

FOREIGN AGRICULTURAL SERVICE

FY 1999 ANNUAL PROGRAM PERFORMANCE REPORT

Mission: FAS serves U.S. agriculture's international interests by expanding export opportunities for U.S. agricultural, fish, and forest products and promoting world food security.

This FY 1999 Annual Performance Report (APR) is based upon and in alignment with the FY 2000 Revised Annual Performance Plan (APP). During FY 1999, FAS made an internal assessment of the FY 1999 APP and concluded that it needed to improve the quality and content of its performance measures. By reducing the workload and improving the quality of the measures, FAS senior management was able to get a higher degree of buy-in and commitment from supervisors and employees. Since GPRA is still a work-in-progress, FAS senior management, supervisors and staff chose to work with these improved measures instead of continuing to work with the old set. All dropped measures are included in Appendix A of this report.

FAS administers the following programs and activities:

- Market Access Barrier Reduction
- Foreign Import Regulations Service
- Foreign Market Development Program (FMD)
- Export Credit Guarantee Programs (GSM)
 - GSM-103/103 Programs
 - Supplier Credit Guarantee Program
 - Facilities Financing Guarantee Program
- Cochran Fellowship Program
- Professional Development Program
- P.L. 480 Title I Food Assistance Program
- Food for Progress Program
- Export Sales Reporting Program
- Refined Sugar Re-Export Program
- Production of Polyhydric Alcohol Sugar Program
- WTO Notification Alerts
- Market Access Program (MAP)
- Market Intelligence Services
- Dairy Export Incentive Program (DEIP)
- Export Enhancement Program (EEP)
- Research and Scientific Exchanges
- Trade and Investment Program
- Section 416(b) Foreign Donations
- Emerging Markets Program
- Sugar-Containing Products Re-Export Program
- U.S. Dairy Import Program
- Ag Export Connections
- Trade Assistance and Promotion Office

Additional information about FAS is contained in the published Strategic and Annual Performance Plans and like those plans, this report was produced solely by FAS employees.

The following table is a performance summary depicting performance goal achievements that are linked to the Agency's goals and objectives:

FOREIGN AGRICULTURAL SERVICE PERFORMANCE SUMMARY			
Strategic Goal/ Management Initiative	FY 1999 Performance Goals	Performance	
		Target	Actual
Goal 1: Expand export opportunities for U.S. agricultural, fish, and forest products. FAS' standard of success is set at reaching 22 percent of the international agricultural export market by the year 2010.	Estimated trade opportunities preserved annually by assuring implementation of existing trade agreements by signatory countries through the WTO notification process (\$Mil.)	\$8,000	\$1,995
	Estimated trade opportunities preserved annually through development of trade-appropriate guidelines, recommendations, and standards in international organizations (\$Mil.)	\$5,000	\$5,000
	Gross trade value of markets created, expanded or retained annually due to market access activities (other than WTO notifications and/or standards) (\$Mil.)	\$2,000	\$2,567
	Percent of successfully defended NAFTA/WTO legal challenges of U.S. compliance with regional and multilateral agricultural trade commitments	100%	100%
	Percent completion of regional and multilateral trade rules to minimize/eliminate trade-distorting practices		
	* WTO (% of negotiation completed)	3%	10%
	* APEC (% of negotiation completed)	10%	50%
	* FTAA (% of negotiation completed)	5%	2%
	Level of agricultural, fish and forestry exports resulting from Unified Export Strategy (UES) program participants market development activities (MAP & FMD)		
	Number of FAS program participants that improve their strategic planning process	15	33
	Cumulative number of organizations that have coordinated at least one activity with another participant in the UES process	38	38
	Average ratio of industry contribution to program funds expended	88%	77%
	Number of foreign market constraints (other than trade policy) addressed annually through UES	2,021	1,510
	Number of small businesses budgeted for MAP activities (individually through the Branded program and within Cooperator organizations)	575	558
	Direct sales reported by U.S. participants at international trade shows (\$Mil)	\$230	\$314.9
	Direct sales reported by U.S. participants based on marketing services of AgExport Connections (trade leads, Buyer Alerts, importer lists) (\$Mil)	\$129	\$110.3
	Direct sales reported by U.S. participants at attache-sponsored events (AMP activities) (\$Mil)	\$11	\$18.0
Percent of external customers who rate FAS market intelligence as important or essential to their businesses; and Percent of internal stakeholders who rate FAS market intelligence as important or essential to their work			
Percent of FAS circulars that are complete, meet scheduled release dates, and contain no data errors	95%	98.3%	
Number of average daily user sessions accessing FAS home page over the internet by non-FAS users	912	2,979	
Forecasting reliability of WASDE projections (Avg percent reliable: difference between February projection and final estimates for wheat, corn, rice, soybeans, and cotton)			
World exports	96%	95.62%	
U.S. exports	94%	95.96%	
Foreign (non-U.S.) production	95.05%	98.36%	
Number of countries assessed in FY 1999 for Y2K readiness in the international food supply sector and monitored in FY 2000	81	81	
U.S. agricultural exports supported by GSM export programs (GSM-102/103, Supplier Credit, and Facilities Financing Guarantee programs) (\$Mil. registered)	\$4,721.0	\$3,045.0	

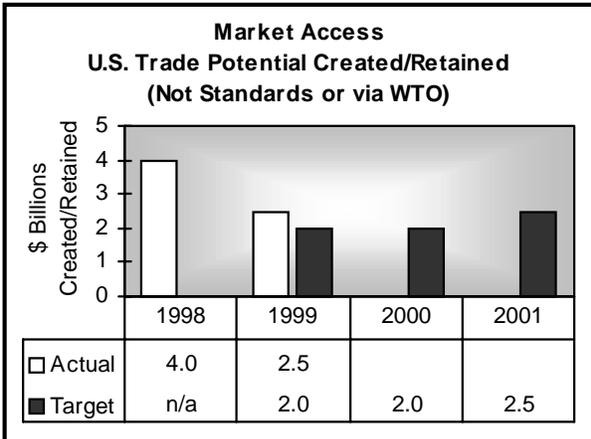
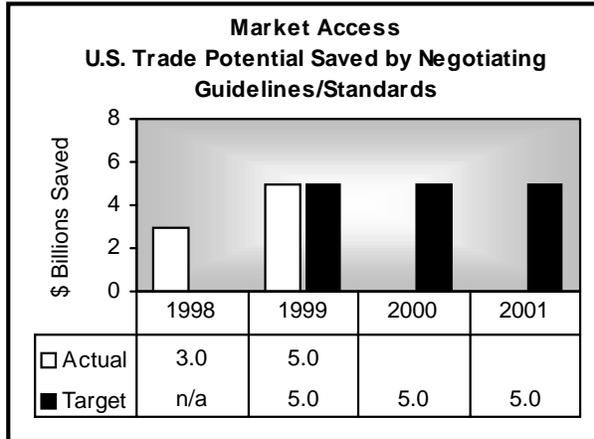
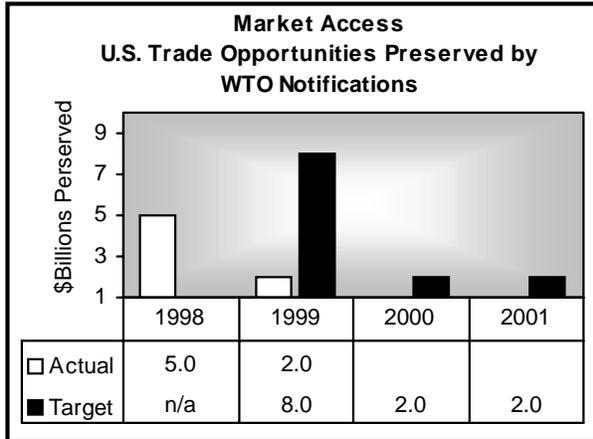
FOREIGN AGRICULTURAL SERVICE PERFORMANCE SUMMARY			
Strategic Goal/ Management Initiative	FY 1999 Performance Goals	Performance	
		Target	Actual
	U.S. agricultural exports supported by Subsidy Programs (EEP and DEIP) (\$Mil.) Annual number of GSM programs analyzed for market opportunities and risk Assuring Commercial Program Integrity: Percent of identified administrative actions resolved (e.g., for nonperformance, suspensions and disbarments, etc.).	\$550.0 48 75%	\$340.0 56 92.4%
Goal 2: Promote world food security. Success is measured by the level of achievement towards the World Food Summit target of reducing the 1996 estimate of 841 million undernourished people by half (420 million) by 2015.	Reduce food insecurity in 10 index countries by an average of 50% by 2015. (Index countries have been selected from the list of the 66 countries as estimated in the USDA Economic Research Service "Food Security Assessment Report".) Direct resources in support of agricultural related issues within the 7 priority strategies in the <u>U.S. Action Plan on Food Security</u> (\$Mil.) Contributions (in kind and direct financial by non federal government sources) to total funds expended upon the 7 priority strategies in the <u>U.S. Action Plan on Food Security</u> Number of research, training, and technical assistance activities that promote sustainable agricultural development worldwide and agribusiness and trade facilitation (e.g., nutrition, food aid coordination, SPS, food safety, and biotechnology) in emerging markets Number of agricultural development and environment agreements negotiated, implemented or monitored. Number of U.S. citizens assisted in obtaining senior management positions in international organizations representing agricultural interests	\$37.37 8.6% 795 7 9	\$39.9 8.6% 789 7 11
	U.S. agricultural exports supporting world food security: o P.L. 480, Title I (\$Mil.) o CCC-funded Food for Progress (\$Mil.) o Section 416(b) (\$Mil.) Number of food aid agreements signed (Title I, Food for Progress, Section 416(b)) Percent of P.L. 480 Title I and Food for Progress program allocated to support expanded private sector activities in recipient countries Number of Food for Progress and Section 416(b) agreements monitored and evaluated	\$966.1 \$98.2 \$787.4 110 10% 212	\$656.2 \$71.9 \$793.6 123 15% 159
MI 1: Provide fair and equal treatment in agency employment and the delivery of FAS programs	Implement Civil Rights Implementation Team (CRIT) recommendations: Administer Civil Rights Program Delivery Plan focused on increasing the involvement of minority organizations and universities. Implement Conflict Management Policy and Procedures and train all managers (CRIT 3.3) Develop Agency Workforce Plans and implement Human Resources Evaluation Program, Worklife Survey, and Exit Interviews (CRIT 3.5) Implement Competency-based Management Training and complete Peer Surveys (CRIT 3.6) Provide Civil Rights Training to all employees (CRIT 4.1) Percent of managers who have had 80 or more hours of management/leadership training (FAS Goal is that 90% of its managers will have had 80 or more hours of Management/Leadership training by 2007).	100% 100% 100% 100% 100% 20%	60.0% 50.0% 60.0% 0.00% 95% 29.6%

Goal 1: Expand export opportunities for U.S. agricultural, fish, and forest products. FAS' standard of success is set at reaching 22 percent of the international agricultural export market by the year 2010.

