



USAID
FROM THE AMERICAN PEOPLE

AGENCY REVIEW TEAM TRANSITION BINDER 2016



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**AGENCY REVIEW TEAM
TRANSITION BINDER
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November 9, 2016

On behalf of the Transition Support Team, Administrator Smith, Deputy Administrator Lenhardt, Associate Administrator Postel, and the entire staff, welcome to the United States Agency for International Development.

Over the coming weeks, we look forward to telling you about USAID's important work, including the opportunities before us and the primary challenges we face.

In anticipation of your arrival, we've prepared the enclosed materials, which include a set of "Corporate Papers" that discuss overarching issues confronting the Agency, Bureau Briefs that provide summaries of our main Washington operating units and their key concerns, Supporting Documents that examine individual topics in more detail, and a range of other papers, including Bureau Profiles, budgets, look-ahead calendars, reference sheets on initiatives, coordinators, and directives, and documents about the Agency's history, foundational legislation, and organizational structure.

We recommend that you start by reviewing the six Corporate Papers, which together paint a thorough and nuanced picture of the Agency and the increasingly complicated environments in which we operate. Next, consider tackling the 25 two-page Bureau Briefs, which present a rich portrait of the work of our bureaus and independent offices. Finally, we encourage you to browse as you like, exploring specific topics that pique your interest. In the electronic versions of the documents, you'll note hyperlinks that connect papers on related subjects.

We've also prepared a series of Recommended and Optional Briefings that we hope to deliver to you in the coming weeks. The Recommended Briefings mirror the six Corporate Papers:

- USAID Today
- New Normal: Development Programming
- New Normal: Global Crises
- New Normal: Financial Resources
- New Normal: Comprehensive Workforce
- Building a More Nimble USAID Through Continuous Process Improvements

The Recommended Briefings also address USAID's relationships with the Department of State, the National Security Council, and Congress. The Optional Briefings mirror the Bureau Briefs and cover regional, sectoral, programmatic, and management issues. Should you want to discuss a topic not included on the Briefing Menu, please let us know, and we will happily facilitate.

The Agency is eager to tell you its story. It's a story of development partnerships that have dramatically reduced poverty, malnutrition, and child and maternal mortality; it's a story of entrepreneurship and economic growth; it's a story of building more stable, accountable, and inclusive societies. It's a story that we hope will make you as proud as it makes us.

Wade Warren
Chief Transition Officer



USAID
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BRIEFING MENU RECOMMENDED AND OPTIONAL

RECOMMENDED (Days 1 - 3)

- USAID Today
- New Normal: Development Programming
- New Normal: Global Crises
- New Normal: Financial Resources
- New Normal: Comprehensive Workforce
- Building a More Nimble USAID Through Continuous Process Improvements
- USAID and the Congress
- USAID and the Department of State
- USAID and the National Security Council
- Senior Management Meeting Meet-and-Greet

OPTIONAL (*bold denotes TST priority*)

Functional Bureaus

- Bureau for Democracy, Conflict, and Humanitarian Affairs
 - A. Bureau Brief**
 - B. Democracy, Human Rights and Governance (DRG): The Backbone of Sustainable Development and Crisis Prevention**
 - C. The Strategic Imperative of Youth**
 - D. Anti-Trafficking in Persons
- Bureau for Economic Growth, Environment, and Education
 - A. Bureau Brief
 - B. Climate Change and Development**
 - C. Education: A Foundational Driver of Development**
 - D. Financing for Development – Mobilizing Resources for Achieving the Sustainable Development Goals
 - E. Scaling Up Clean Energy
 - F. Water and Sanitation at USAID
 - G. Wildlife Trafficking
- Bureau for Food Security
 - A. Bureau Brief**
 - B. Resilience: Addressing Complex Risk, Safeguarding Development Gains, and Minimizing Humanitarian Response

- Bureau for Global Health
 - A. Bureau Brief**
 - B. Abortion Restrictions and Family Planning Requirements in USAID's Health Programs
 - C. Opportunities and Challenges of the Interagency Process: The Global Health Perspective

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 - B. Building Bipartisan Congressional Support for USAID
 - C. Mission Director Panel
- **Bureau for Management**
 - A. Bureau Brief
- **Bureau for Policy, Planning, and Learning**
 - A. Bureau Brief
 - B. Budget and Strategy Alignment**
 - C. Elevation of Development within the USG: USAID's Growing Importance in the 3 Ds**
 - D. Ending Extreme Poverty: Effective and Accountable Governance and Inclusive Economic Growth
 - E. The International 2030 Agenda: Financing the Sustainable Development Goals**
 - F. Learning and Development Results**
 - G. USAID, the Changing Development Cooperation Landscape, and Global Policy Leadership
- **The Global Development Lab**
 - A. Bureau Brief
 - B. Digital Technology and Data-driven Approaches Can Radically Accelerate the Fight Against Extreme Poverty
 - C. The Lab's Center for Transformational Partnerships: Engaging and Leveraging the Private Sector for Development Impact**
 - D. Operational Innovation: Making the Agency more Efficient, Effective, and Productive
 - E. Transforming Development Impacts Through Innovation
 - F. Transforming Development Impacts Through Science & Research

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 - B. Africa Bureau Budget
 - C. Countries in Transition: Major Investments at Risk
 - D. Ebola Lessons Learned - USAID led the way!
 - E. Fragile States in Africa
 - F. South Sudan
 - G. Trade and Investment Engagement in Africa
 - H. Power Africa**
- **Bureau for Asia**
 - A. East Asia and the Pacific
 - B. South and Central Asia

- **Bureau for Europe and Eurasia**
 - A. Bureau Brief
- **Bureau for Latin America and the Caribbean**
 - A. Bureau Brief
- **Bureau for the Middle East**
 - A. Bureau Brief
 - B. USAID Response in Conflict Affected Middle East Countries
- **Office of Afghanistan and Pakistan Affairs**
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- **Center for Faith Based and Community Initiatives**
 - A. Bureau Brief
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 - B. What You Need to Know Now About USAID's Program Budget for FY 2017 and 2018
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 - A. Bureau Brief
- **Office of the Senior Gender Coordinator**
 - A. Bureau Brief
- **Office of Small and Disadvantaged Business Utilization**
 - A. Bureau Brief

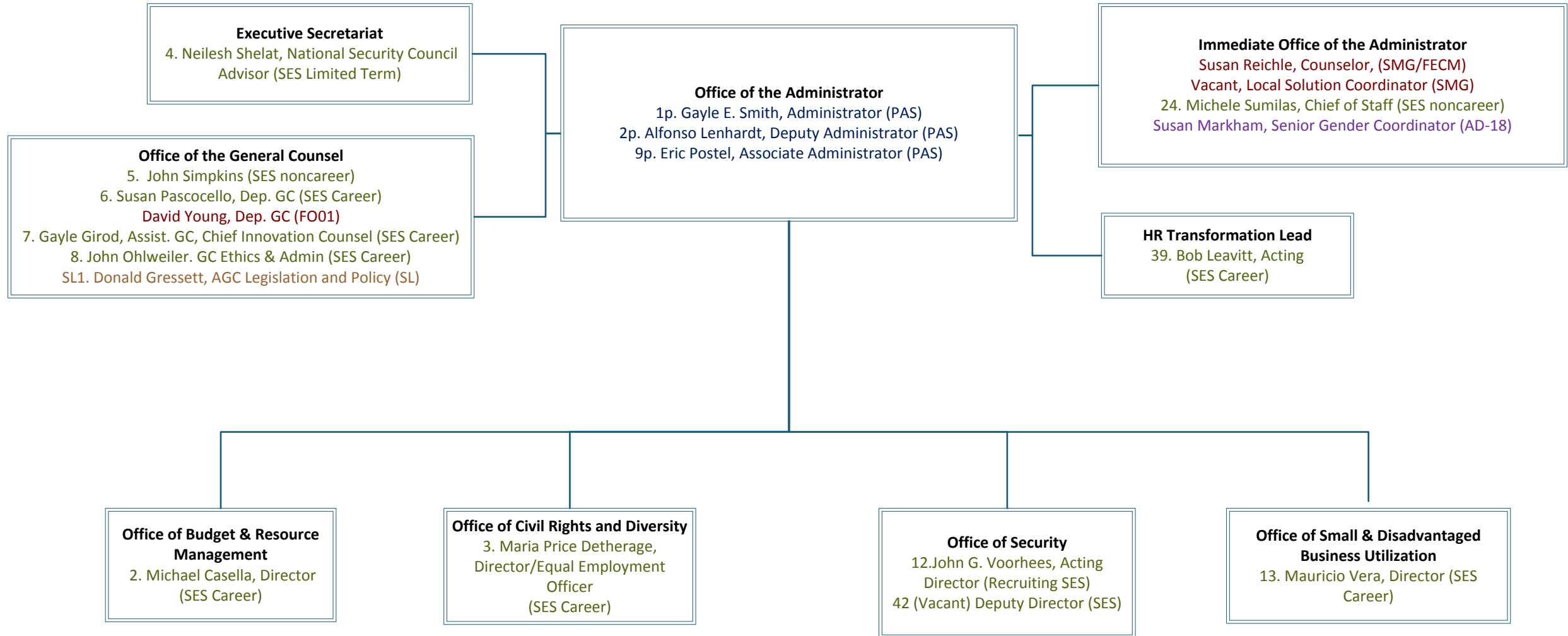
Other Briefings

- AFSA Transition Support Team - Here to Protect and Serve
- AFGE: The USAID GS Employees in a Foreign Service Environment
- Leveraging the Role of Country Desk Officers – USAID's Link to the Field and Interagency
- USAID Boards, Committees, and Councils
- Mission Director Panel



HQ SENIOR LEADERSHIP POSITIONS and INCUMBENT CHART

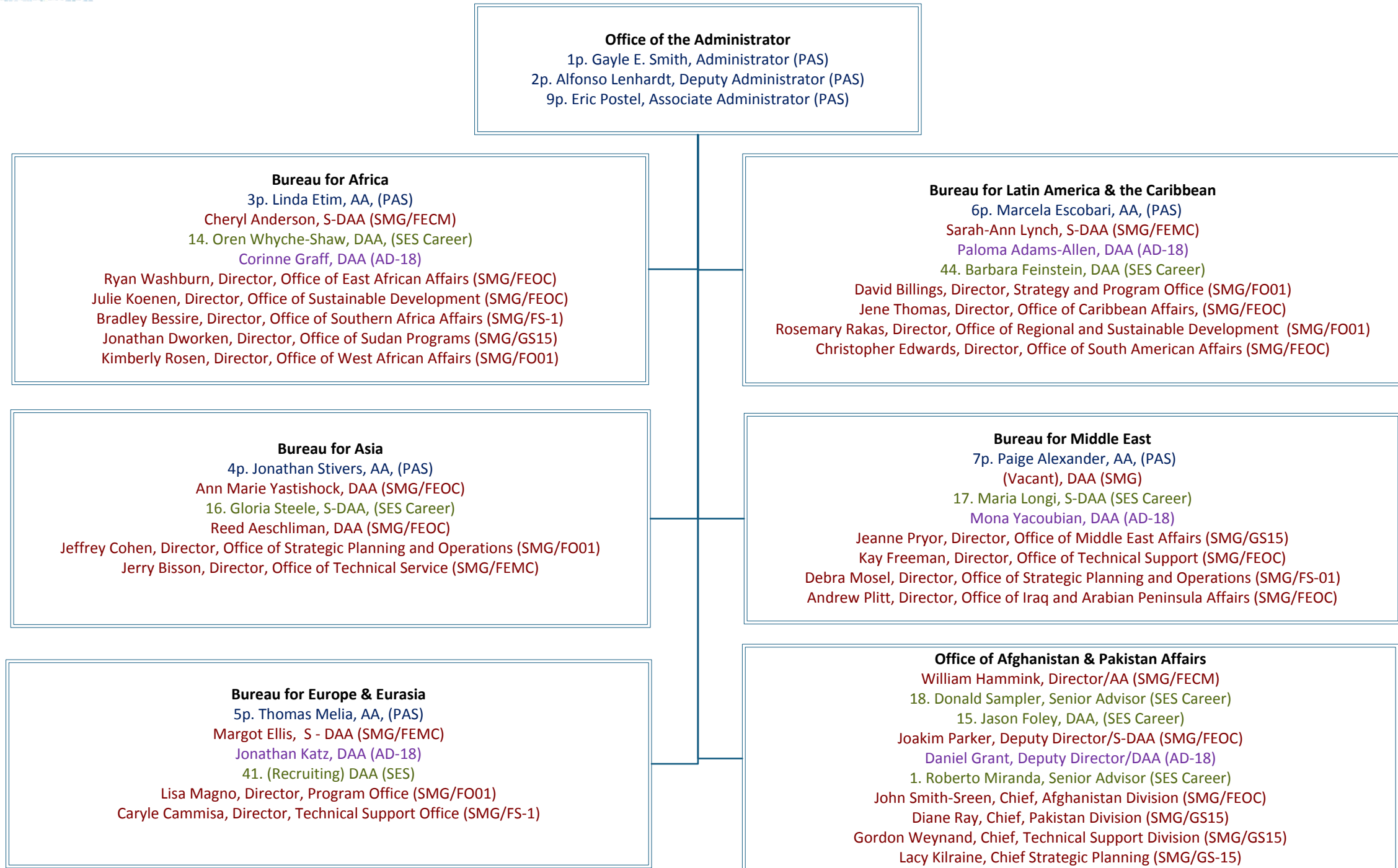
INDEPENDENT OFFICES



Color Key

- Blue-PAS/PA
- Green-SES
- Maroon-SMG
- Brown-SL/ST
- Purple-AD-18

This chart lists PAS, PA, SMG, STG, SES, ST, SL and AD-18 positions and reflects Senior Leadership positions by Bureau and Independent Office. It does not reflect the organization structure within each Bureau and Independent Office.





