



## Strategic Goal 4: Promoting Economic Growth and Prosperity

Promote rapid, sustainable, and broad-based economic growth, both domestically and internationally

### I. Public Benefit

Continued economic prosperity for the U.S. depends on the expansion of prosperity, freedom, and economic opportunity worldwide. We seek to promote prosperity at home and abroad by opening markets through ambitious trade and investment agendas, strengthening development efforts through private sector participation and recipient country accountability, and supporting U.S. businesses through outreach and advocacy. We work closely with other agencies, businesses, labor groups, and NGOs to build a strong and dynamic international economic system that creates new opportunities for American business, workers, and farmers.

The Department works closely with allies and major donors to assist countries recovering from conflict and natural disasters. The U.S. Government relief and reconstruction efforts following the Indian Ocean Tsunami and the South Asia Earthquake, in partnership with the private sector, strongly reinforced our public efforts to restore positive attitudes toward the U.S. in several Muslim countries. To prevent millions from reverting back into poverty and further delay economic growth, the Departments of State and Treasury in October 2005 negotiated an historic debt agreement with Nigeria's reform-minded government that eliminated \$30 billion of debt at no cost to U.S. taxpayers. Finally, the Department leads the U.S. representation at the International Energy Agency, (IEA) the primary mechanism for maintaining oil market stability in times of crisis, we were able to secure the IEA's release of up to 60 million barrels of emergency petroleum stockpiles which calmed the market and moderated the price increases due to Hurricane Katrina, saving American taxpayers hundreds of millions of dollars per day.

We promote prosperity through market-expanding agreements covering trade, aviation, telecommunication, and investment. We also cooperate with other countries to protect intellectual property rights, combat bribery, and support flexible energy and financial markets. Official development assistance plays an important role in helping countries on the road to economic prosperity, political stability, and self-sufficiency. Our deep and comprehensive economic engagement with developing countries enhances the prosperity and security of those countries, and therefore our own. Presidential initiatives and programs that focus on merging economic growth and environmental stewardship are critical to global prosperity because over 1.6 billion people depend on forests for food, medicines and fibers. Yet 16 million hectares of forest were lost annually in the 1990s, and deforestation has accelerated alarmingly ever since. In addition, the developing world's population depends on fish for at least 20% of their animal protein intake, and fisheries exports generate more foreign exchange than any other traded food commodity. Yet three quarters of the world's marine fisheries are over-fished, and stocks have been in steady decline for three decades. Furthermore, 2 billion people lack access to affordable, reliable energy.

Global economic prosperity is intricately linked to the sound governance of natural resources required to protect the planet and foment key conditions for sustainable growth, healthy citizens, and democratic governance. Conservation of biodiverse ecosystems provides income, sustainable livelihoods and a healthy foundation for human well-being. By promoting access to clean, modern energy, by sustainably managing fisheries, forests, and other flora and fauna, by keeping dangerous chemicals and other pollutants out of terrestrial and marine environments, by increasing resilience to climate variability and change, and by improving the environmental capacity of trade partners, we are promoting economic prosperity in sustainable harmony with nature.

### II. Resource Summary (\$ in Thousands)

	FY 2006 Actual	FY 2007 Estimate	FY 2008 Request	Change from FY 2007	
				Amount	%
Staff	1,458	1,471	1,474	3	0.20%
Funds	\$483,364	\$456,182	\$477,028	\$20,846	4.57%



### III. Strategic Goal Context

Shown below are the indicators, accounts, bureaus and partners that contribute to accomplishment of this strategic goal. Acronyms are defined in the glossary at the back of this publication.