Objective 1.1: Open, maintain, and expand foreign market access for U.S. agricultural, fish, and forest products.

Key Performance Goals

<u>Estimated trade opportunities preserved annually by assuring implementation of existing trade agreements by signatory countries through the WTO notification process (\$Mil.)</u>	
Target:	\$8,000.0
Actual:	\$1,995.1
<u>Estimated trade opportunities preserved annually through development of trade-appropriate guidelines, recommendations, and standards in international organizations (\$Mil.)</u>	
Target:	\$5,000.0
Actual:	\$5,000.0
<u>Gross trade value of markets created, expanded or retained annually due to market access activities (other than WTO notifications and/or standards) (\$Mil.)</u>	
Target:	\$2,000.0
Actual:	\$2,567.23



1999 Data: Data for these measures are reliable. FAS' International Trade Policy Program Area (ITP) used past trade figures for trade retention reports. In some cases, information on the actual values of shipments obtained directly from U.S. exporters was used. For tracking tariff rate quotas (TRQ's), values of current trade were applied. It is understood that the measured performance data reflecting potential export markets are by nature "not guaranteed" and may be arguable among economists. Nevertheless they are very significant and will be estimated as they occur using a systematic approach designed to avoid overstatement.

Analysis of Results: Without FAS' trade retention and monitoring efforts, the drop in FY 1999 U.S. agricultural exports would have been much more drastic. (U.S. exports of agricultural products in FY 1999 were \$49 billion, down 18 percent compared with FY 1996.) There were several significant victories in the area of market access during FY 1999: the European Union's organic certification issue worth \$200 million, Mexico's NAFTA TRQ auction for U.S. beans (\$110 million), and U.S.-Taiwan WTO bilateral agreements worth \$86 million are a few such examples. Despite these successes, FAS' functions were handicapped by staff constraints. For example, the Food Safety and Technical Services Division could only focus on 39 notifications out of 440. As such, the first performance goal relating to WTO Notifications was not achieved. The reason this division was experiencing staffing constraints was due to internal re-assignment of its resources to focus on preparing for the next round of the WTO negotiations which was determined to be a higher priority. Also, since the WTO Notification process is just a few years old and FAS is still learning how to develop and set performance goal targets, it seems that FAS set the target too high.

Description of Actions and Schedules: As stated above, primarily due to resource constraints, fewer than 10 percent of the WTO notifications were reviewed in FY 1999 but those that were reviewed contributed to the estimate of \$2 billion of trade potential preserved via WTO notifications. Given that its budget has been flat-lined again in FY 2000, FAS is in the process of evaluating internal resource shifts across the agency but given other on-going priorities, it has reduced the target for FY 2000 based upon what it learned in FY 1999.

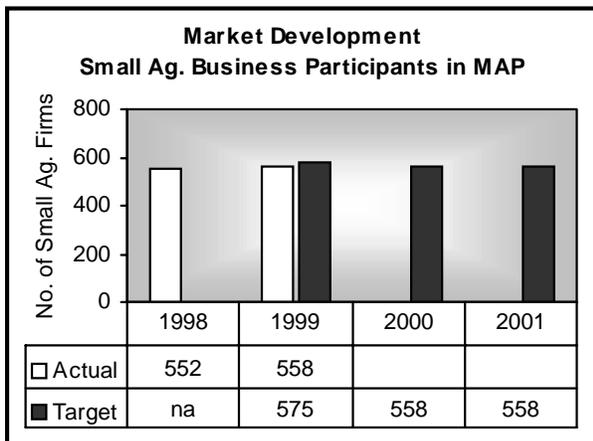
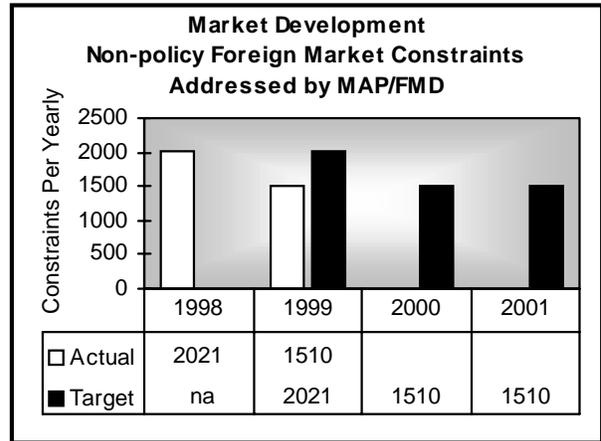
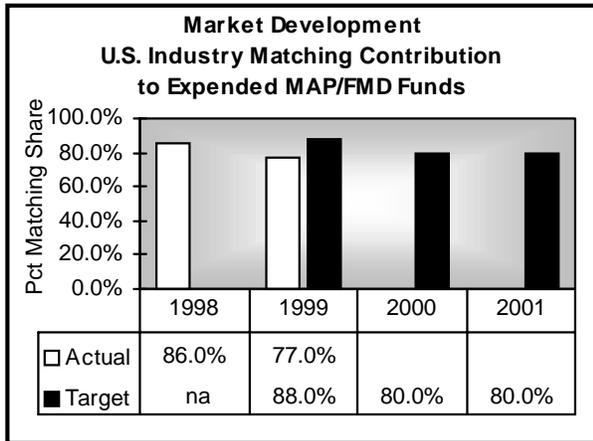
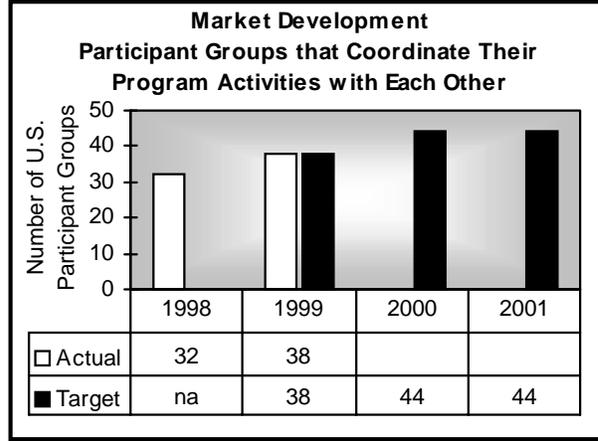
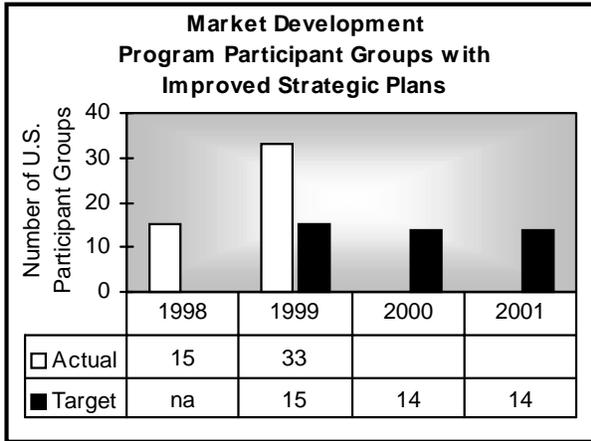
Current Fiscal Year Performance: Given current fiscal year's budget and staff resource constraints, FAS is less optimistic in reaching its FY 2000 targets unless additional resources can be shifted from across the agency.

Program Evaluations: No formal evaluations were completed in FY 1999.

Objective 1.2: In cooperation with private industry partners, identify and develop new export opportunities and assist the U.S. agricultural sector in responding effectively.

Key Performance Goal

<u>Level of agricultural, fish and forestry exports resulting from Unified Export Strategy (UES) program participant's market development activities (MAP & FMD):</u>	
Number of FAS program participants that improved their strategic planning process	
Target:	15
Actual:	33
Cumulative number of organizations that have coordinated at least one activity with another participant in the UES process	
Target:	38
Actual:	38
Average ratio of industry contribution to program funds expended	
Target:	88%
Actual:	77%
Number of foreign market constraints (other than trade policy) addressed annually through UES	
Target:	2,021
Actual:	1,510
Number of small businesses budgeted for MAP activities (individually through the Branded program and within Cooperator organizations)	
Target:	575
Actual:	558



1999 Data: The quality and reliability of these performance indicators is generally high. Four of the five measures' data is captured in and reported by the computer system that manages the MAP and FMD programs. This data is submitted by the program participants in their annual program applications. Concerning the measure on improved strategic planning by program participants, this measure is based upon the subjective assessment of the individual managers who oversee the different participants compared against previous year's submissions. FAS has implemented an intensive training program for both the industry partners and for our staff to continually improve the quality of these strategic marketing plans.

Analysis of Results: It is difficult and expensive to measure the impact of export promotion expenditures on actual exports given the complex nature of MAP and FMD promotional programs and the wide range of activities, products and markets involved. Many econometric studies have established a range in the level of impacts from 3 to 14 times the level of promotional funding. However, since it is so difficult to explicitly link promotional expenditures to specific exports, FAS has spent significant time and effort trying to help

its strategic partners (i.e., program participants) to develop and implement better strategic marketing plans so that they can be more effective in competing in the global market place. In this regard, FAS believes that it did meet the essence of this performance goal. While some of the indicator targets were not specifically met, they do not significantly alter this assessment.