HQ SENIOR LEADERSHIP POSITIONS and INCUMBENT CHART

FUNCTIONAL BUREAUS

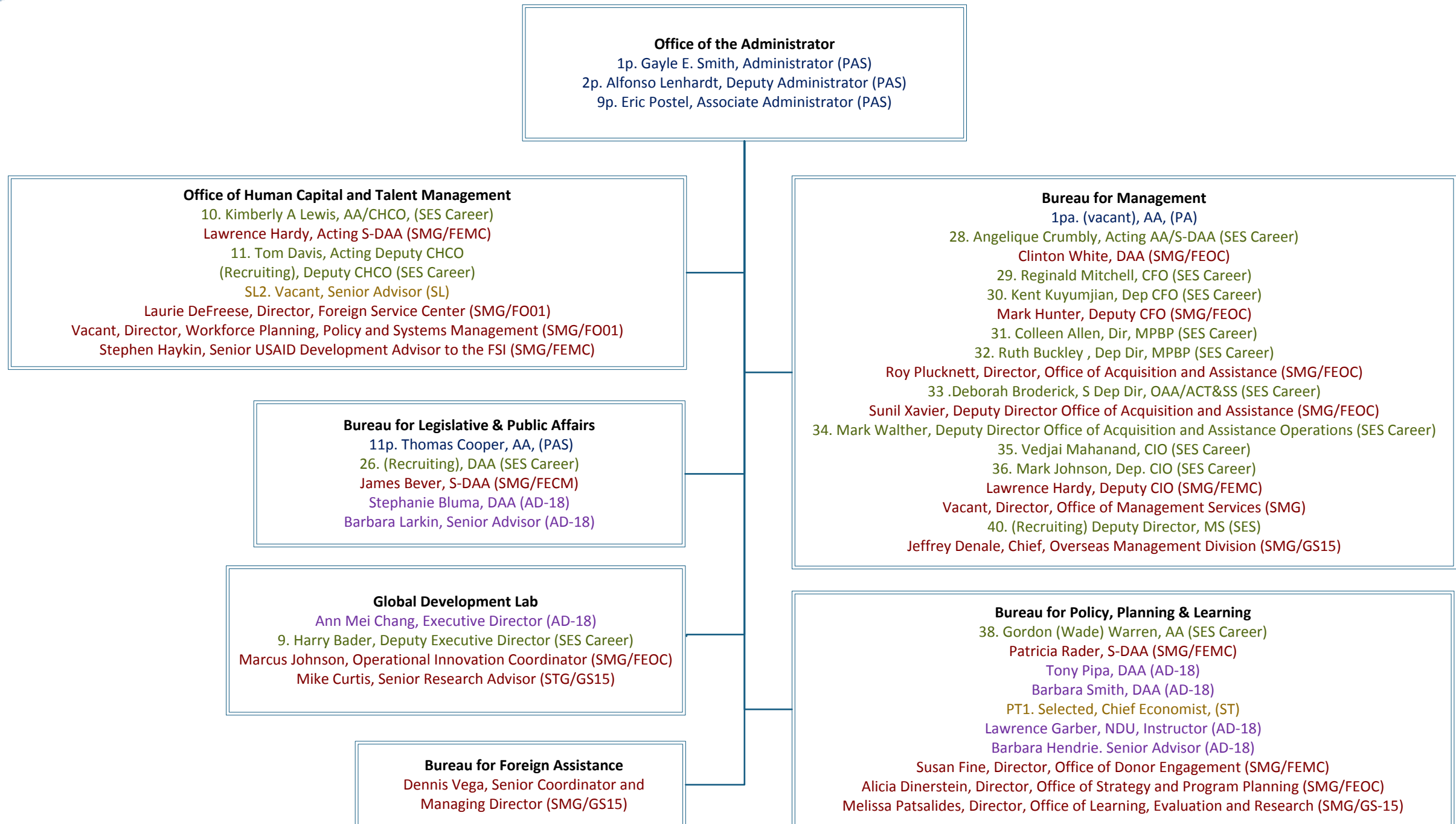
Office of the Administrator
1p. Gayle E. Smith, Administrator (PAS)
2p. Alfonso Lenhardt, Deputy Administrator (PAS)
9p. Eric Postel, Associate Administrator (PAS)

Bureau for Democracy, Conflict & Humanitarian Assistance
8p. David Harden, AA, (PAS)
37. Greg Gottlieb, S-DAA (SES Career)
19. Robert Jenkins, DAA (SES Career)
20. Bob Leavitt, DAA (SES Career)
Thomas Staal, NDU War College Faculty (SMG/FECM)
David Yang, DAA (AD-18)
Jeremy Konyndyk, Director, Office of U.S. Foreign Disaster Assistance (AD-18)
21. Carol Chan, Deputy Director, Foreign Disaster Assistance (SES Career)
Neil Levine, Director, Democracy and Governance (AD-18)
Dina Esposito, Director, Office of Food for Peace (AD-18)
John Acree, Director, Office of Civilian Military Cooperation (AD-18)
43. (Recruiting), Director Office of Transition Initiatives (SES)
Todd Larson, Senior Coordinator (AD-18)
Melissa Brown, Director, Office of Conflict Management and Mitigation (SMG/GS15)
Vacant, Director, Office of Program, Policy and Management (SMG)
Vacant, Director, Office of American Schools and Hospitals Aboard (SMG)

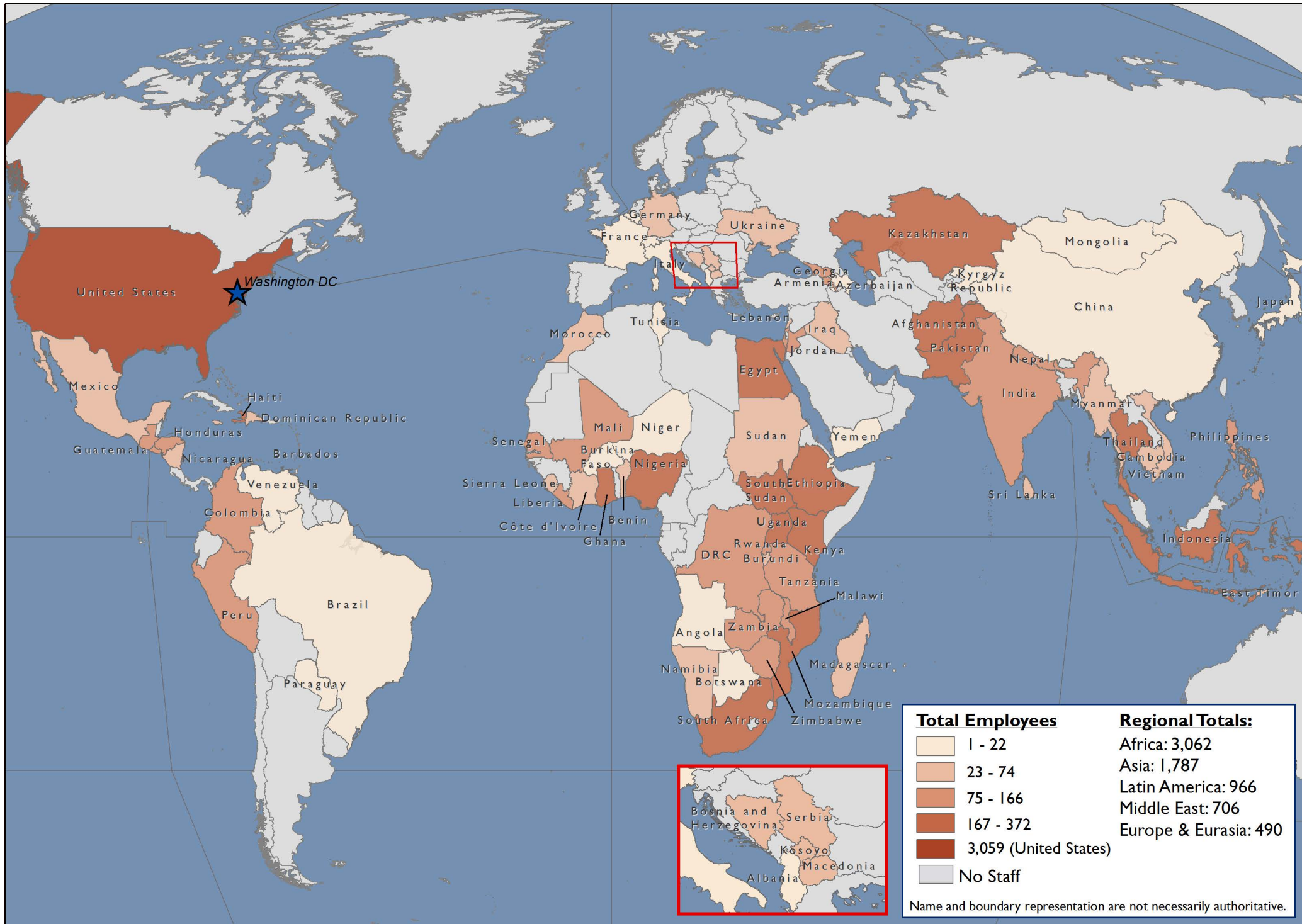
Bureau for Economic Growth, Education & Environment
9p. Eric Postel, AA, (PAS)
Charles North, S-DAA (SMG/FECM)
Carrie Thompson, DAA (SMG/FEOC)
Melissa Williams, DAA (SMG/FE01)
Christian Holmes, DAA (AD-18)
22. (Vacant), Director (SES)
Barbara Schneeman, Higher Education Coordinator (AD-18)
Ann Christine Vilsack, Senior Advisor (AD-18)
John Carihfield, Director, Office of Economic Growth (SMG/FS-1)
Evelyn Rodriguez-Perez, Director, Office of Education (SMG/FEOC)
Michael Zeilinger, Director, Office of Policy, Information, Communication and Outreach (SMG/FEOC)
Vacant, Senior Technical Advisor in Social Science (STG)

Bureau for Food Security
Beth Dunford, AA, (SMG/FO01)
Justin Finnegan, S-DAA (AD-18)
23. Saharah Moon Chapotin, DAA, (SES Career)
ST2. Robert Bertram, Chief Scientist (ST)
Shelia Roquette, Director, Agriculture, Research and Policy (SMG/FS-1)
Pamela Fessenden, Director, Office of Markets, Partnerships & Innovation (SMG/FO01)
Gary Linden, Director, Office of Country Strategy & Implementation (SMG/FEOC)

Bureau for Global Health
10p. Ariel Pablos-Mendez, AA, (PAS)
25. Irene Koek, DAA (SES Career)
Jennifer Adams, S-DAA (STG/FEMC)
ST3. Matthew Barnhart, Medical Officer (ST)
Robert Ziemer, Malaria Coordinator (AD-18)
Wendy Taylor, Senior Advisor (AD-18)
Barbara Hughes, Director, Office of Infectious Disease (SMG/FEOC)
Douglas Arbuckle, Director, Office of HIV/AIDS (SMG/FO01)
Elise Jensen, Director, Office of Country Support (SMG/FEOC)
Aye Aye Thwin, Senior Health Technical Advisor to Officer of Health Systems (STG/FEOC)



USAID STAFF BY COUNTRY



A BRIEF HISTORY OF USAID

When the United States Agency for International Development (USAID) was created, it brought together several existing foreign assistance organizations and programs. Until then, there had never been a single agency charged with foreign economic development, so with the passage of the Foreign Assistance Act of 1961 by Congress, U.S. foreign assistance activities underwent a major transformation.

Leading this transformation was President John F. Kennedy. President Kennedy recognized the need to unite development into a single agency responsible for administering aid to foreign countries to promote social and economic development. On November 3, 1961, USAID was born and with it a spirit of progress and innovation. On December 13, 2016, USAID will celebrate completion of our 55th year of providing U.S. foreign development assistance “From the American People.” Our workforce and USAID's culture continues to serve as a reflection of core American values.

Early International Development Efforts: The modern-day concept of international development assistance took shape after World War II ended in 1945. George C. Marshall, the Secretary of State from 1947 to 1949 and a five star general in WWII, provided significant financial and technical assistance to Europe after the war. Famously known as the Marshall Plan, this was a successful effort that allowed Europe to rebuild its infrastructure, strengthen its economy, and stabilize the region.

International Aid Becomes Foreign Policy: Building on the success of the Marshall Plan, President Harry S. Truman proposed an international development assistance program in 1949. The 1950 Point Four Program focused on two goals:

- Create markets for the United States by reducing poverty and increasing production in developing countries;
- Diminish the threat of communism by helping countries prosper under capitalism.

From 1952 to 1961, programs supporting technical assistance and capital projects continued as the primary form of U.S. aid, and were a key component of U.S. foreign policy. During this time, government leaders established various precursor organizations to USAID, including the Mutual Security Agency, Foreign Operations Administration, and International Cooperation Administration.

International Aid in the 1960s: Birth of an Agency: In 1961, President Kennedy signed the Foreign Assistance Act into law and created USAID by executive order. Once USAID got to work, international development assistance opportunities grew tremendously. The time during the Kennedy and Johnson administrations became known as the “decade of development.”

International Aid in the 1970s: A Shift to Basic Human Needs: In the 1970s, the USAID began to shift its focus away from technical and capital assistance programs. Instead, U.S. development assistance stressed a “basic human needs” approach, which focused on: food and nutrition; population planning; health; education; and human resources development.

International Aid in the 1980s: A Turn to Free Markets: In the 1980s, foreign assistance sought to stabilize currencies and financial systems. It also promoted market-based principles to restructure developing countries' policies and institutions. During this decade, USAID reaffirmed its commitment to broad-based economic growth, emphasizing employment and income opportunities through a revitalization of agriculture and expansion of domestic markets. In this decade, development

activities were increasingly channeled through private voluntary organizations (PVOs), and aid shifted from individual projects to large programs.

International Aid in the 1990s: Sustainability and Democracy: In the 1990s, USAID's top priority became sustainable development, or helping countries improve their own quality of life. During this decade, USAID tailored development assistance programs to a country's economic condition, which meant that:

- Developing countries received an integrated package of assistance;
- Transitional countries received help in times of crisis; and
- Countries with limited USAID presence received support through nongovernmental organizations (NGOs).

USAID played a lead role in planning and implementing programs following the fall of the Berlin Wall in 1989. USAID programs helped establish functioning democracies with open, market-oriented economic systems, and responsive social safety nets.

International Aid in the 2000s: War and Rebuilding: The 2000s, brought more evolution for USAID and foreign assistance with government officials once again calling for reform of how the agency conducts business. With the Afghanistan and Iraq wars ongoing, USAID was called on to help those two countries rebuild government, infrastructure, civil society, and basic services such as health care and education. The Agency began rebuilding with an eye to getting the most bang out of its funding allocations. It also began an aggressive campaign to reach out to new partner organizations—including the private sector and foundations—to extend the reach of foreign assistance.

International Aid since 2010: International Development as National Security: In 2010, President signed a Presidential Policy Directive on Global Development, the first of its kind by a U.S. administration. The directive recognizes that development is vital to U.S. national security and is a strategic, economic, and moral imperative for the United States. It calls for the elevation of development as a core pillar of American power and charts a course for development, diplomacy, and defense to mutually reinforce and complement one another in an integrated comprehensive approach to national security. Recent bills such as the Global Food Security Act (July 2016) and the Electrify Africa Act (February 2016) reflect this emphasis on development as national security.

Today, USAID staff work in more than 100 countries around the world with the same overarching goals that President Kennedy outlined over 50 years ago – furthering America's foreign policy interests in expanding democracy and free markets while also extending a helping hand to people struggling to make a better life, recover from a disaster, or striving to live in a free and democratic country.

USAID TODAY

USAID is not the same Agency it was even five years ago, much less ten. After a decade of reforms, it is more evidence-driven and results-oriented, and it brings an increasingly influential and important voice to discussions on U.S. foreign policy and national security. The Agency's expertise and professionalism is in high demand by partners in developing countries and by partner agencies across the U.S. Government focused on foreign policy and national security. Despite a climate of fiscal austerity, Congressional support for the Agency and its budgets has grown in recent years, providing a solid foundation of bipartisan support upon which to build.

USAID's value, as an implementer and at the policy table, stems from its knowledge and experience as a technical and field-based organization working around the world to:

- **Foster and sustain development progress.** USAID promotes inclusive economic growth underpinned by effective governance and accountable institutions. The Agency's key efforts to improve food security, bolster health, advance education, modernize energy and water infrastructure, mitigate conflict, and advance democracy all serve as examples of this work.
- **Prevent, mitigate and respond to global crises.** As a global leader in humanitarian response, USAID provides medicine, emergency food aid, and other assistance in places where it is desperately needed. But responding to crises after the fact is not enough. USAID also works to mitigate conflict and the impact of disasters by working with communities and governments to build resilience. The Agency increases the capacity of countries to withstand crises, including those caused by climate change. USAID's programming and budgets are increasingly addressing crises, and the Agency's work is increasingly concentrated in fragile states. Going forward, USAID will need to further adapt its approaches and systems to this new reality.
- **Mitigate threats to national security and global stability.** In places of strategic national security importance, USAID applies its know-how side-by-side with its counterparts in the U.S. military and the Department of State's diplomatic corps to confront emerging threats and other global security challenges. The Agency helps counter Russian aggression, for example, by strengthening market economies, democratic institutions, anti-corruption efforts, and energy independence in Eastern Europe and Central Asia. A key challenge is for USAID to consistently deliver a development perspective to shape policy deliberations on some of the U.S. Government's highest national security priorities in a way that provides more balance, preventing poor decisions and ineffective use of assistance funding.

