integrated global health strategy toward achieving an AIDS-free generation and ending preventable child and maternal

deaths. In Africa, GHI will continue to build upon previous investments made through the President's Emergency Plan for AIDS Relief (PEPFAR), the President's Malaria Initiative (PMI), and programs addressing maternal and child health, family planning and reproductive health, tuberculosis, and neglected tropical diseases.

Through diverse partnerships, we are supporting multifaceted approaches to save women's lives. In just one year, work done under Saving Mothers, Giving Life—an intensive effort to strengthen obstetric health services during labor and delivery—resulted in a 30 percent decrease in maternal mortality in target districts of Uganda and a 35 percent reduction in target facilities in Zambia. Because significant blood loss after giving birth is a leading cause of maternal death USAID has promoted active management of the third stage of labor, which can prevent postpartum hemorrhages. With support from USAID, 31 countries have introduced the life-saving practice, including Liberia and Tanzania, where we have demonstrated how health workers can effectively and safely distribute uterotonic drugs to women to prevent bleeding to death during home births.

### Gender

Although women make up 61 percent of Africa's labor force, gender gaps persist in terms of pay, labor segregation, and vulnerable work. Whereas half of all self-employed Africans are women, only a quarter of employers are women, and their firms are typically smaller and in less profitable sectors. And women comprise just 4 percent of the university staff teaching the next generation of African leaders and entrepreneurs.

Advancing the status of women and girls is a central element of U.S. foreign policy. In 2012, USAID launched its Gender Equality and Female Empowerment Policy to improve the lives of citizens around the world by advancing equality between females and males, and empowering women and girls to participate fully in and benefit from the development of their societies. With this policy, we aim to reduce gender disparities, reduce gender-based violence, and increase the capability of women and girls to realize their rights, determine their life outcomes, and influence decision-making across all the spheres in which they live and work. The U.S. Department of State also adopted policy guidance promoting gender equality and combating gender-based violence to achieve our national security and foreign policy objectives.

USAID has a long history of promoting inclusive economic growth around the world, and over time, we have learned that while there is no single recipe for inclusive growth that applies to every country, empowering women and youth and removing barriers to livelihoods are indispensable ingredients. The Women's Empowerment Agriculture Index launched in February 2012, tracks change in women's empowerment that occurs as a direct or indirect result of Feed the Future interventions in targeted geographic zones within the initiative's 19 focus countries. We will use the Index for impact evaluations of distinct projects to examine the effectiveness of different approaches and how they impact women and men.

## **Democracy and Good Governance**

Advancements in gender, agriculture, trade, electricity, and health are all imperative to sustainable development. But the thread that will hold them together or let them unravel is democracy and good governance. A generation ago, the profile of Africa's leaders left much to

be desired. As recently as the early 1990s, the region was dominated by a group of so-called "big men," many of whom came to power at the barrel of a gun rather than by the ballot box. Several were tyrants who used fear and intimidation to cling to power, and in the process, undermining their countries' prospects for progress.

However, in recent years, skilled, civilian statesmen and women have begun to replace the "big men" and are serving as role models for a new generation of emerging leaders. Increasingly, they are becoming key partners in development through initiatives such as the Partnership for Growth whereby the leaders of Ghana and Tanzania are working hand-in-glove with the international community to identify and address key constrains to development. This summer, President Obama will welcome heads of state from across the continent to Washington, DC, for a summit that will further strengthen U.S.-Africa ties and advance the Administration's focus on trade and investment in Africa. It will also highlight America's commitment to Africa's security, its democratic development, and its people.

However, it is citizen demand for change, political pluralism, checks and balances, and the rule of law that brings legitimacy to a government and which are the most vital conditions for true democratic transformation. As a result of USAID's sustained, strategic engagement in Kenya on democracy, governance, elections, and peacebuilding issues, Kenya has made notable progress on many reforms mandated in the wake of the 2007/2008 electoral violence. USAID supported the Independent Electoral and Boundaries Commission, the judiciary, political parties, and millions of peace-minded Kenyans, to facilitate the most complex election in Kenya's history. The March 2013 election was free, fair, and for the most part peaceful, reflecting the will of the Kenyan people, and it paved the way for rapid implementation of a devolved government as mandated by the new Constitution. The envisioned land reforms, gender equity, electoral reforms, and the devolution of authority and budgetary resources to 47 new county-level governments will address the historical injustices that fueled violence in past elections. This new commitment to peace and national unity in Kenya will enable accelerated and inclusive economic development.

But to continue this progress, sustained, strategic engagement is required. Devolution is a fragile work in process, and the public continues to have concerns about impunity, necessitating continued work on judicial, police, and other reforms. Ensuring that Kenya remains a model in Africa for freedoms of association, assembly, and expression is a priority. And while 2013's general elections were peaceful, elections are a cyclical process, so engagement is needed to help ensure future rounds are credible and peaceful and reflect the will of the people.

And this process can take years, if not decades. USAID helps support environments in which these conditions can emerge, but that transformation can only occur through the sustained commitment of African leaders to serve the needs of their people, and of their people to have a meaningful voice in their government and the means to hold their leaders accountable. Our programs must support African efforts to address the long-term institutional and structural weaknesses that compromise the rule of law, erode the quality of governance, and make citizens subservient to their governments, rather than the other way around. Only then can African countries begin to realize their development potential and achieve sustainable progress and growth.

These programs are our new model for development in action. Together, we are advancing human development through partnerships led by and tailored to the countries where we work. This approach enables us to make the greatest difference while making the most of every taxpayer dollar. As we continue to work with Congress to achieve our shared goals, we very much look forward to a continued conversation on USAID in Africa.