FAS has also helped its cooperators focus on identifying constraints to their products in markets around the world and to develop strategies to eliminate or reduce those constraints. Given tight budget constraints, FAS has encouraged its participants to think about how they can work together in certain countries and do joint product promotions to raise awareness of U.S. products and achieve economies of scale. FAS leverages taxpayer funds by encouraging the program participants to match a portion of their own money on these promotions. Lastly, FAS' efforts throughout the country to assist small companies to increase their export business is showing results. High value products are the fastest growing segment of world agriculture trade. Many small and disadvantaged producers do not have the economy of scale to compete effectively in exporting bulk products. FAS has been working towards identifying small and disadvantaged companies which produce and market high-value products and introduce them to the opportunities of the global market place. The MAP "Branded" program is a primary vehicle for providing assistance to these firms to help them get experience and achieve sales.

FAS did not meet its performance indicator target of getting its participants to contribute funds to promote exports to the level of 88% of U.S. funding. The final report on contributions from each participant will not be available for several months. A factor contributing to lower than expected contributions is that commodity prices were depressed for most of the year and producers felt that they could not afford to increase their level of support for these export promotional activities. FAS will continue to encourage its participants to increase their own expenditures.

FAS did not meet its performance indicator target of addressing foreign market constraints of 2021. However, upon review of this target, it was recognized that many of the constraints in the initial target reflected trade policy constraints. In order to minimize the double counting between this measure and the measures under Objective 1.1, FAS reported only the non-trade policy constraints. FAS has adjusted this target downward in the Annual Performance Plans for FY 2000 and 2001.

FAS also did not meet its performance indicator target of the number of small companies actually assisted by 3 percent. The target was based on the expected ability of organizations to identify and recruit companies for the promotion program. Working with small, inexperienced companies which are also frequently inexperienced is one of the most difficult and time consuming activities of the export promotion program. New rules have been adopted which provide greater flexibility but, while improved, the increase was not quite as large as we had hoped.

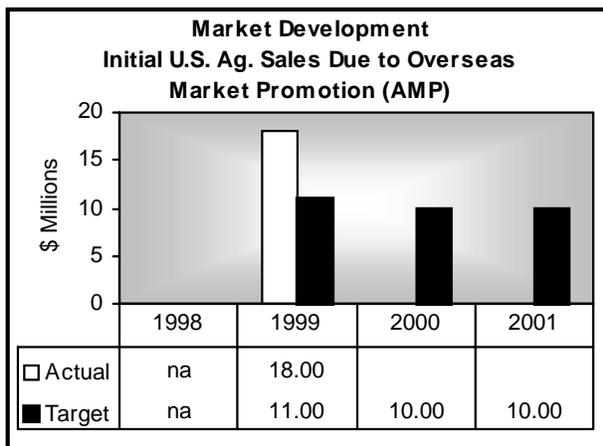
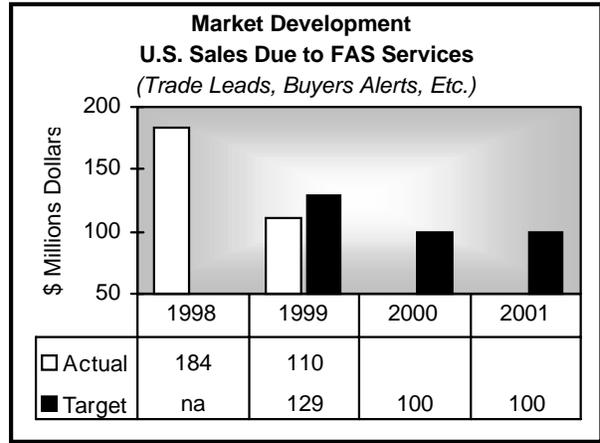
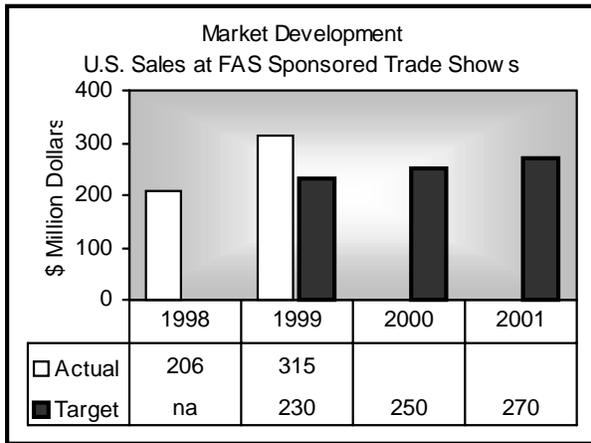
Current Fiscal Year Performance: Based upon initial program performance in FY 2000, FAS is on track to meet its FY 2000 targets.

Program Evaluations: A study by the management consulting firm of Deloitte and Touche examined the MAP program through the analyses of multiple case studies. This program concluded that in 83% of the cases studies, the program helped maintain or expand market share of U.S. exports. Deloitte and Touche concluded that FAS has made good progress in getting its strategic partners to focus on results and that this approach helps to assure that MAP funds are allocated to activities that cause the highest gains in export sales but continued work to improve the process is needed. In particular Deloitte and Touche recommended stronger a reward/penalty process for effective programs and that FAS continue to provide training and assistance to its partners and staff so that everyone in the process continues to improve. For copies of this study, contact the Office of the Deputy Administrator, Commodity and Marketing Programs, FAS.

Objective 1.2: In cooperation with private industry partners, identify and develop new export opportunities and assist the U.S. agricultural sector in responding effectively.

Key Performance Goals

<u>Direct Sales reported by U.S. participants at international trades shows (\$Mil):</u>	
Target:	\$230.0
Actual:	\$314.9
<u>Direct Sales reported by U.S. participants based on marketing services of AgExport Connections (\$Mil):</u>	
Target:	\$129.0
Actual:	\$110.3
<u>Direct Sales reported by U.S. participants at attache-sponsored events (AMP activities) (\$Mil):</u>	
Target:	\$11.0
Actual:	\$18.0



1999 Data: The quality and reliability of these performance goals are generally high. This data has been collected for years, so the collection processes and systems are highly reliable. However, the data that supports these measures comes directly from the companies benefitting from the specific activities. It is outside FAS' authority and prohibitively costly to validate the actual exports reported.

Analysis of Results: FAS worked hard to put U.S. companies face-to-face with foreign buyers. FAS encouraged U.S. firms to attend international trade shows so that they can market their products directly to foreign buyers. In FY 1999, trade show activities generated \$314.9 million in reported export

sales. Additionally, FAS provided direct marketing support to U.S. companies through the activities of our overseas employees by doing market assessments; introducing U.S. firms to foreign buyers either in-country or through automated buyer-alerts; and by providing U.S. firms with importer lists. FAS did not

meet its goal of increasing exports by U.S. firms through the use of its AgExport Connections database by \$19 million. FAS continues to make improvements in how U.S. firms and foreign buyers access the information contained in the database. However, the initial target of \$129 million was based upon historical trends and higher U.S. exports projections. The \$4.6 billion dollar drop in U.S. exports from FY 1998 to 1999, probably explains why the target was not met.

Current Fiscal Year Performance: Export projections for U.S. agricultural products are projected to remain flat at \$49 billion in FY 2000 and as such, FAS may again not meet its targets which were made when official estimates were slightly higher. Additionally, due to virtually no increase in FAS funding since FY 1997, FAS has been forced to reduce several posts (as identified in the FY 2000 and FY 2001 Annual Performance Plans) and reduce its budget that funds trade shows and overseas marketing activities. Performance targets have been adjusted to mirror these reductions in budget expenditures.

Program Evaluations: No Program evaluations were conducted on these activities.

Objective 1.3: Provide world market agricultural intelligence services to support the accomplishment of other FAS strategic objectives and to meet the market intelligence needs of internal and external users.

Key Performance Goals

Percent of external customers who rate FAS market intelligence as important or essential to their businesses:

Percent of internal stakeholders who rate FAS market intelligence as important or essential to their work:

Percent of FAS circulars that are complete, meet scheduled release dates, and contain no data errors:

Target: 95.0%

Actual: 98.3%

Number of average daily user sessions accessing FAS home page over the internet by non-FAS users:

Target: 912

Actual: 2,979

Forecasting reliability of WASDE projections (Avg. percent reliable: difference between February projection and final estimates for wheat, corn, rice, soybeans, and cotton)