A Stronger Agency with a Rising Role at the Policy Table

With 69 Missions around the world, an official presence in 87 countries, and a \$22.9 billion annual budget, USAID is an operational agency that delivers results. Even as the Agency continues to hone its abilities in programming and procurement, however, USAID's growing role as an agency with a seat at the policy table may be the most significant yet quiet change underway. This role is underpinned by the Agency's strength, depth, and reach. USAID's ability to couple evidence with practical know-how intensifies its voice in national security deliberations.

In addition to understanding USAID's work from a poverty alleviation and development perspective, U.S. political and foreign policy leaders have increasingly focused on the linkages between foreign assistance and U.S. national security and economic interests. Transnational threats posed by conflict, climate

change, corruption, and fragility challenge U.S. foreign policy aims and America's standing in the world. It is within this context that development has been elevated in recent years as a core pillar of U.S. foreign policy. USAID has been renewed in its mandates, resources, and capacities, and the Administrator has been regularly included in National Security Council meetings. As the U.S. Government's lead development agency, USAID has strengthened operational and strategic compatibility with the State Department as well as with the Departments of Defense, Treasury, and Agriculture, the Millennium Challenge Corporation, the Centers for Disease Control and Prevention, and the Overseas Private Investment Corporation, among others.

Within the Agency, this elevation and commitment to rebuild corresponded with a suite of reforms, including the 2010 re-instatement of the Agency's central policy and planning functions and key budget responsibilities. These steps remedied some of the weakening aspects of reforms four years earlier that dismantled the longstanding Policy and Program Coordination Bureau. The Agency has also renewed its ability to promote agricultural development and to harness science, technology, innovation, and partnerships for development. The reforms of recent years have additionally included significant increases in the Agency's Foreign and Civil Service staff in many key technical areas.

One result of these strengthening efforts has been an Agency that is significantly more a part of international and U.S. Government leadership and decision-making than in the past. The USAID Administrator leads U.S. Government delegations with increased frequency and regularly meets with Fortune 500 CEOs. USAID has also experienced a dramatic uptick in participation in high-level interagency policy discussions within the U.S. Government. Since 2014, USAID's Administrator, Deputy Administrator, and Associate Administrator have been invited to participate in almost 600 high level meetings of the National Security Council.

U.S. foreign policy benefits from a stronger USAID at the table to discuss topics ranging from specific crises to regional strategies and global strategic planning. The Agency led, for example, a recent U.S.-China development agreement that created space for greater cooperation on non-development policy issues of interest to both countries. USAID also played a central role in U.S. technical and diplomatic efforts that led to agreement last year on the 2030 Agenda for Sustainable Development by the U.N. General Assembly. The Agency is now well-placed to advance U.S. Government interests and mobilize action as the global community focuses its efforts on implementing this 15-year plan. Additionally, together with the U.S. intelligence community, USAID has been at the forefront of efforts within the U.S. Government to more deeply incorporate expert analysis on fragility and conflict into policy deliberations and programs. Flagship U.S. Government initiatives, like those focused on global food security or on energy in Africa, have also benefited from USAID leadership and its ability to work collaboratively with relevant departments and agencies across the government.

Today USAID is a programming Agency that also shapes U.S. foreign policy, but to more fully deliver on its leadership and policy roles, it will have to continue to develop capacity to translate field-based and technical expertise in development into timely, compelling, evidence-based policy inputs.

Continuing Adaptation

As an Agency that focused in recent years on rebuilding itself and adapting to a changing world, USAID has gained the confidence to acknowledge what it is good at doing, but also where further

modernization is needed. The Agency must continue to grapple with the “new normal” across a range of issues:

- **Development Programming:** To capitalize on global progress and to help developing countries achieve ambitious goals, USAID will have to continue to lead by adapting to new norms of effective development practice. The Agency will need to push itself further to put strategic partnerships at the core of its model, catalyze game-changing innovations, and build countries’ capacities to finance their own development (see [New Normal: Development Programming](#)).
- **Global Crises:** The magnitude and complexity of global crises threaten the significant development progress underway. Facing the effects of conflict and climate change, USAID’s world-class response capacity is severely strained. The Agency will need to deepen its focus on prevention and mitigation through efforts aimed at resilience and at addressing weak institutions and the factors that drive violent conflicts (see [New Normal: Global Crises](#)).
- **Financial Resources:** USAID’s budget has grown but it is also more complex and less flexible than ever before. The Agency is grappling with the implications of a shift over recent years towards more centrally driven strategy and budget decisions and a corresponding loss of budget influence in the field (see [New Normal: Financial Resources](#)).
- **Internal System and Process Improvements:** USAID continuously focuses on improving its efficiency and effectiveness to get the best results for the American taxpayer. It has done so in recent years by, for example, revitalizing the Agency’s approaches to evaluation and procurement, but further progress is needed to keep pace with changing requirements and dynamic operating environments. Critical internal systems are in need of major improvements. USAID has just embarked on a priority HR Transformation effort to begin repairing its human capital systems. Other priority areas for further process improvements include information technology modernization and data management, procurement, and knowledge management (see [New Normal: Comprehensive Workforce](#) and [Building a More Nimble USAID through Process Improvements](#)).

NEW NORMAL: DEVELOPMENT PROGRAMMING

Headlines:

- Development programming has advanced considerably in the last ten years based on evidence of what works. Local ownership, accountability, transparency, inclusion, and integrated programming are now norms of good development practice.
 - Expectations regarding these norms are enshrined in two major global agreements that will frame the development agenda for the next 15 years: a set of Sustainable Development Goals (SDGs), and a new agenda for development financing (Financing for Development).
 - USAID is modernizing accordingly – catalyzing investment from the private sector and other donors, promoting innovation, and encouraging responsible use of countries' domestic resources for development outcomes.
 - Achieving U.S. goals on global development will increasingly require USAID to operate in risky environments, including crisis and conflict-affected countries.
-

Pursuing Effective Development

To pursue development gains that are broadly shared and lasting, USAID promotes inclusive economic growth and effective, accountable governance. The Agency does this through programs focused on improved food security, better health, enhanced education, and many other areas.

Globally, there are many encouraging signs of development progress. The world has cut the percentage of people living in extreme poverty by more than half since 1990, and poverty rates have declined in all regions. The number of children who die from preventable deaths has been cut in half over the same time period. Boys and girls are enrolling in primary school at nearly equal rates, and half as many children are out of school today as there were just 15 years ago. Countries are increasingly using their own domestic resources to finance development needs, and the private sector has become a larger partner in leveraging smart, effective development investments.

Another aspect of global progress is captured by the fact that 29 countries considered low-income in 2000 have today achieved middle-income status. Given U.S. interests in addressing ongoing development challenges in middle-income countries, USAID continues in many instances to work in these countries. The Agency does so by recognizing that dynamic partnerships transition over time – by sector or across the entire development strategy – from a relationship based on funding to one focused on technical support. This recognition leads to a nuanced but important shift away from conversations with middle income countries about “graduation,” which implies USAID leaving a country.

Norms and expectations on how to carry out development work are changing. This evolution is based on evidence showing that development investments produce better results if certain principles and practices are followed, including local ownership, inclusion, more integrated programming, accountability, and transparency. These principles are now widely understood and shared, both by developing countries themselves and stakeholders such as Congress and development NGOs.

As a global leader in development, USAID plays a key role in U.S. policy-making and diplomatic efforts to shape the global debate on development. The Agency was pivotal in ensuring that U.S. priorities and approaches to global development were reflected in the new 2030 Agenda, a 15-year normative framework that includes the SDGs and Financing for Development. The 2030 Agenda also recognizes the

increasing importance of the private sector and of the mobilization of developing countries' own domestic resources.

USAID programming is shifting to reflect the new standards of global development practice to take on board the following issues:

Local Ownership. Local ownership means working through local partners and helping build their capacity. Evidence shows that alignment with stakeholders in the countries and communities where development programming takes place ensures development investments are appropriate to local conditions and sustainable over time. USAID is pursuing local ownership approaches in all development environments. The Agency has demonstrated a commitment to increased partnerships with local entities, tripling our obligations to local governments, civil society, and private sector, from 9 percent of program funds in FY 2010 to 27 percent in FY 2015. Where feasible, the Agency is providing finance directly to responsible partner governments and local organizations to help build local capacity and stimulate additional investment from within the country. Efforts to program funds through local organizations must be carefully balanced, however, with requirements for maintaining high levels of accountability for resources provided by U.S. taxpayers.

Inclusion. Attention to marginalized or vulnerable groups is key to ensuring that development gains are broadly shared. Evidence shows inclusion can also have a positive impact on economic growth. In recent years, USAID successfully stepped up efforts on inclusion by creating senior positions to drive this agenda, developing new policies and guidance for staff, and increasing the focus of inclusive programming, particularly with regard to gender, LGBTI, and youth. These efforts are sometimes complicated by policy positions in partner countries that undermine inclusive approaches. In addition, USAID provides leadership on inclusion within the U.S. Government, for example, through its corporate nondiscrimination policies. The Agency's various approaches to social inclusion could benefit from greater coherence and will need sustained commitment from Agency leadership to maximize impact.

Integrated Programming. USAID is building on successful efforts to integrate programming to achieve greater results. Despite the challenges and limitations exacerbated by Presidential initiatives or Congressional directives aimed at generating global results in specific sectors, the Agency, wherever possible, adjusts programs to target needs in an integrated manner. For example, USAID/Tanzania is reducing rates of chronic undernutrition and maternal anemia through stronger integrated nutrition, health, and agriculture programs and services at the district and community levels. Increasingly, the Agency is recognizing that integrated programming delivers more bang for the buck and sees it as a key consideration for future efforts.

Transparency and Accountability within USAID. USAID's efforts in recent years to be transparent and accountable – through support of the Foreign Assistance Transparency and Accountability Act, joining the International Aid Transparency Initiative, and positively engaging the Office of the Inspector General – enable the Agency and its many partners to achieve better development results. A focus on transparency and accountability also helps build bipartisan support from Congress and credibility with American taxpayers and recipients of American aid. Continued commitment is required to institutionalize efforts to be more consultative, to open up data sets, and to acknowledge and learn from failures as well as from successes.

USAID is often best positioned and also expected – by Congress, other Agencies, and partners – to meet short timeframes that pose a challenge to achieving longer-term development goals. Development

programs frequently take years to achieve intended outcomes and require careful planning and adapting as well as multi-year commitments that reduce volatility. The Agency provides analysis on what can be achieved under various timeframes and is pursuing ways to be even more precise with analysis to better inform policy. At the same time, achieving development results often requires a certain amount of “strategic patience.”

Working in Partnership and as a Catalyst

To achieve larger scale progress and sustain it, USAID is increasingly using its resources as a catalyst to mobilize other resources and promote innovation. These approaches constitute a growing proportion of the Agency’s work and reflect an important trajectory.

Domestic resources are the fastest growing category of development finance in many partner countries, with tax and revenues mobilized by developing countries estimated at \$1.5 trillion in 2000 and \$5.3 trillion in 2014. USAID has been exploring ways to enable partner countries to responsibly boost resources mobilized through domestic tax systems and improve public financial management and transparency.

With regard to the private sector, in FY 2016, the Agency mobilized \$896 million in private capital through loan guarantees and leveraged more than \$4.98 billion through more than 360 individual public-private partnerships. The nature of USAID’s private sector partnerships has been evolving, from “one-off” projects to more strategic, multi-stakeholder coalitions generating major investments. These new partnerships have the potential to produce larger scale impacts in areas including health, agriculture, and energy.

USAID also stepped up collaborative efforts to harness key technologies and innovations for development goals and to invest in those proven to work. These new methods proved their worth, for example, in helping to stop the spread of the Ebola outbreak in West Africa by giving responders better suits to protect themselves from infection.

Underlying these efforts is the beginning of a shift in focus for USAID – from being an aid provider and program implementer, to acting as a strategic partner and catalyst for country-led and country-owned development processes. This evolution also means shifting from a focus primarily on managing resources to a growing focus on managing partnerships that are often complex and labor-intensive.

Managing Risk

In a volatile world, the trend is toward more risk rather than less. USAID is constantly navigating a risk-filled operating environment. USAID’s challenge is not so much eliminating risk as balancing the interplay and trade-offs among different kinds of risk.

As a field-based organization, USAID is attuned to many threats facing programs, staff, and partners. This reality is particularly acute in the crisis-affected and “non-permissive” environments where the Agency increasingly operates. USAID’s emphasis on resilience stems from the understanding that climate change, conflict, and other shocks and stresses can wipe out development gains and pose significant programmatic risks. Additionally, as the world makes progress against poverty, USAID’s efforts are likely to have an even greater focus on countries affected by protracted conflict and fragility, where the poorest are increasingly concentrated.

USAID also encounters other forms of risk. Building accountability and transparency into programming that works within developing country government systems often threatens networks of organized crime and corruption. Consequently, this approach carries legal, fiduciary, and reputational risks alongside programmatic and security concerns. Governments around the world are increasingly repressing civil society and the rights of citizens through formal and informal methods, including high-tech censorship. These “closing spaces” threaten development partners and investments across all sectors, restricting opportunities for participation, advocacy, and oversight.

Given the risky environments in which the Agency works, it is important that expectations of what USAID can deliver are balanced by a clear assessment of the risks. It is essential for the Agency to identify the full array of risks it faces – including programmatic, security, reputational, legal, and fiduciary – and to recognize that there are trade-offs when balancing these different types of risk. As stewards of taxpayer funds accountable to the President and to Congress, getting that balance right is a critical issue for the Agency and for U.S. national security and economic interests. U.S. policy is better-informed when USAID is at the table for strategic decisions on what level and types of risk the U.S. Government is willing to take in developing countries.

NEW NORMAL: GLOBAL CRISES

Headlines:

- Despite significant gains against poverty, a swath of the world is straining from the effects of conflict, climate change, fragility, and food insecurity. Conflicts last longer, crises are more complex and recurring, and a greater number of people are displaced than ever before, hindering progress towards development gains.
 - USAID is the world leader in international emergency response and is increasingly focused on global crises. This emphasis both reflects American values and addresses national security concerns. The effort ranges from combatting deadly viruses originating in far-off countries to addressing extreme local unrest that can threaten American lives and U.S. foreign policy objectives.
 - USAID brings flexible resources, technical expertise, and policy leadership to the national and international arena. The existing international structures and rules, however, are no longer sufficient to address current challenges and are in urgent need of reform.
-

Today's crises are proliferating, complex, prolonged, and recurring, causing widespread instability and suffering. Refugees and internally displaced people now number a record 65.3 million and are displaced for 17 years on average. As a result, USAID's programming and budgets increasingly focus on crises. From 2009 to 2015, humanitarian assistance increased from 14 to 20 percent of the Agency's budget. And, since August 2014, USAID has deployed up to five simultaneous Disaster Assistance Response Teams (DARTs) to respond to major humanitarian crises (six for a short time) – the Agency's largest sustained staffing surge in 50 years. In addition, operating environments have become increasingly risky in the face of a growing disregard for International Humanitarian Law. The targeted attacks on hospitals in Syria and aid workers in South Sudan, where local humanitarians were killed, are recent examples. Globally, the average number of attacks on humanitarian relief workers from 2011- 21015 increased 36 percent over the previous five year average.