Strategic Goal	Performance Indicator	Major Accounts	Lead Bureau(s)	Key Partners
<b>Promoting Economic Growth and Prosperity</b>	Millennium Challenge Account: Median Values of Economic Freedom	FSA, SEED, DA, D&CP, ESF, MCA	EB	MCC, DOC, USAID, World Bank
	Debt Crisis Countries Pursuing Sustainable Macroeconomic Policies	D&CP	EB	Treasury, IMF, World Bank, OECD
	Market-Opening Negotiations	DA, D&CP, ESF, FSA, SEED, CIO	EB	USAID, USTR, Treasury, WTO, OECD, NGOs
	Countries Allowing Commercial Use of Agricultural Biotechnology and Global Acreage	DA, D&CP, ESF, FSA, SEED, CIO	EB	USAID, USTR, Treasury, USDA, WTO, OECD, NGOs
	Environmental Cooperation Agreements Supporting Free Trade Agreements	D&CP	OES	USAID, USTR, EPA, DOI, NOAA, NASA, USFS, NGOs
	Agreements Related to Natural Resource Conservation and Biodiversity	D&CP, ESF, DA, CIO, IO&P	OES	USAID, IOs, NOAA, USDA, USFS, USTR, NASA, NRC, NGOs
	Asia-Pacific and Other Multilateral Climate Related Partnerships	D&CP, IO&P, ESF, DA	OES	USAID, DOE, OSTP, NOAA, USDA, NASA, EPA, NSF, DOC
	Depleted Stocks Of Living Marine Resources Rebuilt Through Science-Based Management (PART)	D&CP	OES	NOAA, USFWS, USCG, USTR, NGOs



#### IV. Performance Summary

For each initiative/program that supports accomplishment of this strategic goal, the most critical FY 2008 performance indicators and targets are shown below.

Indicator #1: Millennium Challenge Account (MCA): Median Values for the Six Indicators of Economic Freedom		
Outcome		
TARGETS	FY 2008	Fifth round of countries selected. Median values for indicators of economic freedom improve for Millennium Challenge Corporation (MCC) candidate countries.
	FY 2007	Fourth round of countries selected. Median values for indicators of economic freedom improve for MCC candidate countries.
RESULTS	2006	MCC Board approved five Compacts, obligating \$1.6 billion, and funded seven threshold programs totaling over \$173 million. MCC identified the third round of seven new eligible (three of which are dual identified as threshold) and five new threshold countries. In comparing the median scores of the low income countries to last year's median scores for all eligible and threshold countries, improvement was made in one category, three remained the same, one was slightly lower and one measured category was replaced. Low income countries improved their fiscal policy; remained the same in trade policy, inflation and regulatory quality; and increased by one the median number of days to start a business (this is largely due to high number of days to start a business two of the newly added countries brought to the equation).
	2005	Congress approved FY 2005 funding of \$1.5 billion. MCC Board approved the first five Compacts, obligating over \$900 million, and funded two threshold programs for \$34 million; however disbursements began in only two Compact countries. MCC identified second round of one new eligible and six new threshold countries. MCC compact negotiations continue vigorously. Improvements were made in the median scores in four of the six economic freedom categories with two remaining the same. Median scores improved for credit rating, days to start a business, inflation and fiscal policy, while remaining the same for regulatory quality and trade policy.
	2004	MCA compacts signed approving programs that are results-oriented with verifiable goals. Funding of programs began toward end of fiscal year.
	2003	Obtained Congressional support and legislative authorization. Assist best performing countries, based on 16 MCA indicators, in their preparations for applications. Choose countries for initial funding and establish administrative mechanism.
DATA QUALITY	Indicator Validation	Improving medians for each of the six indicators of economic freedom evaluated by the MCC will demonstrate the effectiveness in promoting sustainable economic development.
	Data Source	Millennium Challenge Corporation



Indicator #2: Percentage of Debt Crisis Countries Pursuing Sustainable Macroeconomic Policies After Receiving Debt Relief and IMF Assistance		
Output		
TARGETS	FY 2008	70 percent
	FY 2007	65 percent
RESULTS	2006	A total of 84 percent of countries receiving help from the United States and the international community to overcome financial crises are successfully implementing economic reforms that promote long-term financial stability. As of September 30, 2006, 69 countries facing financial crises had active Paris Club agreements. Of these, 36 countries were successfully implementing an International Monetary Fund (IMF)-sponsored reform program and an additional 22 countries had completed their reform programs. A total of 11 countries had abandoned their IMF program and were not pursuing sound macroeconomic policies. This result can be explained, in part, by the benign global economic environment that has helped to improve macroeconomic performance, reducing the risk of financial crises and generally making it easier to comply with IMF program goals.
	2005	83 percent of 65 countries with an active Paris Club agreement were pursuing sound economic policies that promote macroeconomic stability.
	2004	60 percent
	2003	60 percent
DATA QUALITY	Indicator Validation	Successful completion of reform programs is key to heavily-indebted nations achieving long-term financial stability.
	Data Source	International Monetary Fund and Paris Club.