Target: World Exports 96%

Actual: World Exports 95.62%

Target: U.S. Exports 94%

Actual: U.S. Exports 95.96%

Target: Foreign Production 95.05%

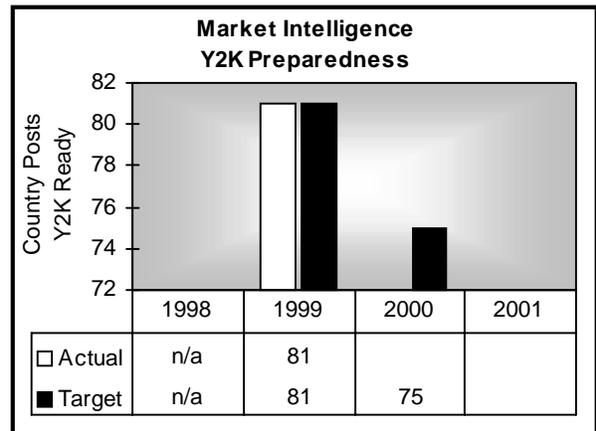
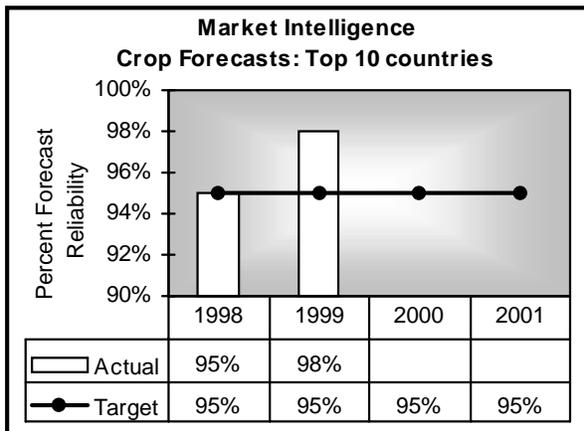
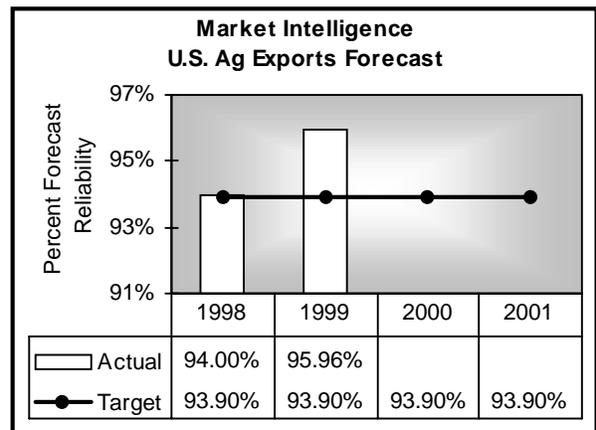
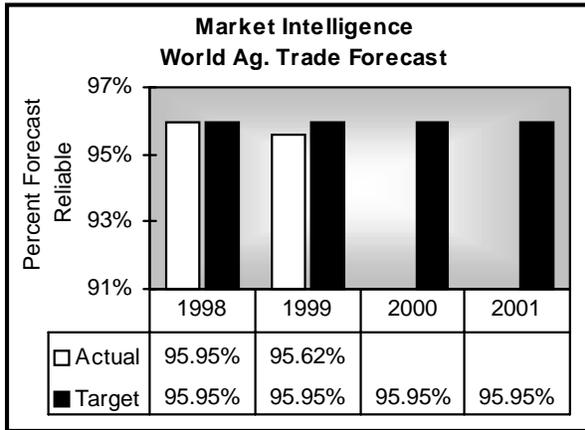
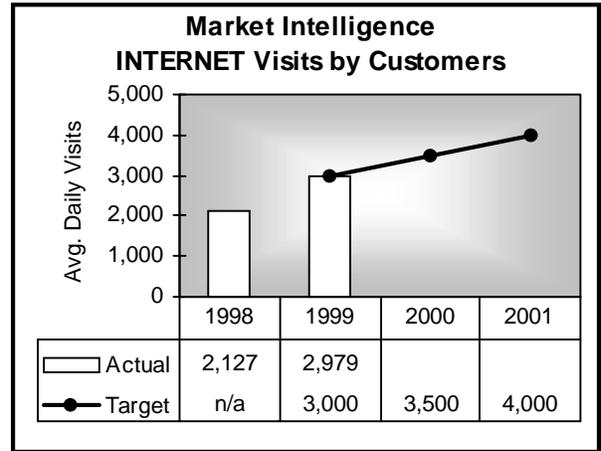
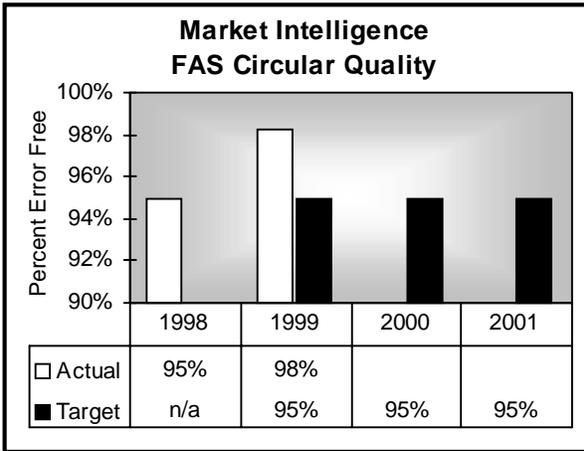
Actual: Foreign Production 98.36%

[Note: All measures converted to a 100% scale]

Number of countries assessed in FY 1999 for Y2K readiness in the international food supply sector:

Target: 81

Actual: 81



1999 Data: The data are considered reliable. Performance measures for this objective are readily measured and verified. Circular release dates are set by the World Situation and Outlook Board and tracked by the FAS Information Division. Circular errors not caught before release are reported through continued review internally. Internet usage is recorded electronically. Forecast reliability is readily verified by comparing the difference between February projections and final estimates reported in July.

Analysis of Results: The results provided by the data are a good indication that FAS met the essence of these two performance goals - providing reliable and timely market intelligence - two fundamental elements of good market intelligence. FAS exhibited strong performance in these measurements. The rapid growth exhibited over the last year in the number of external daily user sessions on the FAS Internet shows rising interest in FAS market intelligence. Daily external user sessions rose from 1,950 in October 1998 to 3,565 in September 1999. Such expanded interest in the FAS Internet is a positive trend for FAS' performance in seeking to provide market intelligence to external users, but a survey would be required to provide accurate measurement of the usefulness of the information to external users. Additionally, in support of the Food Supply Working Group of the President's Council on the Year 2000 Conversion, FAS Field Offices submitted assessments of the food supply sector in 81 countries. Also, in response to emerging concerns over the readiness of ocean shippers and international ports, FAS Field Offices reported on the Y2K readiness of the port and import/export infrastructure in our key export markets and import suppliers and major food aid recipients, a total of 18 countries. The performance indicator target was essentially met regarding reliability of the FAS forecast on world agriculture exports. The forecast was off by a mere one-third of one percent. This was caused by external factors (severe weather problems affecting wheat production) and was not indicative of a systematic problem.

Current Fiscal Year Performance: FAS appears on track to meet targets established for FY 2000. A survey is being developed for distribution in FY 2001 which should provide a measurement of the importance of FAS market intelligence to users.

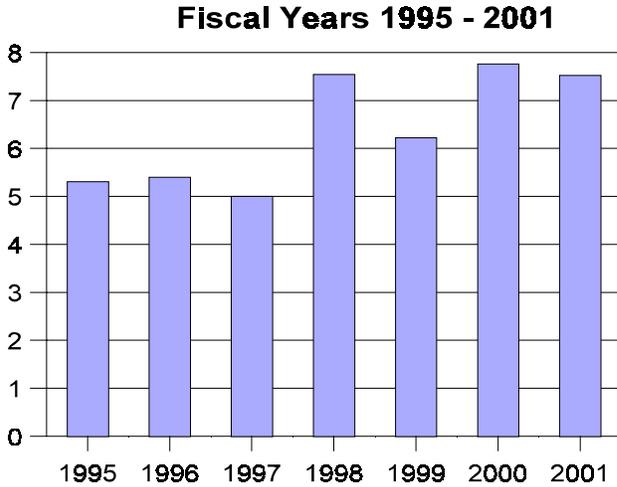
Program Evaluations: No program evaluations were conducted during FY 1999.

Objective 1.4: Focus financial and marketing assistance programs to meet foreign market development needs.

Key Performance Goals

U.S. agricultural exports supported by GSM export programs (GSM-102/103, Supplier Credit, Facility Credit) (\$Mil. registered)
Target: \$4,721.0
Actual: \$3,045.0
U.S. agricultural exports supported by Subsidy Programs (EEP and DEIP) (\$Mil.)
Target: \$550.0
Actual: \$340.0

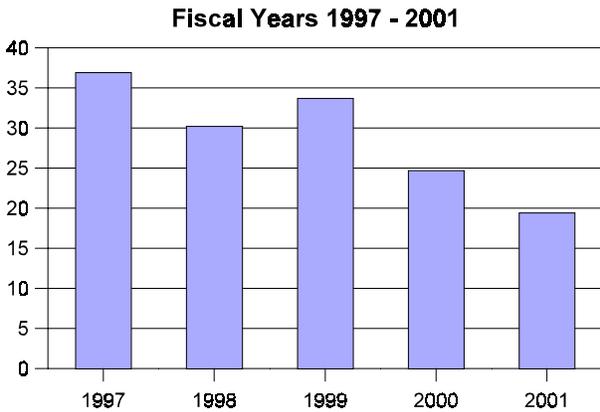
Export Credit Programs as a Percent of Total Agricultural Exports



Year	Total US Ag Exports (\$ bil.)	Export Credit Actual Registrations & Estimates (\$ bil.)	EC Regs. to US Exports (%)	Export Credit Targets (\$ bil.)
1995	54.6	2.9	5.31	NA
1996	59.8	3.23	5.47	NA
1997	57.3	2.88	5	NA
1998	53.6	4.04	7.54	NA
1999	49.0	3.05	6.22	4.29
2000	49.0	3.8 (Est.)	7.76	3.8
2001	50.5*	3.8 (Est.)	7.52	3.8

* reflects average 3.1% annual increase over next 10 years

DEIP Subsidy Programs as a Percent of Total Dairy Exports



Year	Total US Dairy Exports (\$ mil.)	Actual/Estimate DEIP Export Commitments (\$ mil.)	DEIP Export Commitments to U.S. Dairy Exports (%)
1997	965	356	36.9
1998	1,006	304	30.2
1999	1,000	337	33.7
2000	1,013	250 (Est.)	24.7
2001	1,044*	203 (Est.)	19.4

* reflects average 3.1% annual increase over next 10 years

1999 Data: The export credit program data is based on actual CCC export credit guarantee program registrations in comparison with Departmental statistics for total U.S. agricultural exports. The data is final and complete. Program registration data predicts actual exports that occur under the programs with 95% accuracy. Actual export figures under the program are unavailable until the February following the fiscal year close.

All values shown for EEP and DEIP exports are the constructed domestic value of export commitments for those products for which DEIP and EEP bonuses were awarded. The historical data is derived from actual commitments multiplied by published average prices for stated commodities adjusted to an FOB port position. The targets are based on the estimated domestic value of DEIP exports derived from dairy baseline projections.

Analysis of Results: The percentage of export credit guarantee program registrations to total U.S. agricultural exports are up a percentage point from their mid-1990s levels and they are expected to rise to the seven to eight percent range of total agricultural exports over the next couple of years. While FAS did not meet its target for GSM registrations, these levels are still feeling the continuing effects of the global

economic crisis of 1997-1998, which began in Asia (Thailand, Indonesia, Malaysia, and Korea) and spread to Russia and markets in Latin America (Brazil, Ecuador, Venezuela). Although several key markets in Asia and Latin America have largely recovered from their financial crisis, the demand for imported foodstuffs has not returned to previous levels. Consumers, in general returned to traditional diets as a means of saving on food costs. The availability of credit guarantees for agricultural imports did not necessarily boost product demand in most markets. With regional, macro-economic indicators pointing to a resumption of positive growth in the affected crisis economies, the number of credit sale registrations is expected to increase.