Outside of the most acute crises, USAID's overall footprint is also increasingly concentrated in fragile states. Today, more than 70 percent of USAID programs are implemented in conflict-vulnerable or otherwise fragile countries. Some of these countries are at risk of becoming tomorrow's acute crises, while the underlying dysfunction that feeds their fragility hinders development. Syria, for example, lost 35 years of development gains between 2011 and 2013 as a result of the conflict, according to a UNRWA study. This drain on development progress, and the risks of backsliding, undermine U.S. development objectives and weaken our economic and strategic partnerships.

USAID is recognized as the world leader in humanitarian response, and its deep knowledge of fragile countries and long-standing experience in humanitarian operations is unique within the U.S. Government (USG). USAID led the USG effort to contain the Ebola outbreak, successfully bringing the number of cases to zero within 18 months, and continues as one of the core agencies promoting the Global Health Security Agenda. USAID's analysis of fragile and volatile environments is increasingly used to inform U.S. policy, and the Agency's investments in famine early-warning and disaster-risk reduction have become instrumental to mitigating disaster impacts. USAID has also played a leadership role in efforts to build the resilience of communities and local and national governments to future crises, including through efforts to accelerate inclusive agricultural growth.

USAID's continued leadership requires adjusting to this "new normal" in which the better part of our operational presence is in fragile settings. USAID has proven adaptable; for example, USAID piloted flexible contracts in Ethiopia, Kenya and Pakistan to facilitate more rapid, targeted responses to cyclical humanitarian needs, saving lives and assets for less money. Since 2010, USAID has programmed cash transfers, food vouchers, and locally and regionally procured food, finding that in some situations these approaches improved food security, beneficiary satisfaction, and savings of up to 20 to 30 percent over traditional approaches. USAID has also redesigned existing programs to address increased conflict and violence around the world, such as countering Boko Haram messaging in the Lake Chad basin, and, in Somalia, working closely with U.S. Special Operations Command forces to restore local governance structures in areas retaken from Al-Shabaab.

To continue to achieve humanitarian and development outcomes, as it has since 1961, USAID will need to significantly increase its own abilities and the abilities of its implementing partners and its partner countries to prevent, mitigate, and respond to crises. And it will need to operate in increasingly dangerous and high-risk environments. While USAID has institutionalized major development reforms – for example, around finance, monitoring and evaluation, inclusion, and local systems – comparable steps have not been taken to prepare the Agency as a whole to better respond to crises and mitigate fragility.

While USAID's crisis-response capability remains impressive and the staff have stepped up to the challenge, the Agency is under increasing pressure and cannot sustain its current level of effort without change. USAID has adopted myriad staffing and programming mechanisms to keep pace with the world's crises and increasingly fragile operating environments, but they remain piecemeal and not fully institutionalized.

Moreover, the administrative and operational divide between relief and development needs to be examined. USAID will need to continue its work with and leadership in the United Nations, international finance institutions, and the Organization for Economic Cooperation and Development's Development Assistance Committee with respect to integrating relief and development, building resilience, and better responding to fragility. Finally, integrating fragility analysis into program planning and design will require additional investment in analytic tools and expertise, and the flexibility and authority in the field to adapt programs to complex challenges and dynamic environments.

NEW NORMAL: FINANCIAL RESOURCES

Headlines:

- The Financing for Development (FFD) agenda, adopted globally in July 2015, underlines the importance of mobilizing three types of resources for development: Official Development Assistance (ODA) from donor countries, private investment, and developing countries' own domestic revenues.
 - USAID's budget has grown over time, but it has also become increasingly complicated and inflexible.
 - Key issues include a disconnect between budget oversight authority at the State Department and decision-making at USAID, the effects of Congressional directives and Presidential initiatives, and the potential need to reset aspects of the budget process with Capitol Hill.
 - The Agency's system for funding administrative expenses leads to complicated operational challenges and inefficiencies. One critical ongoing concern is to maintain an appropriate balance between the Operating Expense account and the program budget.
-

A New Agenda for Development Financing

In July 2015, the U.N. General Assembly agreed on a new framework for financing global development goals known as the Financing for Development (FFD) agenda. This agenda recognizes that Official Development Assistance (ODA) is only one source of development financing. In fact, the dollar value of non-ODA capital flows has grown considerably in recent years. In 1960, combined ODA from developed countries accounted for 71 percent of financial flows to developing countries. Today, it accounts for only 9 percent. Domestic revenue mobilization and private investment now make up the vast majority of total development finance for many countries. ODA remains critical, however, for low income and fragile or conflict-affected countries where it continues to make up the bulk of financing for development. The "new normal" for financing points increasingly towards using ODA as a catalyst to mobilize developing countries' domestic resources and spur investments from the private sector. The FFD agenda also acknowledges the growing contribution of non-traditional donors, including major emerging economies, such as China, India, Mexico, Brazil, and the Gulf States. These countries are injecting new funding into the pool of resources for relief and development and gaining increased voice and influence in the governance of major multilateral development institutions.

The landscape for development financing is thus more comprehensive but also more complex than in the past. This reality presents opportunities but also new challenges for USAID.

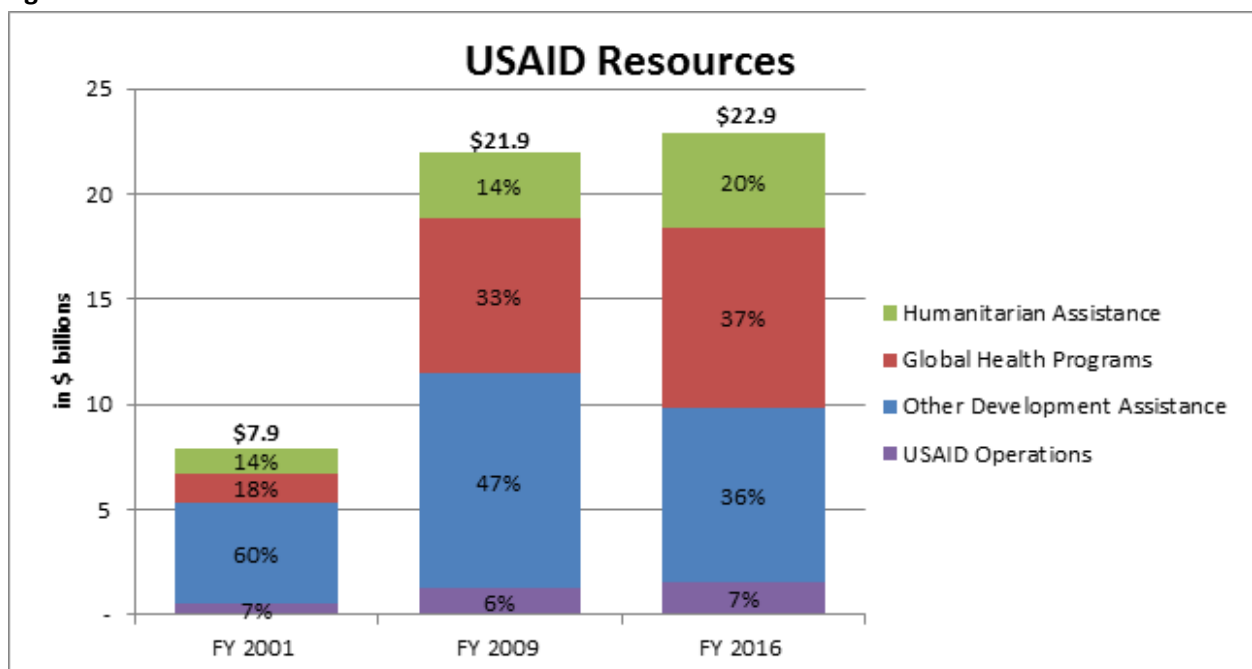
USAID's Financing

The United States has more than doubled ODA to low income countries since 2005. In 2015, the United States committed more than \$31 billion in ODA, a significantly greater total than provided by any other bilateral donor. Alongside USAID, the Departments of State, Treasury, and Agriculture, the Millennium Challenge Corporation, the Centers for Disease Control and Prevention, and the Overseas Private Investment Corporation now play an important role in U.S. foreign assistance. As the lead U.S. development agency – and in recognition that each partner institution in government brings additional expertise and operational levers to the overall development table – USAID devotes significant resources toward effective coordination with other government agencies. In accordance with budget oversight arrangements established 10 years ago, USAID invests in particularly time-intensive coordination with

multiple parts of the State Department, including the Office of Foreign Assistance Resources and various coordinators (see [Reference Sheet: Coordinators](#)). USAID’s budget relationship with the State Department remains an important issue in understanding the Agency’s resource picture, and it complicates USAID’s ability to efficiently fund programs that optimize development results.

USAID’s total foreign assistance budget grew by 180 percent between FY 2001 and FY 2009, from \$7.9 billion to \$21.9 billion. In recent years this growth has slowed, increasing only 4.4 percent since FY 2009 to \$22.9 billion. Much of the budget growth has been concentrated in a few key areas. The Global Health portfolio – nearly two-thirds of which is for HIV/AIDS – has increased from 18 percent of the budget in FY 2001 to 37 percent in FY 2016. Humanitarian assistance has also been growing significantly in response to global crises, and now represents 20 percent of the budget. Figure 1 provides an overview of USAID resources.

Figure 1



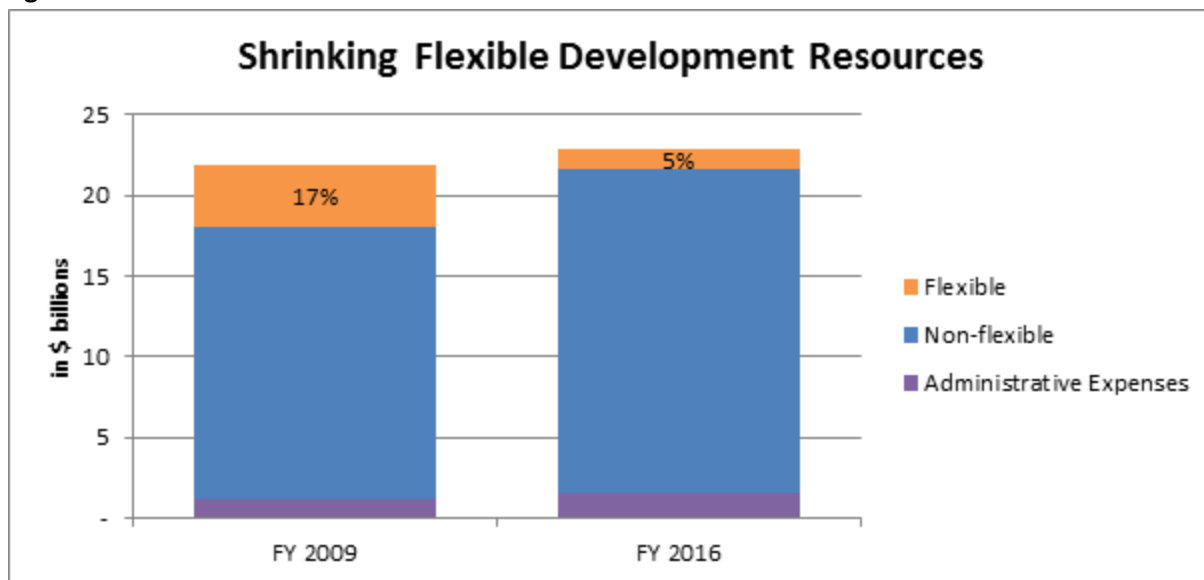
The concentration of resources in key sectors reflects a shift towards more centrally driven strategy and budget decision-making and a corresponding loss of budget influence in the field. In FY 2009, field Missions had decision-making authority over 73 percent of all funding, while Washington-based leadership undertook decisions for the remaining funds. By comparison, in FY 2016, Missions were allocated only 49 percent of the budget for programming. Even funds allocated to Missions often include portions tied to Washington-directed mandates and requirements. USAID’s program budget also reflects a high degree of concentration by country, with the majority of resources going to (in order) Jordan, Afghanistan, Kenya, Tanzania, Nigeria, and Ukraine. In FY 2016, the 10 USAID Missions with the most resources received more funding than the rest of the Agency’s field operating units (89) combined.

Congressional directives and Presidential initiatives are key factors in determining USAID’s program budgets (see: [Reference Sheet: Directives](#) and [Reference Sheet: Initiatives](#)). They have been instrumental in generating political support, visibility, and progress against key development challenges. Initiatives and directives help ensure that the President and Members of Congress feel vested in

particular development goals and supportive of the Agency’s efforts. Initiatives and directives also facilitate the attribution of finance to specific results and to the aggregation of results globally, which can be clearly communicated. The President’s Emergency Plan for AIDS Relief (PEPFAR) is a good example of such an initiative.

At the same time, a proliferation of initiatives and directives has significantly complicated USAID’s budget process (see Figure 2). In fact, to meet all stipulated priorities each year, USAID must double- and even triple-count some programs to satisfy Congressional and Administration requirements. As the budget is increasingly “spoken for,” the room for new initiatives has narrowed considerably. The growth in directives and initiatives has also intensified pressure on remaining parts of the budget, reducing flexibility to respond to emerging challenges or needs in the field. In some cases, there is a mismatch between budget allocation decisions and field-based assessments and strategic planning. In Nigeria, for example, the Agency’s country-based strategic planning process led the USAID mission to identify poor governance and corruption as central factors fueling insurgency and undermining stability and prosperity. However, due to constraints on the use of funds, less than 1 percent of USAID’s FY 2016 budget in Nigeria is spent on these issues. The rest is allotted to health programs (94 percent), economic growth (4 percent), and education (less than 2 percent).

Figure 2



Another set of challenges for the Agency relates to the process of consulting with Congress on budget allocations. Congressionally appropriated funds are not available to be obligated each year until after USAID and the State Department have completed an additional set of consultations with Congress (known as the “653(a) process” after the provision in appropriations law that requires the consultation). These consultations are then followed by a review process requiring the State Department’s Director of Foreign Assistance Resources to approve both State and USAID plans for the funding. The start of a new Administration could present opportunities for the consulting parties to establish a much-needed “reset” for this process, building better trust and reducing delays in available funding. Also of note, more than a fifth of the Agency’s budget – 22 percent in FY 2016 – is appropriated through the Overseas Contingency Operations (OCO) account, a funding category that was designed to be temporary and to respond to immediate crises. The potential expiration of the OCO account could have significant implications for

USAID's budget depending on how Congressional appropriators and the White House Office of Management and Budget choose to support programs currently funded through OCO.

Finally, USAID's system for funding operational expenses sets it apart from many other federal agencies. In FY 2016, the Agency's administrative expenses included \$1.28 billion through the Operating Expense (OE) account and \$168.3 million in the Capital Investment Fund (CIF) account. Together with an additional \$600 million drawn from program funding and used to support operational costs, this amounts to about \$2 billion or 9 percent of USAID's total budget. The CIF account is used for major investments, including overseas facilities construction, IT, and real-property maintenance.

For decades Congress has mandated that USAID use OE funds for certain operational costs, including the salaries, benefits, travel, training, and information technology costs for U.S. direct-hire (USDH) employees. Since the OE account funds USAID's Foreign Service and Civil Service Officers, it supports the Agency's more permanent workforce that provides expertise in policy and programmatic effectiveness, including program and contract oversight. Since OE is more limited than program funds, the Agency also uses program funds for operational costs and to hire staff through numerous different mechanisms. This approach helps USAID to meet its responsibilities flexibly, but it leads to a complex and inefficient system to fund, manage, and control.

At times in the past, the Agency faced such insufficient levels of OE funding that USDH employees were unable to effectively administer the Agency's growing budget for programs. In recent years, Congress has appropriated more funds for OE, leading to significant growth in USDH staffing levels and a better balance for managing USAID's resources. Maintaining this balance with appropriate OE funding is critical, especially as USAID faces pressures to meet new management standards for personnel and cyber security, or new demands for better programmatic oversight and protection of Agency resources in insecure and volatile environments.