Indicator #3: Status of Market-Opening Negotiations		
Outcome		
TARGETS	FY 2008	Free Trade Agreements (FTAs) with South Korea, Malaysia, Thailand, Panama and United Arab Emirates enter into force. Two additional Bilateral Investment Treaties (BITs) enter into force; initiate additional BITs. Enter into Open Skies civil air transport agreements with Libya, Brazil, South Africa and Australia.
	FY 2007	FTAs with South Korea, Malaysia, Thailand, Panama and United Arab Emirates concluded; FTAs with Peru and Colombia enacted; two FTAs enter into force. Two BITs enter into force. Initiate additional FTAs and BITs. Central America - Dominican Republic Free Trade Agreement (CAFTA-DR): Costa Rica and the Dominican Republic enter into force. Push to renew Trade Promotion Authority. Conclude Open Skies or significantly liberalized civil air transport agreements with China, the EU, Kuwait, Argentina and Japan.
RESULTS	2006	World Trade Organization (WTO) and Free Trade Area of the Americas negotiations were not completed. Implementation of Andean Countries Free Trade Agreement progressing; South African Customs Union postponed. Signed trade and investment arrangements with Cambodia and ASEAN. Began TIFA negotiations with Taiwan. Oman FTA ratified. Korea and Malaysia FTAs launched. CAFTA, Bahrain and Morocco FTAs entered into force. The Australia FTA went into force in January 2005. Three new BITs concluded.
	2005	Doha Round progressed with members actively engaged in negotiations. Oman and United Arab Emirates FTA negotiations on track. CAFTA-DR enacted. Australia FTA entered into force January 2005. Morocco and Bahrain FTA entry into force delayed. FTAA continued slowly. U.S. and EU regulatory agencies worked to share information and harmonize regulatory systems. One BIT concluded (Uruguay); talks continued on another BIT. New USG model BIT text released.
	2004	WTO Doha round negotiations continue. Two new BITs concluded. Two FTAs concluded. FTAA negotiations continue.
	2003	WTO launched new round in Doha. China and Taiwan joined WTO. Jordan FTA entered into force. Chile and Singapore FTA negotiations concluded. BIT discussions continued with Venezuela, Peru, Colombia, and South Korea. China took concrete steps to remove trade barriers and open its markets; some shortfalls remained in areas of interest.
DATA QUALITY	Indicator Validation	These agreements expand the international framework to create a dynamic, free and open trade system. Substantial global trade liberalization results from multilateral, regional, and bilateral trade and investment agreements. Substantial continued growth in trade and investment validates this approach.
	Data Source	World Trade Organization, U.S. Trade Representative



Indicator #4: Number of Countries Allowing Commercial Use of Agricultural Biotechnology and Global Acreage of Biotech Crops Under Cultivation		
Outcome		
TARGETS	FY 2008	One or more countries commercialize agricultural biotechnology; acreage of agricultural biotechnology crops increases 12 percent.
	FY 2007	Two more countries commercialize agricultural biotechnology; acreage of agricultural biotechnology crops increases 12 percent.
RESULTS	2006	In CY 2005, four additional countries planted biotech crops. Portugal and France resumed planting of biotech corn in 2005, while the Czech Republic planted it for the first time; this brings the total of European Union countries commercializing biotech corn to five. In Iran, biotech rice was grown in 2005 by several hundred farmers, who initiated commercialization and produced seed supplies for full commercialization in 2006. Based upon full year data for CY 2005, agricultural biotech acreage was trending at a 15-20% rate of growth in the first 3 months of FY 2006.
	2005	Four new countries grew biotech crops in 2005, Portugal, France, Czech Republic and Iran. Global acreage of agricultural biotechnology crops increased 11%. One billionth acre planted in 2005, the tenth year of biotech crop cultivation.
	2004	Australia, Thailand, and Malaysia commercialize agricultural biotechnology; acreage of agricultural biotechnology crops increases 12 percent.
	2003	India commercialized transgenic cotton. Philippines and Brazil took initial steps toward commercializing. Acreage of agricultural biotechnology crops under cultivation increased 12 percent from 2001 to 2002, from 130 million to 145 million acres.
DATA QUALITY	Indicator Validation	Science-based regulatory regimes in place to determine safety of agricultural biotechnology products. Strong regulatory system provides public confidence; provides strong foundation for policy decision to permit commercialization of biotechnology-derived crops. Countries that commercialize biotechnology-derived crops most likely to permit entry of biotechnology-derived products from other countries.
	Data Source	International Service for the Acquisition of Agri-biotech Applications, U.S. Department of Agriculture grain reports.