Finally, a long-term analysis of the data indicates that the credit guarantee programs are valuable tools to maintain market share. But the nature of the agricultural export market is changing, from bulk commodities to high value consumer food products and from bulk shipment to containerized movement. These high value products are becoming the largest component of U.S. agricultural exports, exceeding bulk commodities the last two fiscal years. Additionally, traditional letter-of-credit-driven programs are proving less attractive to high value product exports due to the time necessary for execution and associated costs. This trend has been the impetus for the new and well received Supplier Credit Guarantee Program (SCGP). The SCGP has more than doubled in registration volume every year since its inception in fiscal year 1997. In FY 1999, SCGP export sales were \$92.04 million (at 50% coverage this represents \$46.02 million in registered guarantee values). This trend of dramatically increasing SCGP registrations is expected to continue.

Export credit guarantees for capital goods and services under the Facilities Financing Guarantee Program (FGP) are expected to show growth in FY 2000. The FGP was initiated in FY 1997 and interest has been growing rapidly. The program supports the export of equipment and services to improve infrastructure development in emerging markets where such improvements will primarily benefit U.S. exports of agricultural commodities. The FGP offers considerable potential to expanding export sales of agricultural commodities by helping to alleviate infrastructural barriers in handling, distribution, storage and processing in emerging markets.

The major objective of the EEP and DEIP subsidy programs is to develop export markets where U.S. products are not competitive because of the presence of subsidized products from other countries. These programs help exporters meet prevailing world prices for targeted products and destinations. Under the programs, the CCC pays cash to exporters as bonuses, allowing them to sell certain U.S. products at prices lower than the exporter's costs of acquiring them. However, EEP/DEIP program targets are declining in accordance with Uruguay Round GATT commitments. Through June 2000, the U.S. will utilize the flexibility allowed under the Uruguay Round to program previous years' unaccounted allocations. This flexibility concludes with the July 2000 to June 2001 program. In the operation of these programs, CCC will make reasonable efforts to avoid the displacement of commercial export sales of the same products and to ensure that sales facilitated are in addition to, and not in place of, any export sales that would have otherwise been made in the absence of the programs. It should be noted that while the performance measure relates to both EEP and DEIP, the chart above relates solely to DEIP since DEIP activity accounted for approximately 99% of the measure.

Description of Actions and Schedules: Much of the gap between the target and actual performance for the objective can be attributed to external factors, such as the continuing recovery from the global financial crisis. Steps are being taken to prepare a better analysis for the top 10 markets for export credit guarantees to better anticipate the demand for credit to enhance the sale of agricultural commodities. Selecting a better target is not the only answer. FAS plans on developing a program marketing strategy to better utilize scarce resources for building awareness of the credit programs in key markets. Where possible, FAS intends to use multiplier groups, such as State Regional Trading Associations and Cooperators to assist in educating exporters and importers in the use of CCC credit guarantee programs. FAS is currently developing a trade mission focused on financing issues for West Africa. FAS is also using other available resources, such as the Cochran Fellowship Program and the Emerging Markets Program to promote credit guarantees and train bankers and importers in the benefits and use of the

program. A recently developed promotional brochure on the credit programs will be distributed by FAS offices overseas and by domestic multiplier groups. The credit brochure will also be circulated at food show promotions.

Current Fiscal Year Performance: The early pace of activity for the credit guarantee programs in FY 2000 is slightly ahead of activity for FY 1999. Hopeful indications are that SCGP activity is almost double the prior year pace. Also, the first FGP payment guarantee is expected to be issued in the first quarter of FY 2000 to support the expansion of grain discharge and handling facilities in Port Veracruz, Mexico. Several other project proposals are in the pipeline, but too early to tell if they will come to fruition. Unfortunately, the value country allocations in FY 2000 is nearly 10% behind that of early FY 1999.

Program Evaluations: The Office of the Inspector General (OIG) reviews the export credit guarantee programs as a part of their annual CCC financial audit. No major issues were identified in the prior year financial audit. No other audits or investigations were intimated by either OIG or the General Accounting office on the CCC credit guarantee programs in FY 1999.

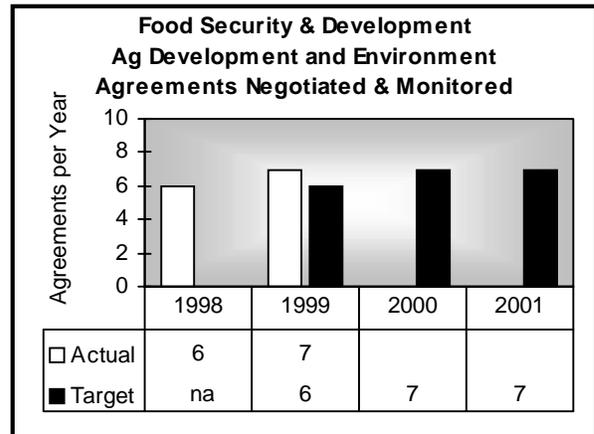
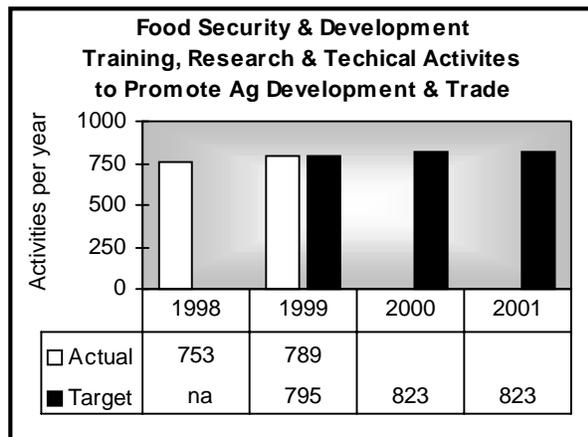
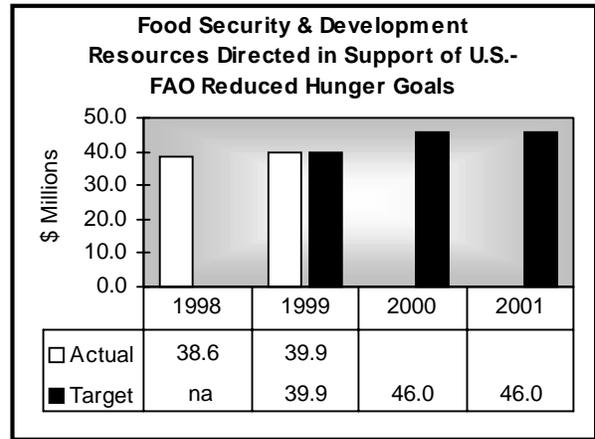
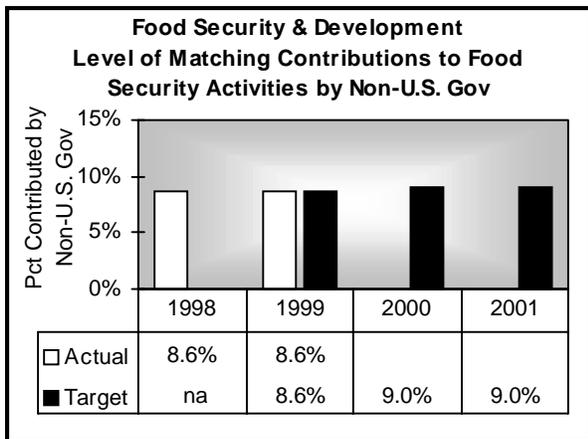
Program operations and fiscal accounting procedures have been self-evaluated in development and implementation of a new program database. The first module of the GSM 2000 System database debuted in FY 2000 to assist staff in preparing program announcements. Additional modules are anticipated in FY 2000 to improve program operations and accountability. One critical outcome of the GSM 2000 systems will be the capability to develop an e-commerce link for program applications and making the current status of bank limits accessible to foreign banks. Being able to process electronic applications for credit guarantees has the potential to better utilize limited staff resources for other duties and responsibilities.

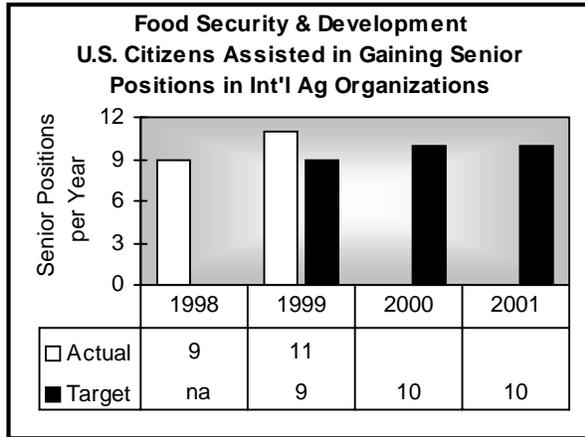
Goal 2: Promote world food security. Success is measured by the level of achievement towards the World Food Summit target of reducing the 1996 estimate of 841 million undernourished people by half (420 million) by 2015.

Objective 2.1: Develop and implement research, training, and technical assistance activities which promote development and adoption of policies that help meet world food security challenges as outlined in the 7 priority strategies in the U.S. Action Plan on Food Security.

Key Performance Goal

Reduce food insecurity in 10 index countries by an average of 50% by 2015:
 Direct resources in support of agricultural related issues within the 7 priority strategies in the U.S. Action Plan on Food Security (\$Mil.)
Target: \$37.37
Actual: \$39.9
 Contributions (in kind and direct financial by non-federal government sources) to total funds expended upon the 7 priority strategies in the U.S. Action Plan on Food Security.
Target: 8.6%
Actual: 8.6%
 Number of research, training, and technical assistance activities that promote sustainable agriculture development worldwide and agribusiness and trade facilitation (e.g., nutrition, food aid coordination, SPS, food safety, and biotechnology) in emerging markets.
Target: 795
Actual: 789
 Number of agricultural development and environment agreements negotiated, implemented or monitored.
Target: 7
Actual: 7
 Number of U.S. citizens assisted in obtaining senior management positions in international organizations representing agricultural interests.
Target: 9
Actual: 11





1999 Data: The quality and reliability of these performance indicators are high. The first and third indicators are provided by the FAS accounting system. The second, fourth and fifth indicators are tracked in internal ICD databases. The second indicator is also tracked by ICD staff, as ICD programs (Cochran, Scientific Exchanges) and Emerging Markets Office require in-kind contributions or private sector contributions.