NEW NORMAL: COMPREHENSIVE WORKFORCE

Headlines

- USAID is in the first year of a major Human Resource (HR) Transformation process.
 - Establishing the capability for comprehensive workforce planning – which the Agency currently lacks – is a vital part of this transformation. Such planning, covering all employment categories, will strengthen recruitment and promote the retention of talented, motivated staff in USAID.
 - Sustaining the Agency’s leadership in responding to global crises and advancing development outcomes requires flexibility in hiring and agility in workforce management. It also requires reducing the current administrative complexity, costs, and risks associated with numerous hiring categories.
 - Having a variety of employment categories and hiring mechanisms has provided flexibility, which is critical to deliver results. The accretion of numerous mechanisms, however, makes comprehensive workforce planning difficult and poses challenges for business planning, supervision, and budgeting.
-

People are the Agency’s greatest asset. USAID’s dynamic operating environment requires an agile human resource and workforce planning system that efficiently recruits, trains, deploys, and retains talented staff who can succeed in challenging contexts. The current workforce system was built for a different era. Updates to this system have been ad hoc and short term. Until recently, there has been no comprehensive reform aimed at ensuring USAID has a workforce and HR system fit for purpose in the 21st century. The HR Transformation process, now in its first year, is the start of such an effort. To succeed, the process will require a long-term commitment and support beyond the tenure of an individual Administration.

Workforce Composition and Hiring Categories

USAID’s global workforce totals approximately 11,800 staff. Sixty-one percent are overseas, with an official USAID presence in 87 countries and support programs in 19 others. Thirty-nine percent of staff are in Washington, D.C. Approximately 4,900 Foreign Service Nationals, who are non-U.S. citizens, work in USAID Missions overseas, accounting for 42 percent of USAID’s overall workforce. Direct hire employees (both Civil Service and Foreign Service) comprise 33 percent, the second largest category with over 3,900 staff. The balance, comprising 25 percent, includes staff hired under other mechanisms. USAID funds approximately 57 percent of the entire workforce through Operating Expense (OE) funds and 43 percent through program funds.

As it has adapted to a changing world, and in the absence of a comprehensive system for workforce planning and management, USAID has relied on a variety of hiring mechanisms to bring in people with the right skills at the right time. The flexibility to hire in this way has been absolutely essential to USAID’s operations and success. At the same time, there are limitations and costs associated with these hiring categories, including the aggregate impact of managing many different hiring mechanisms. The main employment categories often have multiple sub-categories and different authorities. Some do not provide career or permanent direct hire status. Some have limitations, such as restrictions on what work can be performed (for example, whether it is “inherently governmental” work, supervising employees, or managing funds). These different hiring mechanisms can lead to an imbalance in employment categories in operating units. For example, less than one third of the Global Health Bureau’s staff are career U.S.

direct hires. The complexity in hiring can also lead to shortages in certain skill areas – for example, cyber security.

For many of these employment categories, USAID relies on program funds as the only available option for obtaining staff in response to operational requirements. Some Congressional oversight committees have been critical of USAID's use of program funding to pay for operational costs, including staffing. There is some danger of a Congressional cap on amounts that can be used to pay for staffing, which – under the current workforce system – would result in a loss of flexibility with direct impact on USAID's operations.

Strategic Workforce Issues

Going forward, a number of issues will need attention:

Comprehensive workforce planning. Establishing and maintaining a corporate workforce planning and management system is essential for sustaining USAID's leadership. Comprehensive workforce planning will enable USAID to align recruitment and staffing decisions with strategic priorities in a dynamic operating environment. The development of this system is a central plank of the HR Transformation program. Effective workforce planning requires sustained support from senior management spanning successive Administrations, as well as employees and other stakeholders, who together can develop, communicate and implement the plan. The system will enable USAID to determine its skills and competencies at any given time, and those needed to achieve program results, and to develop strategies to address gaps in critical skills and competencies.

Strategic use of hiring mechanisms. Alongside comprehensive workforce planning, simplifying and centralizing USAID's many different hiring processes would allow the Agency to better track staff and skills, deploy people efficiently, and develop regular assessments of whether skills and priorities are aligned. This reform could be achieved by reviewing current hiring approaches to potentially streamline the number of mechanisms used and – if possible – increasing, where appropriate, the number of permanent U.S. Direct Hire staff to manage programs and other staff. Any such review must be undertaken in an accountable, transparent, and participatory way that involves key stakeholders, including Congress and others outside the Agency.

Challenges and opportunities overseas. Foreign Service Nationals (FSNs) – the Agency's largest employee category – provide expertise on local conditions and institutional continuity overseas. FSN employees also help meet the Agency's staffing priorities by serving in other countries, which expands their professional opportunities while providing their expertise where it is most needed. Going forward it will be important for USAID to continue to strengthen FSN empowerment and talent management, communications, collaboration between FSN employees and Foreign Service Officers, and Local Compensation Plans.

Agency demand for Foreign Service Officers (FSOs) outpaces supply at times in key technical areas (such as contracting officers). In addition, USAID faces challenges filling field positions due to the changing demographics of the Foreign Service, difficult overseas environments, post restrictions, and bureaucratic hurdles (such as challenges associated with the Foreign Service Assignments system). USAID may increasingly need to factor the challenges of the operating environment into recruitment strategies and incentive structures. Addressing some of USAID's staffing constraints will require continued coordination with the Department of State.

Many of the challenges set out above can be addressed through the five-year HR Transformation Strategy and Action Plan, now in its first phase. As indicated, however, successful implementation of this plan will require sustained support from senior management.

Attachments:

[Tab 1 - Workforce Profile](#)

[Tab 2 - Global Footprint](#)



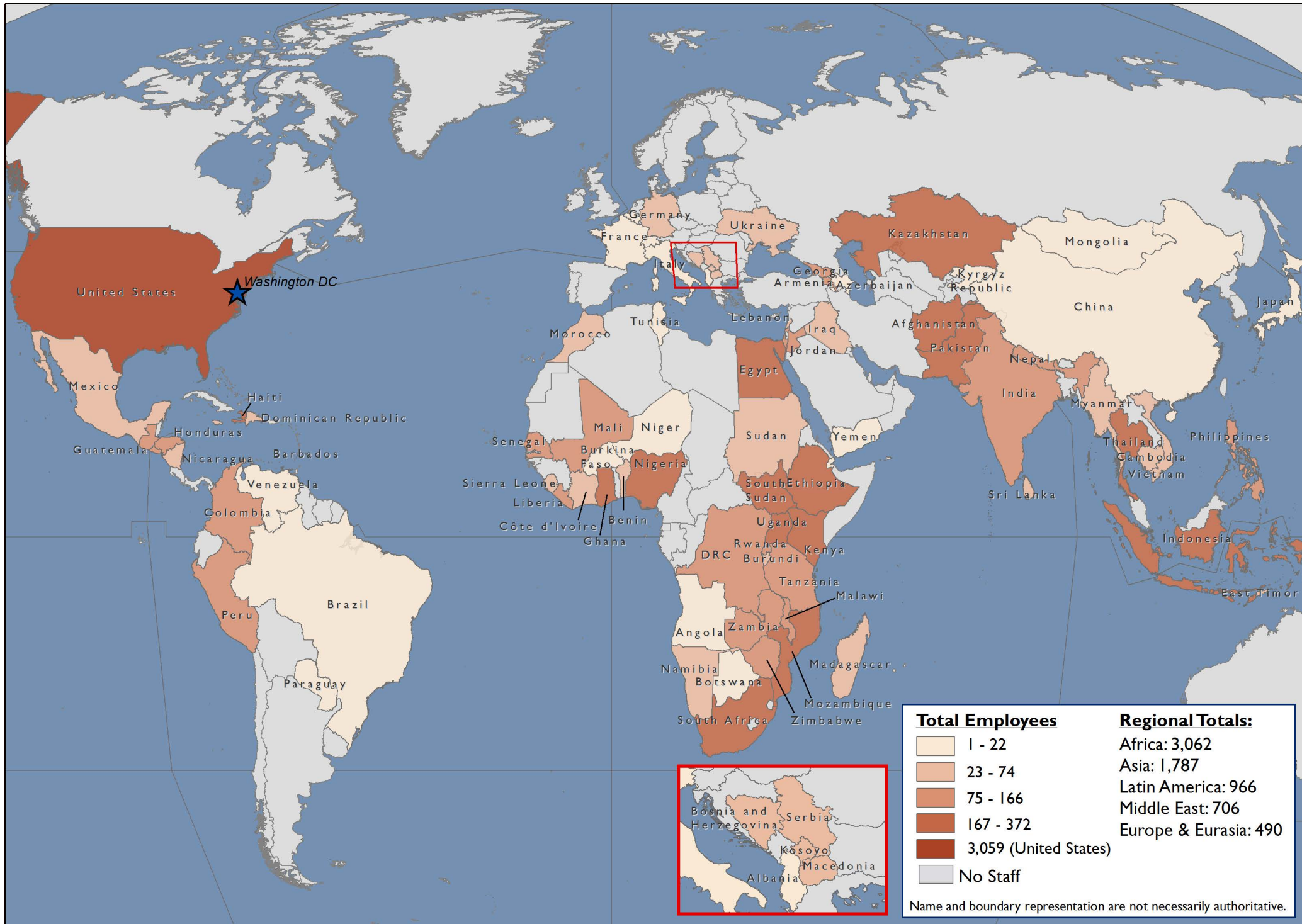
WORKFORCE PROFILE 2016

EMPLOYMENT CATEGORIES

11,840

4,935	42%		Foreign Service National	Foreign Service Nationals (FSN) are non-U.S. citizens locally hired by USAID missions. FSN employees may be either direct hires or FSN Personal Services Contractors (PSC), but the overwhelming majority are PSCs. 56% of FSN staff are program-funded.
1,850	16%		Foreign Service	Direct-hire U.S. citizen Foreign Service employees generally serve at overseas missions with limited periods in Washington, D.C.
1,698	14%		Civil Service	Direct-hire U.S. citizen Civil Service employees serve in Washington, D.C., performing core administrative, management, and technical and strategic program design.
1,605	14%		Institutional Support Contractors	Non-direct hire institutional support contractors perform a range of services in support of the Agency's programs, augmenting direct-hire and other non-direct-hire staff.
759	6%		U.S. Personal Services Contractor	Non-direct-hire U.S. citizens hired on contract with USAID to fulfill specific tasks and responsibilities for a time period stated in their contract.
305	2%		Foreign Service Limited	Direct-hire U.S. citizen hired on time-bound, non-career appointments.
263	2%		Participating Agency Service Agreement	Direct-hire U.S. citizen hired by other Federal agencies and funded by USAID for specific services or support of USAID programs.
178	1%		Fellows	Generally institutional support contractors who bring specialized scientific, academic, or technical expertise.
137	1%		Third Country National	Non-direct-hire third country personal services contractors-individuals on contract with USAID for the specific services of that individual.
110	1%		Administratively Determined	An appointment action under which personnel may be appointed, compensated, and removed by the Administrator.

USAID STAFF BY COUNTRY



BUILDING A MORE NIMBLE USAID THROUGH CONTINUOUS PROCESS IMPROVEMENTS

Headlines:

- USAID's ability to deliver results depends in part on continually improving the Agency's management and business processes.
 - Among these processes, enhancing performance accountability and data-driven decision-making are central to maintaining credibility and support from Congress.
 - As development requirements change and USAID's operating environment evolves, rapid adaptation and foresight remain a priority.
-

USAID must become more nimble and flexible as its operating environments become more complex. For years, the private sector – and, increasingly, the public sector – have emphasized the importance of an organizational culture that seeks continual improvement. In line with this management precept, USAID has sought in recent years to continuously improve its management and business processes. The aim is to deliver high-quality, evidence-based programs more rapidly, efficiently, and effectively. In seeking improvements, the Agency faces challenges; it undertakes these efforts in the face of constraints imposed by legacy systems, Federal regulation, extensive reporting requirements, and Congressional constraints on funding.

USAID needs to improve four key management and business processes in the near term: Human Capital, Information Technology and Data, Design to Delivery of Assistance, and Knowledge Management.

Human Capital. People are the Agency's greatest asset. Getting the best available people and keeping them is critical to USAID's future effectiveness. USAID's workforce management processes require regular updating to efficiently provide the right mix of people and skills to meet new challenges in a dynamic world. Improving the way the Agency attracts and retains talent is critical, yet recent surveys indicate that USAID's human resources processes are not serving the Agency's needs. In response, USAID launched an HR Transformation program, which will require sustained attention to achieve its objectives and avoid the pitfalls of prior reform efforts.

Information Technology (IT) and Data. Better IT and data management is essential to maximizing results and protecting sensitive information. At the same time, ensuring that data on USAID's development programs is available and accessible is an important principle of good development practice as well as an international commitment. The Agency's efforts to improve IT and data management reflect the need to balance these factors. For example, USAID's open data initiative was recognized as a "model of best practices" by the Office of Management and Budget, while improvements in IT system security have also been made. Further efforts are needed to protect sensitive data and to build the Agency's capacity to integrate information from a variety of databases. Ensuring the interoperability of management information systems is also a priority and will be accomplished to a large extent by completing work on the Development Information Solution (DIS), a new suite of IT tools. When completed, the DIS will integrate operational and program data to provide Agency-wide information for analysis and reporting. The first DIS module on performance management is scheduled for roll-out in 2017. Sustained Agency leadership will be needed to realize the full capability of the DIS.

Design to Delivery of Assistance. USAID moves large amounts of finance and goods – some \$16 billion are programmed, and 20,000 procurement actions are taken annually through grants and contracts. Ensuring a timely and efficient process from concept development to transfer of finance and goods is

thus critical to Agency effectiveness. There has been good progress on this front in recent years. USAID has: streamlined reporting requirements, increased flexibility in the design of programs, instituted an end-to-end paperless procurement system, opened a partner portal, eliminated barriers for small businesses to bid for contracts, and developed a new procurement planning system that improves data quality for business forecasting. In FY 2015, these efforts generated a 25 percent reduction from a 2009 baseline in the time required between a scope of work being agreed and an award being made for the Global Health Supply Chain program. In addition, since 2010, USAID has tripled the percentage of funding obligated through local governments, civil society partners, and local private sector. Going forward, further efforts to streamline business processes will be critical.

Knowledge Management. USAID aims to be a genuine learning organization. Despite technological advances and efforts to rationalize systems and processes, USAID is still at risk of losing significant amounts of institutional knowledge. USAID has tools for knowledge management, including MyUSAID (an internal collaboration and communication tool) and user-driven dashboards that are easily shared with Agency staff, but these have not been widely adopted across the Agency. Moreover, individual operating units and sector groups develop and maintain separate knowledge management portals and platforms. These parallel systems duplicate effort and result in a fragmented knowledge management system. At the same time, there has been progress. To advance knowledge management and further develop the evidence base for decision making, USAID issued a widely praised evaluation policy in 2011. The number of evaluations increased from an annual average of about 130 the five years prior to 2011 to about 230 per year over the last five years. The findings from these evaluations are increasingly used to inform project design, make mid-course corrections, increase knowledge and learning in specific sectors. More needs to be done, however, to harness learning across sectors and to aggregate learning more systematically to a strategic, corporate level. Going forward, USAID needs to prioritize knowledge management as a corporate priority to maximize the efficient use of taxpayer funds and build a robust evidence base to underpin development programming in rapidly changing environments.