Indicator #5: Status of Environmental Cooperation Agreements, Mechanisms and Work Plans supporting Free Trade Agreements		
Outcome		
TARGETS	FY 2008	The Central America-Dominican Republic-US Free Trade Agreement (CAFTA-DR) Environmental Cooperation Agreement (ECA) Work Program is in full implementation phase. Develop work plans to implement environmental cooperation mechanisms (ECMs) with Korea, Malaysia and Colombia.
	FY 2007	CAFTA-DR ECA enters into force and Work Program is approved at first meeting of the Environmental Cooperation Commission. ECMs with Korea and Malaysia and, depending on the progress of free trade agreement (FTA) negotiations, possibly with Colombia, and United Arab Emirates (UAE) concluded. Work plans for Bahrain, Oman and Peru developed. Implementation of Chile ECA Work Plan continues.
RESULTS	2006	CAFTA-DR ECA Work Program agreed to as a final draft for public consultations, subject to approval by Environmental Cooperation Commission. CAFTA-DR parties agreed on establishing Secretariat for public submissions on environmental matters. FTA and ECA negotiations and discussions with Andean countries proceeded on track. ECA with Peru signed July 24. ECA for Colombia pending. ECM negotiations with Thailand essentially concluded but on hold pending movement on FTA negotiations. ECA negotiations for Malaysia and Korea were well underway. Environmental work plan agreed with Morocco. Cooperative work was under way bilaterally with Jordan, Morocco, and regionally with Bahrain, Oman and UAE. Work plans were in process for Bahrain and Oman. U.S./Chile Environmental Cooperation Work Program project work initiated in several areas.
	2005	FTA and ECA negotiations and discussions with Andean countries proceeded fully on track. Environmental cooperation mechanism with Thailand was under development. Dominican Republic, Central America and U.S. signed ECA and began discussing Programs of Work. Cooperative work initiated with Morocco, Bahrain and Jordan. FTA and environmental cooperation discussions began with UAE and Oman. U.S./Chile Environmental Cooperation Work Program finalized early 2005, project work initiated in several areas.
	2004	FTAs with Morocco, Australia, Bahrain, and Central American nations were completed with satisfactory environmental provisions. Framework environmental side arrangements were completed with Morocco, Central America, Bahrain and Australia. Work plans were agreed upon and implementation initiated with Jordan, Singapore and Chile for cooperative environmental projects. FTA negotiations began with Panama, the Andean Countries (Colombia and Peru), the Southern African Customs Union (SACU) and Thailand. Negotiations for the accompanying framework environmental side arrangements proceeded apace.
	2003	Environmental reviews of proposed Singapore and Chile FTAs were conducted. The WTO Committee on Trade and Environment (CTE) began negotiations and discussions on topics in the Doha Development Agenda.
DATA QUALITY	Indicator Validation	ECMs and work plans complement FTA environment chapters by building trading partners' capacity to enforce their national environmental laws, promote public participation in environmental policymaking and implementation, and implement programs to protect the environment, helping to create a level playing field for trade, a secure investment climate, and promote competitiveness and economic opportunity in trading partners.
	Data Source	OES directly participates in events being measured and monitors activities on a regular basis.