Analysis of Results: While one of FAS' goals is to promote food security, it is generally acknowledged and accepted that reducing food insecurity in any country is a complex effort that involves economic, political, social and cultural components. Much of the reduction of world food in-security falls outside

the U.S. Government's purview or span of authority. That being said, the *U.S. Action Plan on Food Security* specifically states that seven strategies will help promote food security worldwide. ICD successfully supported the seven Action Plan strategies by contributing technical assistance, training and research support to agriculturalists worldwide. ICD's work is geared toward educating agriculturalists from other countries about the US food production, regulations, and policies, among others. The goal is to train international agriculturalists about US agricultural objectives and build like agricultural institutions' capacity to promote sustainable agriculture. ICD also promoted economic development in the agricultural sector to create an environment more conducive to trade. ICD also worked with small and disadvantaged businesses to educate them about export possibilities in non-traditional markets. ICD worked closely with the private sector to address specific concerns that they have about developing countries' infrastructure that is precluding US exporters from entering those markets. ICD promoted research of mutual interest to the US and other countries. This research addressed specific diseases and technical barriers to trade. Finally, ICD collaborated with other multilateral and international organizations to leverage funds on issues of mutual concern and to promote the U.S.'s agricultural agenda in the international arena.

Current Fiscal Year Performance: ICD is on track to meet its indicators for FY 2000.

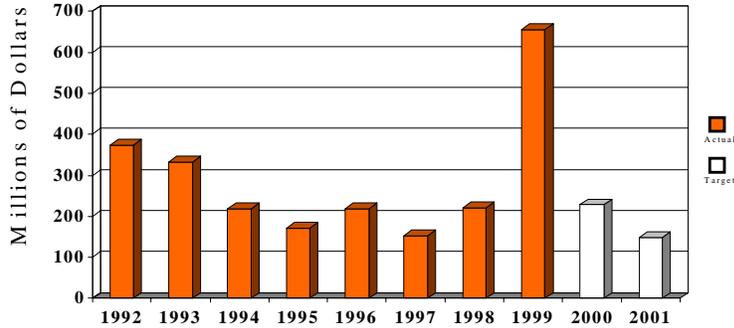
Program Evaluations: There were no program evaluations conducted in FY 1999.

Objective 2.2: Develop and administer food aid and other assistance programs to meet international food security challenges and U.S. Government commitments.

Key Performance Goals

<u>U.S. agricultural exports supporting world food security:</u>	
Target:	P.L. 480, Title I (\$Mil.) \$966.1
Actual:	P.L. 480, Title I (\$Mil.) \$656.2
Target:	CCC-funded Food for Progress (\$Mil.) \$98.2
Actual:	CCC-funded Food for Progress (\$Mil.) \$71.9
Target:	Section 416(b) (\$Mil.) \$787.4
Actual:	Section 416(b) (\$Mil.) \$793.6

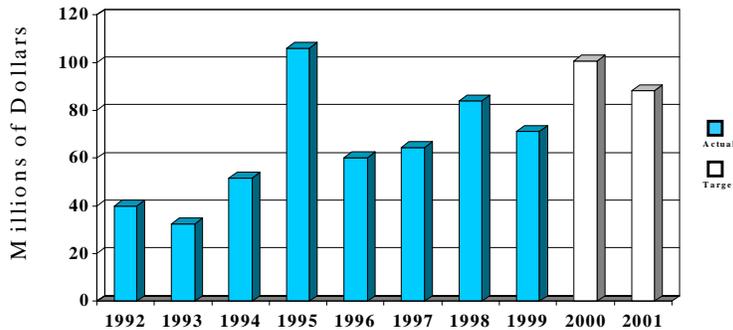
PL-480 1992-2002



Value of Commodities Shipped

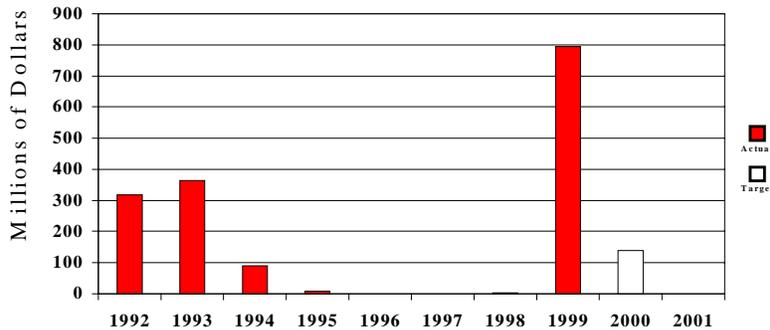
Year	Millions of Dollars
1997	167.4
1998	205.2
1999	656.2
2000	227.9
2001	147.8

CCC-Funded FFP 1992-2001



Year	Millions of Dollars
1997	64.3
1998	83.9
1999	71.9
2000	100.7
2001	88.2

416(b) 1992-2001



Year	Millions of Dollars
1997	0
1998	1.9
1999	793.6
2000	139.7
2001	TBD

1999 Data: Data for these measures are highly reliable. Not only is the information captured in official program/financial databases, this data is also audited as part of the Commodity Credit Corporation Annual Financial Report audit. Data is final based upon program agreements signed and amended (as required) prior to the end of the fiscal year. Final shipment figures could vary marginally, but not more than by 1 percent. Data presented, unless otherwise noted, only represents commodity value and does not include the cost of shipment and administration. If those costs were included the overall value of the program would rise considerably.

Analysis of Results: The target goal for the first performance goal (on a commodity value basis) was not met. In the case of P.L. 480, the target was not met principally because the government of Russia delayed and deferred shipments of part of its program into FY 2000.

With that said, USDA food aid levels reached one of the highest levels of the past 25 years in FY 1999. Two major programs influenced these levels. First was the President's Wheat Initiative carried out under the Section 416(b) program. Next was the special food aid program for Russia.

The food aid shipments in FY 1999 were the largest in many years and significantly contributed to the goal of reducing world food insecurity. Food was shipped to 53 countries, 17 in Africa, 10 in Asia, 10 in Latin America, 9 in former Soviet Union countries, 5 in the Balkan region of Europe, and 2 in the Middle East.

Current Fiscal Year Performance: To date, the Department has not established a program level for Section 416(b) for FY 2000. Initial planning for a possible program in FY 2000 has taken place which will allow for rapid implementation once a program is established. Planning has already taken place to allow for the remaining Russian purchases under the P.L. 480 program. Otherwise, FAS is on target in FY 2000.

Program Evaluations: No evaluations were completed of this sort in FY 1999.

Management Initiative 1: Provide fair and equal treatment in agency employment and the delivery of FAS programs

Key Performance Goal

Implement Civil Rights Implementation Team's Recommendations:

Administer Civil Rights Program Delivery Plan focused on increasing the involvement of minority organizations and universities

Target: 100%

Actual: 60%

Implement Conflict Management Policy and Procedures and Train All Managers (CRIT 3.3)

Target: 100%

Actual: 50%

Develop Agency Workforce Plans and Implement Human Resources Evaluation Program, Worklife Survey, and Exit Interviews (CRIT 3.5)

Target: 100%

Actual: 60%

Implement Competency-based Management Training and Complete Peer Surveys (CRIT 3.6)

Target: 100%

Actual: 0.00%

Provide Civil Rights Training to All Employees (CRIT 4.1)

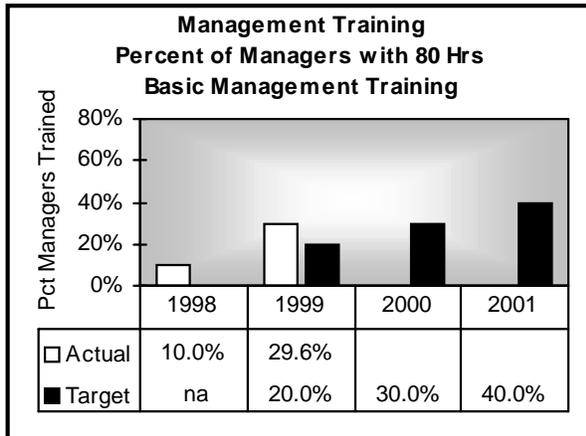
Target: 100%

Actual: 95%

Percent of managers who have had 80 or more hours of management/leadership training (FAS Goal is that 90% of its managers will have had 80 or more hours of Management/Leadership training by 2007).

Target: 20%

Actual: 29.6%



1999 Data: Data regarding the participation of institutions of higher education is very reliable. Records are available to document grants, projects and partnerships. Institutions can be identified as Historically Black Colleges or Universities, Hispanic Serving or Native American.

A database is being developed to track small business participation and mailing list for our AGExport Trade Show Program, direct assistance programs. Racial/ethnic designation of businesses are defined by employees through observation. Approval for data collection has not been requested. Data is not available for Market Access Program, Foreign Market Development or Emerging Market Programs since agreements are generally established

at the organizations or entity level and have industry wide impact. Data is somewhat reliable. As we continue in the development process of baseline data, we anticipate that data will increase in availability and reliability.

Employment data with regard to race, ethnicity, gender and disability is obtained through the use of the National Finance Center database personnel payroll system. Our experience has shown that the data has a high level of reliability.

Training data was collected onsite during Civil Rights Training Sessions and is considered very reliable.

Analysis of Results: Data and success stories were critical to the determination of the level of accomplishment. Since we are in the process of establishing baseline data with regard to program accomplishments, we relied more heavily on success stories than actual references to data. Since we do not have the approval to collect data specific to minority, women and small businesses by form, we will continue to rely upon observation of staff. In this regard, FAS believes that it did meet the essence of this performance goal. While FAS did not meet the Performance Indicator target to implement a competency-based management training program for its supervisors and staff, it does not significantly alter this assessment.

