



ECONOMIC GROWTH



Photo by Saliou Mbodj

IN 2009, USAID'S ECONOMIC GROWTH PROGRAM WAS RESPONSIBLE FOR:

- Increased exports of the order of more than 1.5 billion CFA (U.S. \$ 2,000,000);
- The creation of 8,000 new jobs;
- For every dollar that USAID has invested in all activities of economic growth, 3.5 dollars in new sales were generated;
- A 85% increase in revenue for 579 companies operating in the agricultural value chains targeted;
- 437 tonnes of OLA mbepp worth over 500 million CFA francs (\$ 1 million) exported to Europe;
- 8,400 people with access to drinking water;
- 7200 students have benefited from sanitation facilities in schools;
- Strengthening the capacities of local communities in managing natural resources with:
 - The development of local conventions;
 - Training of local elected officials to strengthen local governance and / or decentralization

Overview

The United States Agency for International Development (USAID), with the Government of Senegal and its other partners, helps to create jobs and fight poverty in the country through increasing economic growth through trade and natural resource management. The approximately \$38 million economic growth program will demonstrate how more effective and accountable governance and sustainable exploitation of agricultural and natural resources can contribute significantly to increasing economic growth and reducing poverty. In particular, USAID supports increased trade in agriculture and natural products, public-private partnerships, biodiversity conservation, business development services to budding enterprises and national policies that encourage economic growth, trade, and the environment.

Increased Trade of Agricultural and Natural Resource Based Products

USAID focuses on export-oriented activities to increase household and enterprise revenues, predominately in the agriculture and natural resource sectors. Competitiveness of Senegal's enterprises will be increased through access to improved technologies, business development services and better access to market information. From 2003-2008, USAID assisted 4,180 producers groups and private enterprises to market natural products (such as baobab, madd, and gum mbep) and nontraditional agricultural products (such as cashews and fonio) for national consumption and export markets. Nearly 3,600 were able to increase revenues by more than 93%. Additionally, the project generated almost \$3 million worth of orders for karaya gum, baobabs and cashews exports to Europe and the US.

Improved Sustainable Management of Natural Resources and Biodiversity

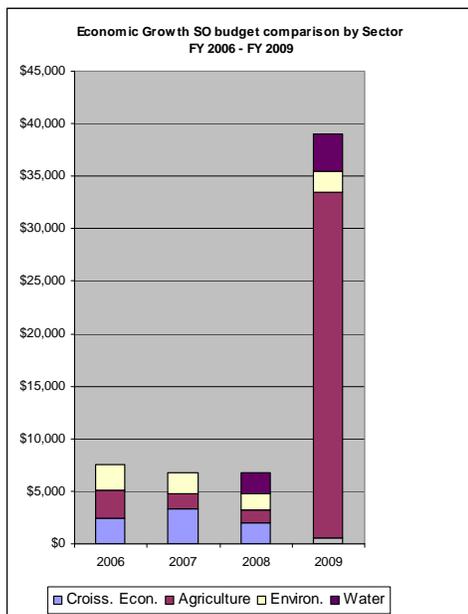
Recognizing that continued growth depends on the sustainable use of the resource base, USAID will directly address broader environmental issues to ensure sustainability of natural resources. A clear link has been made between the conservation of natural capital, increased economic opportunities and local governance that will be further expanded upon through this program. USAID will concentrate on ecosystem management in the southeastern forested areas of Senegal and the coastal regions of Casamance and the Sine-Saloum Delta.

Improved Enabling Environment for Sustainable Growth

USAID will assist in developing laws, regulations and institutions that progressively respond to the needs of the Senegalese and foreign investors and allow them to take advantage of competitive trade opportunities. The Program will also address policies that promote improved natural resource management and improved



USAID BUDGET SUPPORT TO ECONOMIC GROWTH IN SENEGAL (\$ millions)



decentralization. Since 2001, USAID has engaged local firms to provide training and technical assistance in marketing, business planning, management, and production techniques to more than 10,000 entrepreneurs in selected sectors on a cost-sharing basis. USAID also strengthens services in selected sectors with high potential for growth to increase competitiveness. In the past year, USAID also assisted the government to develop regulatory instruments to implement the Labor Code and provided assistance to the Ministry of Justice to develop commercial courts.

Improved Transparent and Accountable Management of Resources

This component will assist in augmenting the human and financial resources that local governments need to take on the authority given to them to manage local resources. USAID will promote increased accountability and transparency in the use of natural resources through a two-pronged approach: (1) by building the capacity of the private sector and civil society to better advocate for transparent and accountable public management to encourage investment; and (2) by building the capacity of local governments to manage local resources in a transparent and sustainable manner.

Implementing Partners

USAID's implementing partners are ARD Inc., Booz Allen Hamilton, CLUSA, Enterprise Works/VITA, International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), International Resources Group, J.E. Austin, Land O'Lakes, Michigan State University, RTI International, Virginia Polytech Institute and State University, Winrock International and World Wildlife Fund.

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