Indicator #6: Status of Agreements and Programs Related to Natural Resource Conservation and Biodiversity		
Output		
TARGETS	FY 2008	<ul style="list-style-type: none"> <li>Coalition Against Wildlife Trafficking (CAWT): Second Ministerial held. Network model expanded to South America and Africa. Enforcement training expanded.</li> <li>President's Initiative Against Illegal Logging (PIAIL): Regional Forest Law Enforcement and Governance (FLEG) processes (Southeast Asia, Africa, Europe and North Asia) report progress in implementing measures against illegal logging. Ministerial produces plan to eliminate illegal logging, associated trade and corruption. In Liberia, five additional concessions awarded; legal timber exports generate \$6 million of tax revenues.</li> <li>Tropical Forest Conservation Act (TFCA): Agreements concluded with Peru and the Philippines.</li> </ul>
	FY 2007	<ul style="list-style-type: none"> <li>CAWT: Australia, Brazil, Canada, and China join Coalition; objectives and program of action agreed at first Ministerial. Special envoy initiates awareness raising campaign.</li> <li>PIAIL: Trade study completed on extent and impact of illegal logging, with a focus on protected areas. Indonesia Remote Sensing Pilot commenced pursuant to bilateral illegal logging agreement. Management contract for Liberia's forest sector in operation; five concessions awarded; \$4 million gross tax revenues from legally exported timber.</li> <li>TFCA: Agreements concluded with one or two additional developing countries.</li> </ul>
RESULTS	2006	<ul style="list-style-type: none"> <li>CAWT: Regional ASEAN-WEN (Wildlife Enforcement Network) established and operating. First cooperative operation successfully completed in Thailand.</li> <li>PIAIL: Southeast Asia held customs and enforcement training workshops for the region. Liberia cancelled corrupt forest concessions and is progressing toward transparent concession process.</li> <li>TFCA agreements proceeded with Paraguay, Guatemala, and Botswana. Sri Lanka received an allocation, but did not move forward.</li> </ul>
	2005	<ul style="list-style-type: none"> <li>CAWT: Launched global initiative to build cooperation and capacity for combating illegal trade in wildlife and wildlife products worldwide.</li> <li>PIAIL: Regional commitments to address illegal logging and associated trade and corruption. Congo Basin Forest Partnership: ten Central African Heads of State signed a region-wide conservation treaty, creating a Congo Basin regional body.</li> <li>TFCA: Guatemala, Ecuador, St. Vincent and Peru in the evaluation process for political and economic eligibility for TFCA. Sri Lanka received allocation for TFCA, but did not move forward. Paraguay, Guatemala and Botswana were evaluated and met political and economic criteria and received allocations.</li> </ul>
	2004	<ul style="list-style-type: none"> <li>PIAIL: OES and international partners initiate Liberia Forest Reconstruction Initiative, hire coordinator and agree on strategy.</li> <li>CBFP grows with three new partners. Other partners commit funds for 11 landscapes.</li> <li>TFCA agreements concluded with Jamaica and Colombia.</li> </ul>
	2003	<ul style="list-style-type: none"> <li>PIAIL launched in 2003.</li> <li>CBFP launched with 29 partners at 2002 World Summit on Sustainable Development (2002) supported with \$50 million 4 years US commitment.</li> <li>TFCA agreements concluded with Peru and the Philippines.</li> </ul>
DATA QUALITY	Indicator Validation	State and USAID promote conservation of biodiversity through participation in international programs, negotiation of international agreements, partnership with governments, NGOs and other agencies with the intent of improving conservation and sustainable management of natural resources while promoting sustainable economic development opportunities that alleviate poverty.
	Data Source	Bureau of Oceans and International Environment and Scientific Affairs directly participates in and monitors events.