Accomplishments with regard to total number of employees trained were heavily dependent upon participation data. Additionally, increases in the representation of minorities and women were defined by subtracting previous years total employment from current year's total employment.

Description of Actions and Schedules: Due to budget and staff constraints, FAS was not able to implement a competency-based management training program for its supervisors and staff. FAS concentrated its limited training funds on sending managers to basic management training. FAS will continue to explore cost-effective options for this competency-based training in FY 2000.

Current Fiscal Year Performance: Implementation of activities for Fiscal Year 1999 will serve as a foundation and resource for continue in improvement and documentation of activities focused upon improving the impact of our programs on minorities, women and persons with disabilities. Civil Rights Impact analyses will be conducted on all rules, regulations or notices to determine the opportunity to improve services to minorities and women.

Program Evaluations: No evaluations were conducted in FY 1999.

FOREIGN AGRICULTURAL SERVICE

DISCONTINUED PERFORMANCE MEASURES

Goal 1: Expand export opportunities for U.S. agricultural, fish, and forest products.

Objective 1.1: Open, maintain, and expand foreign market access for U.S. agricultural, fish, and forest products.

Discontinued Performance Measures

Initiate actions to resolve or mitigate barriers to U.S. exports, including resolving or advancing country specific trade issues; implement, enforce, and expand existing trade agreements; negotiate rules- and standards-based issues; and administer the import program for sugar and dairy products and the export sales reporting system

Jointly carry out strategic decision-making processes with other USDA and USG agencies (involved in resolving trade issues, including the food safety initiative and other food safety issues): YES

Coordinate private sector involvement in providing advice to the Secretary and USTR on trade policy and technical issues affecting agricultural exports: YES

WTO Committees on Agriculture, Sanitary and Phytosanitary (SPS) and Technical Barriers to Trade (TBT) notifications reviewed to help monitor existing trade agreements, and addressed as appropriate: Number of notifications reviewed each year.

Development of trade-appropriate guidelines, recommendations, and standards in international organizations; CODEX Alimentarius, Organization for International Epizootics, and Intl. Plant Protection Convention: Number under development each year.

Selected targets for regional and multilateral negotiations: Yes (for completed) over several years.

WTO - Identification of issues and preparation:

- Obtain negotiating mandate
- Submit/receive negotiating proposals

FTAA - Obtain negotiating mandate

- Prepare first bracketed outline
- Begin negotiation to prepare text

APEC - Identify sectors for early liberalization

- Define "liberalization" in selected sectors
- Obtain commitments to sectoral agreements and obtain non-APEC participation

Percentage of target deadlines met in implementing statutory requirements for export sales reporting and managing sugar and dairy import programs: 100%

Explanation: Upon review of the above stated performance goal, FAS determined that it was vague and unmeasurable. It was just a restatement of what we do. FAS decided to replace it with more meaningful outcome measures that show the impact of its activities on achieving goal one. The following explanations relate to the discontinued performance measures above:

FAS continues to work with other USDA and USG agencies to improve coordination on these cross-cutting issues. FAS continues to involve the private sector in providing advice to the Secretary and USTR on trade policy and technical issues affecting agricultural exports. Upon review of these measures, FAS determined that they did not need to be included in the APP.

Upon evaluation, the performance target of the “number of WTO notifications reviewed” did not provide a measurement of the estimated impact upon export trade access for U.S. agricultural products. The target value for the measure was changed to reflect the “annual U.S. dollar value of trade access” supporting the agency goal of opening or maintaining U.S. market access to foreign markets.

Upon evaluation, the performance target of the “number of guidelines under development” did not provide a measurement of the estimated impact upon export trade access for U.S. agricultural products. The target value for this measure was changed to the “combined U.S. dollar value of trade access impact” to reflect how this activity supports the agency goal of opening or maintaining U.S. market access to foreign markets.

Upon evaluation, the performance target of “Yes” was regarded as redundant with an already existing performance measure with targets of “percent of negotiations completed” for these same organizations as a performance target. The percent of completion targets were considered more informative and a better gauge of future accomplishments in expanding foreign trade access for U.S. agricultural products.

Upon review, FAS determined that this measure was related to workload only. FAS replaced this measure with one that focused on how well FAS defended NAFTA/WTO legal challenges of U.S. compliance with agricultural trade commitments.

Objective 1.2: In cooperation with private industry partners, identify and develop new export opportunities and assist the U.S. agricultural sector in responding effectively.

Discontinued Performance Measures

Increase U.S. market share of world agricultural trade with new efforts to promote value-added products; enlist the active commitment of the U.S. private sector to the export trade; improve the export competitiveness of U.S. firms with special emphasis on small, new-to-export, and disadvantaged U.S. firms and cooperatives; enhance impact of U.S. promotion efforts through improved coordination and collaboration between the government and private sector and among private sector entities with common export interests.

Number of strategic partners working in partnership with FAS in carrying out outreach activities

Ratio of the number of U.S. companies assisted annually through FAS AgExport Services in establishing export activities and overseas marketing distribution channels for their products to the number of companies contacted through outreach activities

Ratio of the number of companies successfully exporting (as verified by PIERS database) to the number of companies assisted annually through FAS AgExport Services in establishing export activities and overseas marketing channels for their products

Ratio of the number of foreign buyers reporting a purchase of U.S. products to the number of all foreign buyers assisted annually through FAS AgExport Service activities (trade shows, trade leads, buyer alerts)

Reverse trade missions: (1) Number of reverse Trade missions conducted, (2) Number of companies assisted in establishing marketing and distribution channel contacts, (3) U.S. export sales due to missions (\$Mil.)

Explanation: Upon review of the above stated performance goal, FAS determined that it was vague and unmeasurable. It was just a restatement of what we do. FAS decided to replace it with more meaningful outcome measures that show the impact of its activities on achieving goal one. The following explanations relate to the discontinued performance measures above:

During 1999 the outreach function was completely reorganized regarding staffing level, within the agency's organizational structure, and regarding its performance goals. It is now a supportive function across the agency aimed at boosting the expected success of "outcome-oriented activities" rather than supporting a single isolated program area activity. While it is a critical consumer communications link to export education and promotion, it does not rank as a top 10 agency level outcome/output activity for inclusion in the "agency level" strategic plan. As a result, this performance measure was removed from the strategic plan.

Upon evaluation the these performance targets, a measure relating "companies assisted versus companies contacted through FAS marketing services", did not provide an outcome measurement of the estimated impact upon export trade or access for U.S. agricultural products. The target values for these measures were more clearly worded and changed to the "U.S. dollar value of trade access impact" to reflect how these activities support the agency goal of opening or maintaining U.S. trade or access in foreign markets.

While the cost-benefit impact of these Reverse Trade Missions is highly in favor of U.S. export sales per funded dollar (our foreign competitors utilize this approach extensively and successfully), the initial funding level from Congress for FY 2001 is too meager (making this a pilot program) to raise the U.S. trade outcome to within the top 5 to 10 outcomes represented by FAS's export promotion activities. As a result, this activity was dropped from the agency level strategic plan.

Objective 1.3: To provide world market agricultural intelligence services to support the accomplishment of other FAS strategic objectives and to meet the market intelligence needs of internal and external users

Discontinued Performance Measures

To constantly improve the quality, comprehensiveness, and timeliness of market intelligence services:

Provides comprehensive and timely recommendations to meet requests from policy makers and program administrators for information and analysis, as verified by semi-annual listening sessions and interviews with key users: Yes

Improve the delivery of information services to clients in the public and private sectors as verified by strategic improvement plan to include following key elements: voice of the customer; traditional versus electronic dissemination; service turnaround time; and maintenance of accurate historical data: Yes

AgExport Connections database: (1) Number of overseas trade leads generated annually, (2) number of foreign importers listed in FAS database, (3) number of Buyer Alerts generated annually.

Explanation: Upon review of the above stated performance goal, FAS determined that it was not as meaningful as it could be and unmeasurable. FAS decided to replace it with more meaningful outcome measures that show the impact of its activities on achieving goal one. The following explanations relate to the discontinued performance measures above:

This performance measure does not illustrate or measure the impact of outcome of service satisfaction by customers, as envisioned. It has been replaced with two new measures that reflect "percentage goals for customer satisfaction" of FAS market analyses and information services (one for

internal, U.S. government customers and one for external, private sector U.S. customers.) This measure was therefore dropped.

This performance indicator does not illustrate or measure the impact of outcome of service satisfaction by customers, as envisioned. It has been replaced with two performance goals that reflect “percentage of customer satisfaction” with FAS market analyses and market intelligence services (one performance goal for internal, U.S. government customers, and one for external, U.S. private sector customers.) This measure was therefore dropped.

This measure was a redundant measure as part of the FAS AgExport marketing services. As an output it does not illustrate the outcome impact of the service to expanding U.S. agricultural exports. It is already covered in an upgraded performance measure with a performance target of millions of dollars of U.S. exports effected under Objective 1.2.

Objective 1.4: Focus financial and marketing assistance programs to meet foreign market development needs.

Discontinued Performance Measures

Leverage market access and expansion opportunities in developing countries lacking short-term liquidity to borrow on the commercial market for food and agricultural imports:

Level of GSM-102/103 usage:

* Total GSM-102/103 announcements (\$Mil.)

* % of GSM-102/103 announced level registered

Level of EEP bonuses supporting exports (\$Mil)

U.S. agricultural exports supported by:

* GSM-102/103 programs (\$Mil.)

* DEIP (\$Mil.)

Explanation: Upon review of the above stated performance goal, FAS determined that it was vague and unmeasurable. It was just a restatement of what we do. FAS decided to replace it with more meaningful outcome measures that show the impact of its activities on achieving goal one. The following explanations relate to the discontinued performance measures above:

Upon review of these measures it was determined that the a clearer and more concise approach would be to consolidate these three performance indicators into two performance goals, divided by separate program funding, with performance outcome targets of U.S. agricultural export sales supported.

Goal 2: Promote world food security.

Objective 2.1: Develop and implement activities that help meet international food security challenges and support sustainable agricultural development internationally.