REFERENCE SHEETS

USAID's work is affected by a range of internal and external forces, players, and policy decisions. Among the most impactful are U.S. Government-designated assistance or program coordinators, executive or legislative branch initiatives, and Congressional directives. The enclosed Reference Sheets are intended to serve as a comprehensive resource on these topics.

COORDINATORS

- Operate throughout USAID with varying mandates, financial and staff resources, and reporting structures.
- Are created by different means and authorities.
- Have establishment dates but no expiration dates.
- Include those internal to USAID as well as those at the Department of State that have significant influence over USAID resource allocations and programmatic decisions.

INITIATIVES

- Vary widely in resource levels.
- Can be led by USAID, co-led with interagency partners, or led elsewhere in the interagency with a significant role for USAID.

DIRECTIVES

- Represent most of USAID's FY 2016 program-funded development budget.
- Have increased over time, leading to a corresponding reduction in discretionary funds. There are additional country-level directives not included in this document.
- Have shifted focus more to sectors (e.g. water, education) and less on country/region levels.

REFERENCE SHEET: INITIATIVES

Initiative Name and Description	Year Created	FY16 Budget (in thousands)	USAID Role (lead, support)	Interagency Partners
<p>Global Health Initiative: With a special focus on improving the health of women, newborns and children, to save the greatest number of lives by supporting countries as they work to improve the health of their own people.</p>	2009	\$8,841,000	Co-led	Department of State
<ul style="list-style-type: none"> ● The U.S. President's Emergency Plan for AIDS Relief (PEPFAR): To create an AIDS-free Generation by advancing process towards sustainable control of the HIV epidemic using a programmatically and geographically focused approach in countries with the greatest need. 	2003	\$5,670,000	Support	<i>Department of State, Department of Health and Human Services, the Department of Defense, Department of Agriculture, and others</i>
<ul style="list-style-type: none"> ● The U.S. President's Malaria Initiative (PMI): To work with PMI-supported countries and partners to further reduce malaria deaths and substantially decrease malaria morbidity, towards the long-term goal of elimination. The USG PMI Strategy 2015 - 2020 has three objectives: <ul style="list-style-type: none"> ○ Reduce malaria mortality by one-third from 2015 levels in PMI-supported countries, achieving a greater than 80 percent reduction from PMI's original 2000 baseline levels. ○ Reduce malaria morbidity in PMI-supported countries by 40 percent from 2015 levels. ○ Assist at least five PMI-supported countries to meet the WHO criteria for national or sub-national pre-elimination. 	2005	\$674,000	Lead	US Centers for Disease Control (primary interagency partner), US Peace Corps, US Department of Defense
<ul style="list-style-type: none"> ● Global Health Security Agenda: To prevent, detect, and respond to future infectious disease outbreaks, report outbreaks when they occur while developing an interconnected global network that can respond effectively to limit the spread of infectious disease outbreaks in human and in animals, mitigate human suffering and the loss of human life, and reduce economic impact. 	2014	\$72,500 and \$312,000 of Ebola Emergency Funds	Support	<i>Department of State, Department of Health and Human Services, the Department of Defense, Department of Agriculture, and others</i>

<ul style="list-style-type: none"> ● Ending Preventable Child and Maternal Deaths: To focus on ending preventable child and maternal deaths by using data-driven decisions and targeted investments to save 15 million children and 600,000 women by 2020. 	2012	\$2,417,000	Lead	Department of State, Department of Health and Human Services, the Department of Defense, Department of Agriculture, and others
Feed the Future: U.S. Government's Global Food Security Initiative.	2010	\$895,600	Lead	Department of State, Department of Agriculture, Department of Commerce, Department of Treasury, MCC, OPIC, Peace Corps, USTR, U.S. African Development Foundation
Global Climate Change Initiative (GCCl): To integrate climate change considerations into U.S. foreign assistance, foster low-carbon economic growth, and reduce greenhouse gas emissions from deforestation and land degradation.	2010	\$303,750	Support	Department of State, Treasury
Power Africa: To support economic growth and development through increased access to reliable, affordable, and sustainable power in Africa.	2013	\$76,700	Lead	Department of Energy, Department of State, USTR. U.S. Africa Development Foundation, OPIC, MCC.
Let Girls Learn: To ensure adolescent girls across the world improve their lives and attain a quality education that empowers them to reach their full potential.	2015	\$70,000	NSC Coordinates	Department of State, Peace Corps, MCC
Trade Africa: To increase internal and regional trade, and expand trade and economic ties among Africa, the United States, and other global markets. (note: includes attributions and double counts)	2013	\$14,000	Co-coordinator with USTR as designated by NSC	Department of State, Department of Agriculture, Department of Commerce, Department of Transportation, Department of Energy, Department of Health and Human Services, Treasury, ExIm Bank, African Development Foundation, USTR, OPIC, MCC, USDA, Council of Economic Advisors
Trade and Investment Capacity Building (TICB): To support trade capacity building activities in sub-Saharan Africa. (note: includes attributions and double counts)	2014	\$34,000	Steering Committee chaired by NSC	Department of State, Department of Agriculture, Department of Commerce, Department of Transportation, Department of Energy, Department of Health and Human Services, Treasury, ExIm Bank, African Development Foundation, USTR, OPIC, MCC, USDA, Council of Economic Advisors

Partnership for Growth (PFG): To accelerate and sustain broad-based economic growth by putting into practice the principles of the 2010 Presidential Policy Directive on Global Development.	2010	\$14,000 (Phil)	Joint	Departments of State, Justice, and Labor, MCC, Treasury, USTR
Young African Leaders Initiative (YALI): A network of 250,000 that brings African civic, business and community leaders aged 25–35 for six weeks of academic coursework, leadership training and networking at U.S. universities and supports their work back home through regional centers.	2010	\$10,000	Lead	Department of State, Peace Corps
Stand with Civil Society: President Obama’s global call to action to support, defend, and sustain civil society amid a rising tide of restrictions on its operations globally, including through identifying innovative ways of providing technical, financial, and logistical support to promote a transparent and vibrant civil society.	2013	\$3,500	Lead	Department of State, Treasury
U.S. National Action Plan on Women, Peace, and Security: To advance women’s participation peacebuilding and conflict prevention; to protect women and girls from gender-based violence; and to ensure safe, equitable access to relief and recovery assistance in situations of crisis, conflict, and insecurity.	2011	\$2,000	Co-Lead	Department of State, Department of Defense
Open Government Partnership (OGP): A partnership with 70 countries which focuses on making governments more open, accountable, and responsive to citizens.	2011	\$500	Support	Department of State
Security Governance Initiative (SGI): A joint endeavor between the United States and six African partners that offers a comprehensive approach to improving security sector governance and capacity to address threats.	2014	\$0	Support	Department of State
Young Southeast Asian Leaders Initiative (YSEALI): A network of 90,000 ASEAN young leaders that promotes cross-border cooperation to solve regional and global challenges.	2013	FY 2016 level TBC	Support	Department of State, Peace Corps

REFERENCE SHEET: DIRECTIVES

<i>\$ in thousands</i>	FY 2016 653(a)	Branch: Legislative, Executive, Both	Legal/Policy Basis (Statute, Approps, Exec. Order, Pres. Memo, etc.)	Date Originally Established	Managing Bureau
Reconciliation Fund	26,000,000	Legislative	FAA (1961) and Section 7060(g) of (P.L. 114-113, Division K)(FY16 Act)	2004	DCHA
Global Health (PEPFAR portion)	5,670,000	Executive	White House Announcement and Annual Appropriations	May 2009	Department of State
Global Health (USAID portion). Includes: Maternal and Child Health, Polio and GAVI; Family Planning and Reproductive Health; Nutrition; Vulnerable children; HIV/AIDS, Malaria, TB, Neglected Tropical Diseases, Global Health Security)	2,833,450	Executive	White House Announcement and Annual Appropriations	May 2009	GH
Governing Justly and Democratically. Includes: House Democracy Partnership; Victims of Torture; Wheelchairs; Forensic Anthropology; Disability Programs; Extractive Industries; Leahy War Victims Funds.	2,284,147	Legislative	Annual Appropriations	December 2015	DCHA
Feed the Future (FTF-GFSI)	895,600	Both	Annual appropriations, Global Food Security Act (P.L. 114-195)	FY 2010	BFS
Basic Education	750,000	Legislative	Annual Appropriations	FY 2003	E3
Trafficking in Persons	750,000	Both	USG earmark to achieve	2003	DCHA/DRG
Global Climate Change (less \$500M for Green Climate Fund). Includes: Clean Energy, Sustainable Landscapes and Adaptation	478,000	Executive	Presidential Policy Directive on Global Development	9/22/2010	E3
Water	401,000	Both	Water for the Poor 2005; Water for the World 2014	FY 2005	E3

Biodiversity. Includes: Andean Amazon; Brazilian Amazon; CARPE; Lacey Act; Mayan Biosphere; USFWS.	294,746	Both	Appropriations--\$265 million	FY 2000	E3
Microenterprise	270,540	Legislative	Annual Appropriations. Agency authorization under the Microenterprise Results and Accountability Act of 2004, Public Law 108-484—Dec. 23, 2004	December 2004	E3
Higher Education	225,000	Legislative	Annual Appropriations	FY 2009	E3
Gender-Based Violence	150,000	Legislative	Appropriations	Sometime before 2015	E3
Central America Regional Security Initiative (CARSI)	126,500	Both	The Appropriations Bill includes CARSI in the Statement of Managers	FY 2010	LAC
Combatting Wildlife Trafficking	80,000	Both	Appropriation. Executive Order (2014) and Wildlife Law (anticipated 2016)	FY 2014 for EO and earmark	E3
Power Africa	76,700	Both	White House Announcements (2013,2014) and aligned with the Electrify Africa Act of 2015; EO pending	June 30, 2013	AFR
Let Girls Learn	70,000	Executive	2015 POTUS Announcement (shared among Agencies. In FY 2016, USAID expects to receive \$25 million)	FY 2016	E3
Polio	59,000	Legislative	Annual Appropriations	1999	GH
Women's Leadership Funds	50,000	Legislative	Annual Appropriations (usually shared among USG Agencies)	At least FY 2009	E3; DCHA (Women, Peace, and Security portion)

Small Grants Program	45,000	Legislative	PL 114-113	2014	E3
Countering Violent Extremism	40,165	Executive		F Attributions	DCHA
Trans Sahara Counter-Terrorism Partnership (TSCTP)	26,081	Executive	Sahel Maghreb Strategy approved at U/S Level	2005	AFR
Internet Freedom	25,500	Legislative	The Appropriations Bill	FY 2015	DCHA
Caribbean Basin Security Initiative (CBSI)	25,000	Both	The Appropriations Bill includes CBSI in the Statement of Managers	FY 2010	LAC
Trafficking in Persons	20,000	Both	Trafficking Victims Protection Act 2000;2016 Foreign Operations Bill.	2003	DCHA/DRG
Philippines Office for the Pacific	16,500	Executive	Announcement at 2009 U.N. General Assembly.	Oct 2011	Asia (Philippines)
Global Crop Diversity Trust	15,000	Legislative	Annual Appropriations		BFS
Fistula	13,500	Legislative	Annual Appropriations	2002	GH
Cooperative Development Program	11,000	Legislative	PL 114-113	2000	E3
Young African Leaders Initiative (YALI)	10,000	Executive	POTUS Announcement	FY 2010	Africa
Child, Early and Forced Marriage	10,000	Legislative	FY 16 Annual Appropriations bill, a (Statement of Managers)	Sometime before 2015	E3
Protection of Religious Minorities	10,000	Legislative	Annual Appropriations		FBCI

Trade Capacity Building	10,000	Both	Annual Appropriations		E3
Indigenous People Grants	1,500	Legislative	Annual Appropriations	FY 2015	DCHA
Female Genital Mutilation/Cutting	TBC	Legislative	Annual Appropriations	FY 2016	E3

REFERENCE SHEET: COORDINATORS

Coordinator Title/Function	Incumbent	Date	Creation Authority	Authorizing Language	Organizational Structure (under 10 employees, up to 50, 50 or more)
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT					
Children in Adversity: To lead a coordinated, comprehensive and effective USG response to the world's most vulnerable children. And implementation of the National Action Plan on Children in Adversity.	Rob Horvath (GS)	2005	Congress	2005 Foreign Assistance Act, Section 135(e)	Oversees three staff and oversees \$19.5m (DCOF funds).
Climate Change: To coordinate implementation of the Agency's climate change and development strategy, including through technical leadership and coordinating GCCI budgets, program guidance and reporting across the Agency.	Carrie Thompson, Acting Coordinator (FS)	2010	White House	Presidential Policy Directive on Global Development	Over 50 employees - 40+ staff in Washington and numerous Mission staff.
Countering Violent Extremism: To coordinate with the inter-agency on CVE policy and serve as support and resource for USAID Missions and bureaus.	Russell Porter (FSL)	2016	USAID	2015 QDDR, and 2016 joint State-USAID CVE Strategy	Less than 10 (TBD).
Disabilities: To ensure that disability rights are addressed, where appropriate,, in United States policies and programs. Coordinates policies and programs to support activities that improve access to services and empower people with disabilities.	Currently Vacant (Candidate has been identified)	2005	USAID	Section 579(b) of the FY2005 P.L. 108-447, (Division D)	No employees and does not oversee funds.
Education: To support Education Strategy goals to improve children's reading skills, strengthen workforce development, and provide access to education in crisis and conflict settings. Elevates education portfolio through strategic engagement with Congress, InterAgency, NGOs, private sector, faith-based and community organizations, and university partners.	Christie Vilsack (AD)	2008	Congress	FY2008 SFOAA (P.L. 100-161, Division J), Section 644(b). ¹	Staff includes one Special Assistant.

¹ Note: Transferred to USAID by section 7034(q)(2) of the FY 2012 SFOAA (P.L. 112-74, Division I). H.R. 4481/S.3256, the Education for All Act of 2016 has passed in the House, and will likely be codified later this year. This has implications for the Senior Coordinator position.