Indicator #7: Advancement of the Asia-Pacific Partnership on Clean Development and Other Multilateral Climate Related Partnerships		
Outcome		
TARGETS	FY 2008	Flagship projects are implemented in line with task force action plans of the Asia-Pacific Partnership. Continued U.S. leadership in advancing climate-related science and technology partnerships, including progress toward project-based implementation of the International Partnership for the Hydrogen Economy (IPHE), the Carbon Sequestration Leadership Forum (CSLF), the GenIV nuclear energy technology partnership, Global Earth Observation System of Systems (GEOSS), and the Methane-to-Markets Partnership in cooperation with developed and developing countries.
	FY 2007	Asia-Pacific Partnership Task Forces develop action plans that include objectives, targets, and measures. U.S. leadership continues to advance activities and deliverables on climate-related science and technology partnerships including: the IPHE, the CSLF, the GenIV nuclear energy, GEOSS, and the Methane-to-Markets.
RESULTS	2006	The U.S. in January 2006 joined with Australia, China, India, Japan, and the Republic of Korea to form the Asia-Pacific Partnership (APP) on Clean Development and Climate, agreeing to work together and with private sector partners to meet goals for energy security, national air pollution reduction, and climate change in ways that promote sustainable economic growth and poverty reduction. APP Task Forces have met and are developing action plans. Work on international partnerships such as GEOSS, IPHE, the GenIV nuclear energy technology partnership and the CSLF continued to advance.
	2005	U.S. successfully launched the new Methane to Markets partnership with 14 countries. Work on international partnerships such as GEOSS, IPHE, the GenIV nuclear energy technology partnership and the CSLF continued to advance.
	2004	13 bilateral climate partnerships (involving multiple discrete initiatives), meet timelines and deliverables established in previous years. Partnerships adjust activities to enhance effectiveness of overall climate change approach based on the results of reviews.
	2003	New bilateral climate change partnerships announced with Australia, Canada, the EU, India, and China. Implementation of existing partnerships with Japan, Central American countries, Italy, India and Australia begins. Key working groups established, specific projects and project-related activities agreed and begun (e.g. Italy 20+ projects relating to climate science and technology; Japan 30+ projects in science, technology and policy cooperation identified for potential implementation; Australia 10 projects identified and initiated). Timelines and deliverables established or in process.
DATA QUALITY	Indicator Validation	Global climate change is by definition a multilateral challenge. U.S.-led multilateral and bilateral initiatives will help reduce the costs of low-carbon technologies, moving the international community toward the ultimate goal of greenhouse gas concentration stabilization. Economic development is a critical element in the Administration's approach to address climate change. USAID development projects that help reduce emissions growth and increase resiliency to climate variability and change occur in a broader set of countries than the diplomacy priorities.
	Data Source	Bureau of Oceans and International Environment and Scientific Affairs direct participation in partnerships, as well as reports and assessment produced by Secretariats of Asia-Pacific Partnership and other partnerships.



Indicator #8: Depleted Stocks Of Living Marine Resources Rebuilt To Healthy Levels Through Coordinated, Science-Based Management (PART)		
Outcome		
TARGETS	FY 2008	International Commission for the Conservation of Atlantic Tunas scientific stock assessment indicates that Atlantic shortfin mako and Atlantic blue shark populations beginning to improve. Western and Central Pacific Fisheries Commission (WCPFC) and Inter-American Tropical Tuna Commission (IATTC) measures begin to halt decline in Pacific bigeye tuna stocks due to over fishing.
	FY 2007	Great Lakes walleye and yellow perch stocks recover to a level that supports increases in harvest levels. Interamerican Tropical Tuna Commission adopts new long-term conservation and management program for Eastern Tropical Pacific tuna stocks.
RESULTS	2006	The 2006 assessment by the Scientific Council of the Northwest Atlantic Fisheries Organization confirms that the once-depleted Grand Banks yellowtail flounder stock is fully rebuilt. The multi-year Pacific halibut assessment and subsequent management changes were delayed.
	2005	The Northwest Atlantic Fisheries Organization adopted the first-ever binding conservation and management measures for skate stocks, but deferred agreement on a rebuilding plan for Atlantic marlin until a new stock assessment is conducted in 2006.
	2004	IATTC begins multi-year management strategy for Eastern Tropical Pacific tuna stocks. Bowhead whale stocks increase 3.4 percent annually towards non-endangered levels. North Atlantic swordfish stocks fully rebuilt.
	2003	Rebuilding plans in place setting long-term recovery measures for North Atlantic swordfish and Western Atlantic bluefin tuna.
DATA QUALITY	Indicator Validation	This indicator addresses the core function of the commissions and agreements that make up this program -- to facilitate international cooperation to maintain or rebuild populations of shared fish stocks and other living marine resources. US efforts to achieve these targets involve both DOS and partner agencies representing US interests within each commission; success requires DOS to lead bilateral outreach with other States and international partners to build support for effective conservation and management measures in competent organizations, and advocate for application of science-based decision making and ecosystem-based fisheries management principles.
	Data Source	OES, Commission secretariats, UN Food and Agriculture Organization, international marine science organizations.