Three new performance measures, one of which rises to the “outcome” performance goal level, were developed as a result of evaluating and consolidating a number of redundant measures.

Discontinued Performance Measures

Develop and implement research, training and technical assistance; influence domestic and international policy dialog to enhance sustainable agricultural development, agribusiness and foreign market development, and the resolution of technical issues related to agriculture; and support liaisons with multilateral and financial organizations dealing with international agriculture:

Number of research, training, and technical assistance activities; foreign currency projects; and initiatives supporting policy development to promote sustainable agricultural development

Number of research, training, and technical assistance activities; foreign currency and Emerging Markets projects; and initiatives supporting policy development to promote agribusiness and foreign market development.

Number of research, training, and technical assistance activities; foreign currency and Emerging Markets projects; and initiatives supporting policy development to address technical issues such as food safety, biotechnology, SPS, nutrition, and food aid coordination.

Number of research activities facilitated annually by FAS that encourage use of sound science (i.e., *Codex Alimentarius*) in resolution of SPS issues

Number of foreign participants trained annually in FAS sponsored or organized seminars on U.S. food safety

Number of training programs organized annually by FAS on use of food safety and biotechnology

Number of U.S. agreements and treaties that are fully monitored

Number of negotiations and implementations of multilateral environmental agreements

Number of international organizations with an agricultural interest served, monitored, or advised

Explanation: Upon review of the above stated performance goal, FAS determined that it was vague and unmeasurable. It was just a restatement of what we do. FAS decided to replace it with more meaningful outcome measures that show the impact of its activities on achieving goal one. The following explanations relate to the discontinued performance measures above:

Upon closer review and evaluation, the first six performance measures, were found to be seriously overlapping and redundant in nature of output measurement. A single performance measure incorporating all these targeted output results was identified. The resulting performance target reduces the confusion and possibility of double counting data and presents a more concise illustration of activity output for an agency level performance plan.

Concerning the next two measures, it was determined, upon data collection and reporting early in the year that these two performance measures reflected nearly identical concepts. As a result, the activities of implementation and monitoring were combined into a single performance measure.

Concerning the last measure, upon review with staff and managers, it was unclear as to this measure's meaning. The empirical data linking this activity with specific international initiatives towards either food security improvement or agricultural trade-enhancing development projects was regarded as weak at best.

Objective 2.2: Develop and administer food aid and other assistance programs to meet international food security challenges and U.S. Government commitments.

Discontinued Performance Measures

Focus P.L. 480, Title I program resources toward developing countries. Deploy Food for Progress resources to support economic growth activities. Focus Section 416(b) resources to support humanitarian programs. Target EMP funds to low-income countries with high growth potential

Percent of Emerging Market Program projects created to develop market infrastructure and market information systems in targeted countries

Number of countries assisted on the procurement of P.L. 480 Title I commodities and freight coverage for Food for Progress and Section 416(b)

Percent tonnage of food aid (P.L. 480 Title I, Food for Progress and Section 416(b)) shipped on U.S. flag vessels in compliance with the Cargo Preference Act.

Number of research and technical assistance projects initiated using P.L. 480 section 108 currencies

Number of U.S. Partner (community based) organizations implementing food aid programs in foreign markets

Explanation: Upon review of the above stated performance goal, FAS determined that it was vague and unmeasurable. It was just a restatement of what we do. FAS decided to replace it with more meaningful outcome measures that show the impact of its activities on achieving goal one. The following explanations relate to the discontinued performance measures above:

This measure of performance for the Emerging Market Program under-represents the output and outcome of this activity. As this program currently funds a wide variety of initiatives, many associated with long term foreign import potential, a performance measurement of percent use in a single area of need is both misleading and uninformative. As a result, this measure was dropped from the FAS performance plan.

This output performance measure, after closer review, did not provide a useful measure for monitoring the success of P.L. 480 and Section 108 upon the goal of increasing U.S. exports through food aid. Total annual value of U.S. exports supported under these two programs is more useful as a performance goal, and is already in the FAS performance plan. As a result, this performance measure was dropped.

This output performance measure, after closer review, did not provide a useful measure of how or if the Cargo Preference Act enhances (or perhaps retards) the goal of increasing U.S. exports through food aid. Since the Cargo Preference Act requires a set percent of U.S. food aid be transported on U.S. flag ships – and this requirement is always met through FAS operations, this performance measure was dropped.

This output performance measure, after closer review, did not provide a useful measure for monitoring the success of P.L. 480 and Section 108 upon the goal of increasing U.S. exports through food aid. Total annual value of U.S. exports supported under these two programs is more useful as a performance goal, and is already in the FAS performance plan. As a result, this performance measure was dropped.

This output performance measure, after closer review, did not provide a useful measure for monitoring the success of P.L. 480 and Food for Peace upon the goal of increasing U.S. exports through food aid. Total annual value of U.S. exports supported under these two programs is more useful as a performance goal, and is already in the FAS performance plan. As a result, this performance measure was dropped.

Management Initiative I: Promote organizational efficiency through implementing Congressional mandates (e.g., GPRA, ITMRA), Presidential Executive Orders (e.g., NPR, Customer Service, Partnership Councils), and Departmental Orders (e.g., Civil Rights and EEO).

Discontinued Performance Measures

Implement strategic and performance planning at all levels of the agency. Re-engineer operational processes to improve organizational capacity to deliver timely and efficient services:

Create and modify strategic plans, annual performance plans (APPs), and evaluate results in annual performance and budget reports to Congress: Yes

Develop and modify Civil Rights Strategic Plan (CRIT 1.1): Yes

Develop Civil Rights Program Delivery Plan and Establish/Maintain Outreach Liaison Position (CRIT 2.2) including the expansion in the use of cooperative agreements with Community Based Organizations: Yes

Develop and implement Program Discrimination Procedures (CRIT 2.3): Yes

Develop and implement an integrated FAS-wide resource and budget allocation process aligned with the APP: Yes

Implement annual global review of overseas staffing patterns based on standardized methodological approach: Yes

Develop 5-year information resource management strategic plan mandated by ITMRA and implement funded initiatives, including addressing Y2K issue: Yes

Develop and implement an agency-wide performance measurement and evaluation system in support of GPRA and agency goals/objectives: Yes

Support the Secretary's goal of converging administrative functions across agencies: Yes

Explanation: Upon review of the above stated performance goal, FAS determined that it was vague and unmeasurable. It was just a restatement of what we do. FAS decided to combine both Management Initiatives into one focusing on implementing the Civil Rights Implementation Team's recommendations. The following explanations relate to the discontinued performance measures above:

Upon review, this measure was determined to be unnecessary and redundant as a performance measure. Under the Results Act, no budget or program funding is allowed without an annual submission of the APP. Therefore this measure was dropped.

These CRIT performance measures are already monitored and reported to the Department. To avoid duplication and redundant workload these measures were dropped.

Upon review, it was determined that this resource allocation measure did not rise to the level of importance that it should be included in the APP. However, FAS has developed the first stage of this resource allocation model: Global Review of Overseas staffing.

Upon review, it was determined that this measure is redundant to the discontinued measure above. It is one part of FAS' resource allocation model.

Upon review, it was determined that this measure was already being reported to the Department's Chief of Information Officer under a separate reporting requirement. To avoid duplication and redundant workload this measure was dropped.

While FAS has implemented phase one of its performance reporting system, no other system project was included in the APP. All approved computer system projects are reported to the Department's Chief of Information Officer under a separate reporting requirement. To avoid duplication and redundant workload this measure was dropped.

FAS' administrative support functions were transferred to the Farm Service Agency following the USDA Reorganization of 1994. While FAS has supported the Secretary's goal of converging administrative functions across agencies, it does not have the actual responsibility to do so. As such, this measure was dropped.

Management Initiative 2: Enhance workforce effectiveness through implementing Congressional mandates (e.g., GPRA, ITMRA), Presidential Executive Orders (e.g., NPR, Customer Service, Partnership Councils) and Departmental Orders (e.g., Civil Rights/EEO).

Discontinued Performance Measures:

Implement recommendations of Presidential Executive Orders to improve workforce efficiency.
Implement USDA's Civil Rights Action Team report to improve FAS' work processes

Develop and Implement Civil Rights Performance Standard for All Managers (CRIT 1.2): Yes

Establish Reprisal Panels and Implement Disciplinary Policy and Procedures (CRIT 1.3): Yes

Develop and Submit Civil Rights Compliance Review Plans (CRIT 2.1): Yes

Develop Affirmative Employment and Recruitment Program and Train Recruiters and Outreach Representatives (CRIT 3.1) in maintaining active relationships to ensure recruitment of students from Hispanic Serving Institutions, 1890 schools, Historically Black Colleges and Universities, and 1994 Land Grant Institutions and Asian-Pacific American students and students with disabilities: Yes

Develop and Implement Employee Complaint Process (CRIT 3.2): Yes

Develop and Implement Workforce Diversity Plan for Political Appointees (CRIT 3.4): Yes

Explanation: Upon review of the above stated performance goal, FAS determined that it was vague and unmeasurable. It was just a restatement of what we do. FAS decided to combine both Management Initiatives into one focusing on implementing the Civil Rights Implementation Team's recommendations. The following explanations relate to the discontinued performance measures above:

These CRIT performance measures are already monitored and reported to the Department. To avoid duplication and redundant workload these measures were dropped.

Training initiatives developed and implemented: Yes for each

- * Customer service
- * Management skills
- * Support staff skills
- * Training handbook with resource appendix

Explanation: This measure was found to be redundant since appropriate and needed manager training included all four categories. As a result, this measure was rewritten with an increasing performance target of “total of managers” with at least 80 hours management/leadership training over of the next 5 years.

Customer satisfaction surveys/focus group interviews and listening sessions implemented: Yes for each

- * Peer Evaluations of FAS’ headquarters and overseas offices’ performance and customer responsiveness
- * Private Vendor Organization Community
- * GSM Exporters/Banks
- * Cooperators

Explanation: This measure was found to be nearly identical with an already existing performance goal under Goal 1. The Goal performance measure has targeted performance goals for customer satisfaction. As a result, this measure was dropped.