Environment: To coordinate the effective implementation of 22 CFR 216: Agency Environmental Procedures	Victor Bullen (GS)	1975	USAID	22 CFR 216	Less than 10 employees.
Faith: To engage faith-based organizations and community initiatives leadership, to further the mission of USAID.	J. Mark Brinkmoeller (AD)	2002	White House	Executive Order 13199 (2001):	Less than 10 employees.
Feed the Future: To coordinate the U.S. Government’s global hunger and food security initiative, and to implement the Global Food Security Act of 2016. ²	USAID Administrator (AD)	2010	White House	White House Delegation of Authority (2016)	More than 100 employees.
Gender: To ensure sufficient resources are available to carry out the functions of the Gender Policy, as well as coordinate outreach to governments, civil society and Congress to explain and stress the importance of gender. Represents the Agency in key USG inter-agency and policy forums.	Susan Markham (AD)	2012	White House	Presidential Memorandum (2013) Agency Gender and Female Empowerment Policy (2012)	Less than 10 employees.
Higher Education: To coordinate higher education in program planning and to connect the Agency with the U.S. higher education community.	Barbara Schneeman (AD)	2015	USAID	None	One employee.
Indigenous: To ensure that implementation of U.S. development assistance is informed by the rights of the world’s indigenous peoples and includes their voice in the design, implementation and evaluation of programs.	Brian Keane (GS)	2008	Congress	FY 2008 SFOAA) (P.L. 100-161, Division J), Section 699B	No employees. Directs \$1.5m earmark from Congress.
Lesbian, gay, bisexual, transgender and intersex (LGBTI): To coordinate the Agency’s implementation of the President’s 2011 memorandum on “International Initiatives to Advance the Human Rights of LGBT Persons.”	Todd Larson (AD) Anthony Cotton (GS)	2011	USAID	2011 Presidential Memorandum	Less than 10 employees. NB: USAID’s LGBTI Community of Practice features over 90 LGBTI Focal Points - at least one in each bureau, independent office, and Mission

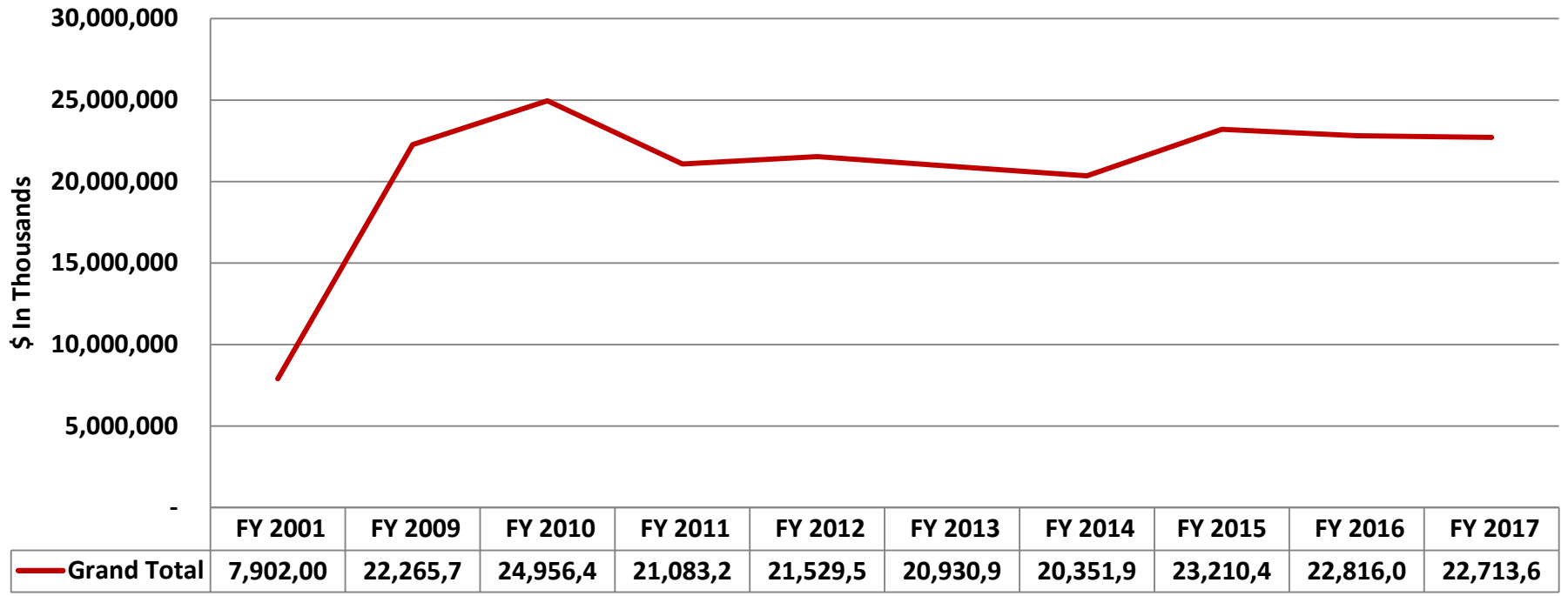
² The White House delegated authority to the USAID Administrator to coordinate the development and implementation of the strategy across the 11 federal agencies and departments, as well as monitoring, reporting, and stakeholder consultation.

Malaria: To lead the U.S. President's Malaria Initiative (PMI). Primary responsibility for the oversight and coordination of all resources and international activities of the United States Government relating to efforts to combat malaria.	Rear Admiral R. Timothy Ziemer (AD)	2006	White House 2006 Congress 2008	P.L. 113-289 of 2008, Section 304	More than 50 employees. PMI staff are based at USAID/Washington, CDC/Atlanta and in 23 USAID missions in sub Saharan Africa and three in the Greater Mekong Region of Southeast Asia.
Maternal and Child Health Coordinator: To coordinate activities to end preventable child and maternal deaths.	Ariel Pablos-Mendez Coordinator (AD)	2012	USAID	None	More than 50 employees in Washington and coordination with more than 45 missions.
Minority Serving: To coordinate the Agency's Minority Serving Institutions (MSI) Program, to facilitate an environment where U.S. MSIs become successful USAID partners.	John Watson (GS)	2010	White House	Executive Order 13532	Less than 10 employees.
Power Africa: To coordinate the inter-Agency, and work closely with development partners and private sector partners to add more than 30,000 megawatts (MW) of cleaner, more efficient electricity generation capacity as well as increase electricity access by adding 60 million new home and business connections in sub Saharan Africa.	Andy Herscowitz (FS)	2013	White House	Presidential announcement (2013, 2014) ; Electrify Africa Act of 2015; EO pending	More than 50 employees.
Resilience: To lead the Agency's Center for Resilience, and provide thought and practice leadership (in and beyond USAID) on the broader relevance of resilience to the Global Food Security Strategy.	Gregory Collins (FSL)	2015	USAID	A/AID authorizing memo (2014).	Less than 10 employees.
Trade Africa: To coordinate a partnership between the United States and sub-Saharan Africa to increase internal and regional trade within Africa, and expand trade.	Oren Whyche-Shaw (GS)	2013	White House	Presidential announcement	50 employees.
USAID Forward: To coordinate USAID's efforts to partner directly with local governments, the private sector, civil society, and academia to ensure that local systems own, resource, and sustain the development results in which the Agency invests.	Currently Vacant	2013	USAID	None	Under 10 employees

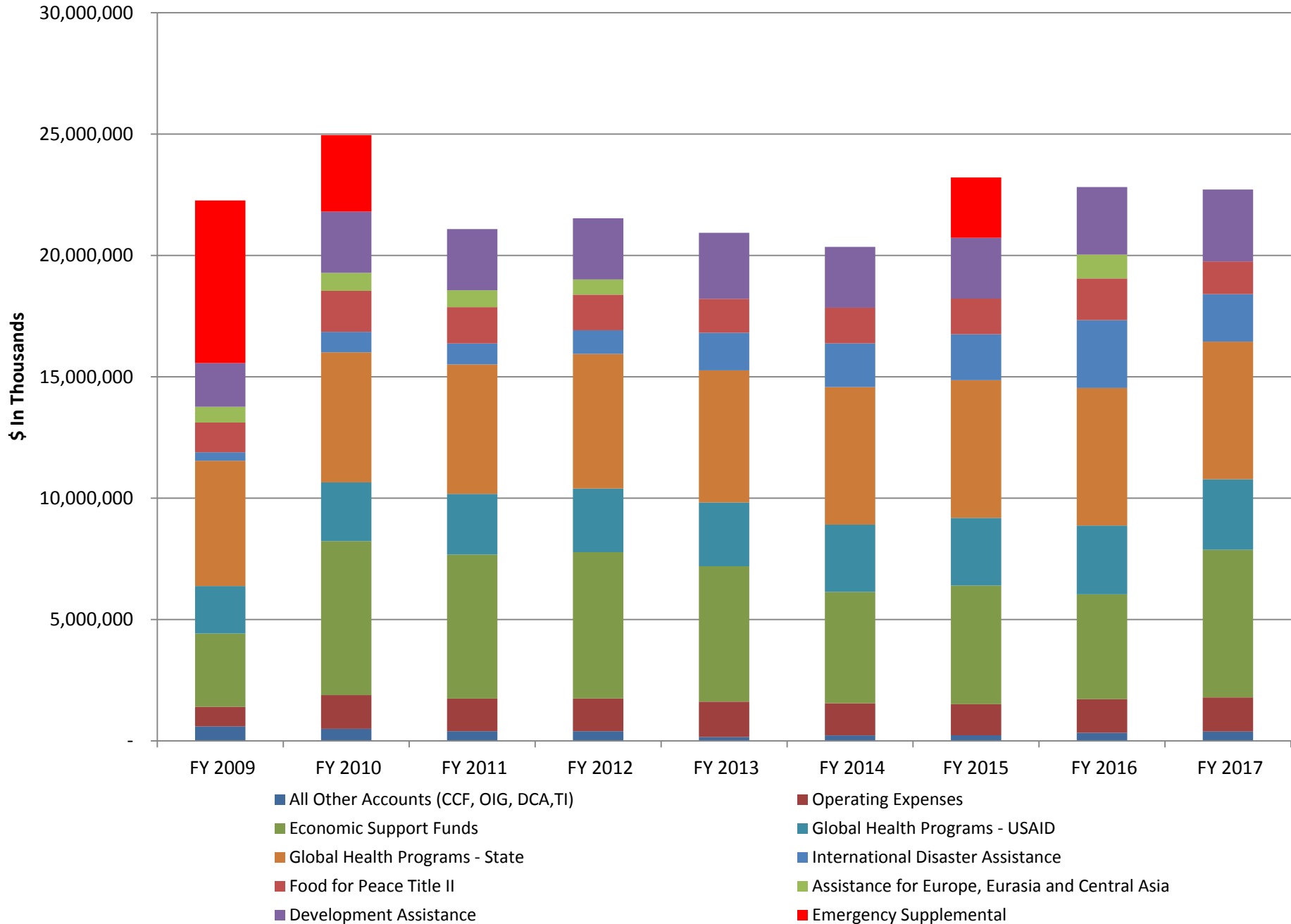
Water: To guide, oversee and direct the Agency's global water portfolio, including the implementation of USAID's Water and Development Strategy.	Christian Holmes (AD)	2011 (USAID) ; 2014 (Congress)	Congress	Water for the World Act of 2014 (P.L. 110-293), Section 4 (e)	Guides all water POCs (64 Washington staff; 158 Mission staff). Responsible for implementation of the Water Directive Funds (\$401 million).
Youth: To coordinate and oversee implementation of USAID's Youth policy.	Michael McCabe (GS)	2012	USAID	USAID <i>Youth In Development Policy</i>	No employees.
DEPARTMENT OF STATE					
U.S Assistance to Europe and Eurasia (EURACE): To oversee all U.S. Government assistance to thirty countries in Europe and Eurasia.	Alina Romanowski	1989	Congress	SEED Act (1989); FREEDOM Support Act (1992)	Under 50 employees.
Office of Global Women's Issues (GIWI): To ensure that women's issues are fully integrated in the formulation and conduct of U.S. foreign policy.	Amb. Catherine Russell	2009	Dept. of State	2013 Presidential Memorandum	Under 50 employees.
Near Eastern Affairs Coordinator of Foreign Assistance (NEA/ACC): To oversee the coordination of U.S. foreign assistance to the Middle East and North Africa.	Richard Albright	2013	Dept. of State	None	Approximately 100 employees.
The U.S. Global AIDS Coordinator (OGAC): To lead implementation of the U.S. President's Emergency Plan for AIDS Relief (PEPFAR).	Amb. Deborah Bix	2003	White House and Congress	US Leadership Against AIDS, Tuberculosis, and Malaria Act of 2003 (PL 108-25)	Oversight and coordination of all USG international resources for HIV/AIDS, in more than 40 countries.
Special Advisor for International Disability Rights (SADR): To lead the U.S. comprehensive strategy to promote and protect the rights of persons with disabilities internationally.	Judith Heumann	2013	Dept. of State	Convention on the Rights of People with Disabilities	Less than 10 employees.
Special Envoy for Climate Change: To advance U.S. climate change policy priorities.	Dr. Jonathan Pershing	2009	White House	None	Less than 50 employees.

Special Representative for Afghanistan and Pakistan (S/RAP): To coordinate policies that support U.S. national security interests, stability, and prosperity in Afghanistan and Pakistan.	Amb. Richard Olson	2009	Dept. of State	None	Approximately 50 employees.
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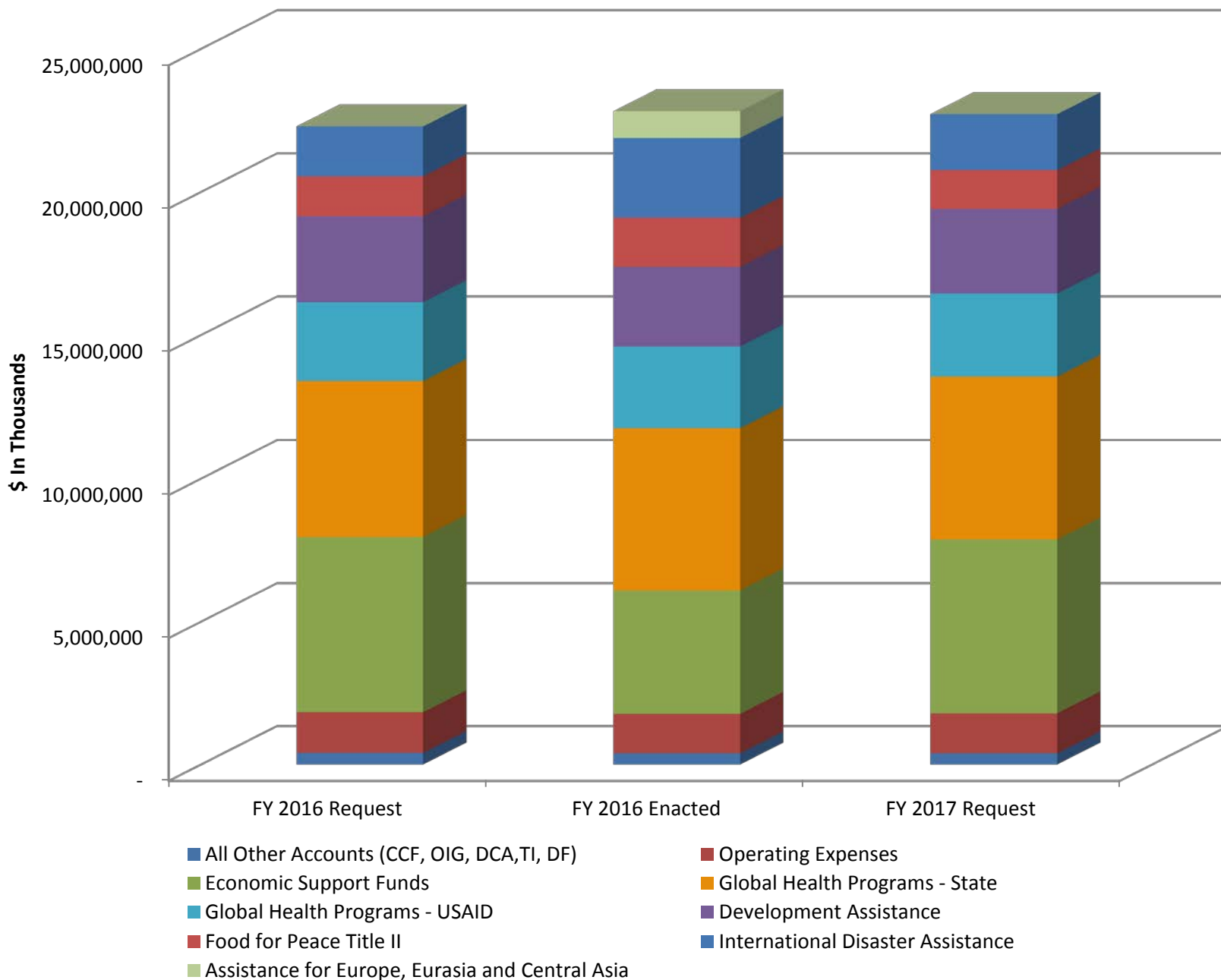
USAID Managed and Partially Managed Accounts (FY 2001, FY 2009 - FY 2017)



USAID Managed and Partially Managed Accounts (FY 2009 - 2017)



USAID Managed and Partially-Managed Accounts (FY 2016 - 2017)



CONGRESSIONAL COMMITTEES WITH USAID OVERSIGHT THE “CORE FOUR”

Senate Foreign Relations Committee (SFRC)

SFRC has been active on issues ranging from democracy promotion programming and work in closed societies (in particular, Cuba), to global food security, transparency in foreign assistance, women’s empowerment, and counter-wildlife trafficking. Several members have an interest in the Western Hemisphere.