**V. Illustrative Examples**

Promoting Economic Growth and Prosperity	
<b>Business Advocacy and Commercial Diplomacy</b>	<p>The Department and our Embassies regularly advocate for U.S. companies to ensure fair play, assist with regulatory and investment problems, and maximize commercial opportunities. During the past year, the Department provided support for 300 commercial advocacy cases, including a recent \$2 billion contract win for a U.S. company. Our business outreach efforts also target opportunities tied to our foreign policy. For example, economic development in the Middle East is an essential component of U.S. foreign policy in the region. The Department will host a Middle East Free Trade Area Trade and Investment Conference in November 2006 to encourage U.S. companies and investors to seek opportunities in countries with free trade agreements in the region. We ensure U.S. Diplomatic Missions are prepared and equipped to assist U.S. companies by partnering with the Commerce Department and managing the commercial diplomacy programs at 140 overseas posts without a Commerce Department presence.</p>
<b>Assisting Nigeria and Afghanistan With Debt Relief</b>	<p>The debt relief package for Africa's most populous country negotiated in October 2005 under U.S. leadership resulted in the elimination by early 2006 of Nigeria's \$30 billion debt owed to the Paris Club, an informal group of large, official creditors. An imaginative solution crafted by the Paris Club combined debt reduction (67% of eligible debt), the clearance of payment arrears, and Nigeria's repurchase of the remaining debt stock at a market-related price. Nigeria's Finance Minister called the Paris Club agreement "momentous," as it allowed the country to use efficiently new revenue from rising oil prices to eliminate a looming debt burden and set a strong foundation for medium-term financial stability. Similarly, the United States championed a successful effort in Fiscal Year 2006 to provide relief for Afghanistan, an important step in its reintegration into the global economy. At the January 2006 London donors' conference, Afghanistan committed to pursuing a broad economic reform program coupled with debt relief through the Paris Club, while its three bilateral creditors (Russia, Germany, and the United States) signaled their intention to provide full debt forgiveness under the Heavily Indebted Poor Country initiative. Months of intensive negotiations resulted in a July 2006 Paris Club agreement that immediately cancelled 92% of Afghanistan's \$11.3 billion debt. Afghanistan is now implementing a poverty reduction and growth strategy supervised by the International Monetary Fund that should lead to 100% debt cancellation upon successful completion.</p>
<b>Coalition Against Wildlife Trafficking</b>	<p>The State Department with seven NGO partners launched the Coalition Against Wildlife Trafficking (CAWT) in September 2005. CAWT brings together interested government and non-government partners to exchange information and consider ways to improve law enforcement and consumer education to stem the \$10 billion annual illegal trade in endangered flora and fauna. Since its launch, The United Kingdom, the Republic of India, The World Conservation Union, and several additional NGOs have joined CAWT. CAWT, through the DOS and USAID, facilitated the establishment of the ASEAN Wildlife Law Enforcement Network (ASEAN-WEN). ASEAN-WEN will, for the first time, provide a mechanism for the member countries' law enforcement and customs agencies to share information and expertise across borders to combat wildlife trafficking. To date ASEAN-WEN has been responsible for the breaking of a shatoosh (Tibetan antelope fur) smuggling ring that spanned three countries, and several other rings which were smuggling live tigers, tiger carcasses, and other endangered or threatened species. ASEAN-WEN also played a key role in the negotiations between Thailand, Malaysia, and Indonesia for the repatriation of 54 stranded orangutans.</p>



## V. Resource Detail

### State Operations Appropriations by Bureau (\$ Thousands)

Bureau	FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
Bureau of International Organizations	245,795	225,498	228,480
Bureau of Western Hemisphere Affairs	59,801	50,661	51,411
Bureau of Near Eastern Affairs	27,702	27,236	38,587
Bureau of European and Eurasian Affairs	36,396	35,695	37,070
Bureau of Economic, Energy & Business	24,915	25,098	26,011
Other Bureaus	88,755	91,994	95,469
<b>Total State Operations Appropriations</b>	<b>\$483,364</b>	<b>\$456,182</b>	<b>\$477,028</b>