Chairman - Bob Corker (R-TN)

Majority staff: Staff Director - Chris Tuttle; Sr. Professional Staff Member for Oversight of Foreign Assistance - Trey Hicks; additional staff with regional or sectoral portfolios as relevant.

USAID Priorities: counter-trafficking in persons, food aid reform, global food security, trade capacity building. Corker frequently criticizes foreign assistance broadly as using Cold War-era model and argues that trade assistance must be delivered in a more strategic and responsible manner.

Ranking Member - Benjamin Cardin (D-MD)

Minority staff: Staff Director - Jessica Lewis; Policy Director - Algene Sajery; additional staff with regional or sectoral portfolios as relevant.

USAID Priorities: anti-corruption efforts, democratic governance, human rights, global food security, health systems strengthening, the Global Development Lab. Cardin takes particular interest in issues that concern Baltimore-based Catholic Relief Services and has a constituent-driven interest in procurement reform, grants v. contracts, vetting, etc.

House Foreign Affairs Committee (HFAC)

HFAC has been engaged on issues relevant to USAID including electrification of Africa, global food security, food aid reform, religious freedom and support to religious minorities, branding, waste, fraud and abuse, neglected tropical diseases, combatting human trafficking, USAID’s civil society programming in Cuba, technology/the Global Development Lab, transparency, monitoring and evaluation in foreign assistance, countering Russian aggression, LGBT equality, Ukraine, why we give money to China or the Palestinians, and how we promote human rights and democracy. Family planning and climate change programming are two flashpoints over which committee Members disagree strongly.

Chairman - Ed Royce (R-CA)

Majority staff: Staff Director - Tom Sheehy; Senior Professional Staff Member - Joan Condon; additional staff with regional or sectoral portfolios as relevant.

USAID Priorities: food aid reform, global economic competitiveness, Africa, Asia, Syria, nonproliferation, containing Iran, and countering Russian aggression. Royce has a constituent-driven interest in Philippines land reform.

Ranking Member - Eliot Engel (D-NY)

Minority staff: Staff Director - Jason Steinbaum; Counsel - Janice Kaguyutan; additional staff with regional or sectoral portfolios as relevant.

USAID Priorities: the Middle East, Israel, Kosovo, Ukraine, the Western Hemisphere, and global health, particularly tuberculosis.

Senate Appropriations Subcommittee on State, Foreign Operations, and Related Programs (SACFO)

Senators Graham and Leahy work closely and generally accommodate each other’s priorities. Issues of bipartisan interest include: efforts to improve transparency, monitoring and evaluation; procurement reform; anti-corruption; branding; Asia (particularly Cambodia, Vietnam, and Burma), sustainability;

interagency and donor coordination to avoid duplication. Interests of other subcommittee members include: children in adversity; public-private partnerships; global food security; global health, particularly maternal and child health and malaria; partner vetting; humanitarian assistance for Syrian refugees; child marriage prevention; water, sanitation and hygiene (WASH); Power Africa; food aid reform; women's issues; wildlife trafficking; and climate change.

Chairman - Lindsey Graham (R-SC)

Majority staff: Clerk - Paul Grove; Professional Staff - Adam Yezerski.

USAID Priorities: USAID's contribution to national security and countering violent extremism; public-private partnerships. Majority Clerk Paul Grove has reservations about USAID's capacity in the DRG sector and favors centralized coordinators for assistance, such as the ACE coordinator for Europe.

Ranking Member - Patrick Leahy (D-VT)

Minority staff: Clerk - Tim Rieser; Professional Staff - Alex Carnes, Janet Stormes.

USAID Priorities: global health, human rights, climate change, and country ownership. Leahy is a leader on human rights and authored the "Leahy Law," which prohibits U.S. aid to foreign military and police forces that violate human rights, and encourages foreign governments to hold those who violate human rights accountable. He is critical of USAID's over-reliance on contractors, and has also expressed concern about the NGO development business. Leahy and Minority Clerk Tim Rieser led the effort to normalize relations with Cuba and have criticized USAID's work in Cuba and other closed societies in the past. Rieser has also been an advocate of indigenous people and improving USAID's ability to work with small entities, including through the small grants program and in response to unsolicited proposals.

House Appropriations Subcommittee on State, Foreign Operations, and Related Programs (HACFO)

Issues of bipartisan interest include: USAID's contribution to national security, transparency, monitoring and evaluation, anti-corruption, branding (ensuring that countries are cognizant and appreciative of U.S. taxpayer-funded investments), sustainability, interagency and donor coordination/ avoidance of duplication, leveraging of public-private partnerships, and funding for global health, particularly maternal and child health, nutrition, and malaria. Notable partisan differences exist with respect to climate change, support for multilateral institutions, family planning, and government-to-government assistance. In addition, there is a broad difference of opinion on the issue of U.S.-Cuba foreign policy and democracy assistance, which cuts across party lines.

Chairman - Kay Granger (R-TX)

Majority staff: Clerk - Craig Higgins; Professional Staff - Alice Hogans, David Bortnick, Susan Adams.

USAID Priorities: Central America, wildlife trafficking, children in adversity, aid to Jordan and Israel. Granger's concerns with respect to USAID include: the size of the Agency and perceived lack of selectivity and focus; multi-year funding commitments; the safeguarding of taxpayer funds programmed through foreign governments and local partners; and the use of multilateral institutions as partners.

Ranking Member - Nita Lowey (D-NY)

Minority staff: Clerk, Steve Marchese; Professional Staff, Erin Kolodjeski.

USAID Priorities: basic education, global health, in particular HIV/AIDS, USAID OE, gender equality and women's empowerment, and Haiti. She frequently highlights the importance of strong interagency coordination and the avoidance of duplication across the USG and donors. She supports opportunities for small, minority, and women-owned enterprises and historically black colleges and universities.

BUREAU BRIEF: OFFICE OF INSPECTOR GENERAL

INTRODUCTION

The USAID Office of Inspector General (OIG) provides independent oversight that promotes efficiency, effectiveness, and integrity in U.S. foreign assistance programs. Like all federal OIGs, USAID OIG derives authority from the [Inspector General Act of 1978](#), as amended, to work across all agency programs and operations. OIG recommends program improvements through its audit work and issues investigative reports that, in some cases, provide the basis for criminal, civil, and administrative action against government employees, contractors, or grantees. OIG works from 11 offices around the world and its headquarters in Washington, DC. Since its establishment in 1980, OIG has received authority to provide [oversight for four additional agencies](#) that deliver foreign assistance—the Millennium Challenge Corporation, the U.S. African Development Foundation, the Inter-American Foundation, and the Overseas Private Investment Corporation—enabling OIG to assess different approaches to international development across the U.S. Government. OIG’s annual reports on [top management challenges](#) highlight areas in which USAID must address significant or persistent vulnerabilities.

LOOKING BACK

Over the last decade, USAID OIG has moved to produce work with increasing impact; established a solid track record for oversight in crisis and conflict settings; and emerged through an extended period of leadership transition with a new IG with a vision for more strategically significant oversight.

Incremental Growth in OIG’s Audit and Investigative Impact. In past years, OIG’s audits focused on activity-level outputs and later came to consider underlying causes of programs’ shortfalls to address program performance and compliance. Despite the increased potential impact at the individual activity, program, and country levels, OIG’s audits still did not fully account for USAID’s broader goals and priorities. OIG’s approach to investigations has also become more strategic and proactive over time. OIG has coordinated intensively with oversight offices across the international donor community and provided fraud awareness briefings around the world for agency, contractor, and grantee staff to help them identify and report fraud, waste, and abuse.

Increasing Oversight in Response to Crises and Conflicts. OIG intensified oversight of U.S. aid programs in priority countries. By 2010, OIG had established offices in both Afghanistan and Pakistan, where significant stabilization, reconstruction, and aid programs were underway. With a presence in both countries, OIG produced audits on the effectiveness of development and relief work and completed investigations that have improved program integrity and deterred and halted fraud and other misconduct. In Pakistan, the establishment of an anti-fraud hotline enabled aid recipients to report problems and led to improvements in U.S. and other donors’ programs. OIG offices in Iraq and Haiti also reflected major U.S. efforts to provide reconstruction and relief. OIG’s Iraq office closed in 2012; its Haiti office is still open.

In 2012, OIG helped develop legislation for a [“Lead Inspector General” framework](#) for oversight of certain U.S. responses to conflicts and crises. Under the law, the USAID, State, and Defense Department OIGs coordinate their oversight work, eliminating the need for a “Special Inspector General.” The United States launched two such responses in recent years: one related to the ongoing conflict in Syria and Iraq, and another addressing the West African Ebola outbreak in 2014.

Prolonged Inspector General (IG) Vacancy and Working Toward New IG’s Vision. In the past decade, OIG experienced a prolonged vacancy in the IG position, after the presidentially-appointed,

Senate-confirmed IG retired in 2011. Acting officers managed the office for 4 years, and OIG faced challenges from public reports in 2014 questioning the integrity of the office's audit processes and its leadership.

A new IG assumed the post in November 2015 after Senate confirmation and assessed the office's capacity to effectively fulfill its mission. The IG identified several key priorities to help OIG play a more meaningful role in informing policy- and decision-making. In 2016, the IG announced and began to implement initiatives to undertake more work that addresses strategic-level decisions and meaningfully informs planning and implementation of U.S. foreign assistance programs, strengthen office-wide quality assurance, and improve staff capabilities through hiring, training, and development.

LOOKING FORWARD

The scope of U.S. foreign assistance, in terms of geography, program type, and the number of public, private, and nonprofit actors, ranks as a continuing challenge. OIG's oversight responsibilities demand hard choices about staff assignments, allocating limited funds, and reassessing plans as U.S. foreign assistance agencies respond to new initiatives, changing country conditions, and sudden crises. With this in mind, in 2017, OIG will work toward consolidating its presence overseas in key locations, enabling greater flexibility and an improved capacity to confront sudden and unexpected requirements.

Also in 2017, OIG will continue to execute the new IG's vision, [undertaking more work](#) to assess broader strategic and operational decisions in foreign assistance programs. It will reassess its own strategic plan and consider how its oversight and support functions should align to meet long-term goals. To that end, OIG will address skills and training gaps that have posed a challenge for OIG in the past, affording it the technical expertise necessary to evaluate complex assistance programs, make informed and actionable recommendations, and more effectively identify and pursue cases of fraud and other types of misconduct.

As OIG evaluates agency programs of high dollar value and strategic significance, it often follows agency and implementer personnel into areas suffering from conflict and instability, which further challenge OIG's ability to operate and sometimes risk the safety of its staff. These settings, however, also present opportunities to continue and expand partnerships with OIG's counterparts overseas to help protect U.S. foreign assistance dollars. Past collaboration has increased accountability in aid programs where corruption and risk of fraud are extremely high. Continuing to work with international partners will help mitigate the exposure of U.S. programs to potential fraud, waste, and abuse.

As OIG targets key risks and priority program areas in conducting independent oversight, it will reach out to engage stakeholder and solicit their views on agency challenges. This approach reflects OIG's commitment to effective enterprise risk management practice. OIG will also build on existing stakeholder support and seek reaffirmation of the current USAID Administrator's request that agency personnel fully cooperate with OIG audits and investigations. OIG will consider agency leaders' views on perceived risks, management weaknesses, and program vulnerabilities as part of its oversight plans, and will weigh stakeholder input against its own knowledge and expertise. When appropriate, OIG will notify agency leadership of significant threats to the effectiveness and integrity of foreign assistance programs. OIG will similarly reach out to Congress, approaching Committees, Members, and staff to gain their perspectives on oversight requirements and pressing challenges across U.S. foreign assistance programs. OIG will continuously solicit input from all stakeholders on the value of its work and ways in which it can best foster continuous improvement in its own operations and effectively serve the American public.

STAKEHOLDER GROUP OVERVIEW

U.S. Global Leadership Coalition: The U.S. Global Leadership Coalition (USGLC) is a broad-based network of over 500 businesses and NGOs; national security and foreign policy experts; and business, faith-based, academic, military, and community leaders in all 50 states who support strategic investments to elevate development and diplomacy alongside defense in order to build a better, safer world. The USGLC works to educate and inspire support from the American public and policymakers on the importance of America's civilian-led tools of diplomacy and development.

- USAID regularly interacts with USGLC members and staff through PPL's partner meeting series and most recently at the ACVFA Public Meeting on October 19, 2016 to discuss transition efforts.

The Modernizing Foreign Assistance Network: The Modernizing Foreign Assistance Network (MFAN) is a reform coalition composed of international development and foreign policy practitioners, policy advocates and experts, concerned citizens and private sector organizations. MFAN was created to build upon the bipartisan consensus that has emerged over the last decade that the U.S. should play a leadership role in achieving economic growth and reducing poverty and suffering around the world, and that we can play this role more effectively, efficiently, and transparently.

- PPL regularly participates, along with the Administrator and Associate Administrator, in meetings and events with MFAN that focus on progress made on USAID's reform agenda. MFAN has been a strong supporter of USAID's reform agenda, particularly advocating for and collaborating on our efforts related to transparency, evaluation, and local solutions, and has also been supportive of the Administration's push to restore policy expertise to USAID. In addition, other bureaus, such as Global Health (GH) and the Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA), meet with MFAN to discuss issues around aid effectiveness, learning, and local solutions

Center for Global Development: The Center for Global Development (CGD) promotes changes in policies and practices of donor countries and institutions to reduce global poverty and inequality. As a center for development policy, CGD uses independent, rigorous research to develop new knowledge and practical solutions and then through creative communications engages with policymakers, practitioners, thought leaders, media and citizens to turn ideas into action.

- PPL acts as USAID's central touch point for CGD researchers and analysis and facilitates connections between CGD and other bureaus and issue such as Feed the Future, domestic resource mobilization, and health finance. PPL's Office of Development Cooperation (DC) currently hosts the inaugural CGD Policy Fellow at USAID who joined the office for a 12 month fellowship starting in September 2016. Lastly, PPL/P engaged continually with CGD on the ending extreme poverty agenda, including, for example, co-hosting a public event at CGD on the behavioral economics of extreme poverty, and privately convening a group of CGD experts to review the conceptual framework and other early thinking at the core of what became USAID's Vision for Ending Extreme Poverty.

InterAction: InterAction is an alliance organization of over 180 nongovernmental organizations (NGOs) working around the world. InterAction serves as a convener and thought leader to mobilize its members to think and act collectively

- The Center for Democracy, Human Rights, and Governance (DRG) in DCHA has an on-going dialogue with InterAction's DRG Initiative on the development of the Amplifying Guidance for the selection of acquisition and assistance in the DRG sector. DCHA expects to continue this dialogue to review the final draft of the guidance prior to its publication, and afterwards, as USAID continues to monitor the use of grants, contracts and cooperative agreements in the DRG sector at USAID.
- The Office of Foreign Disaster Assistance (OFDA) in DCHA engages InterAction on operational, policy and technical issues. OFDA funds 80-90% of InterAction's Humanitarian Policy and Practice Group, including specific funding for their leadership on humanitarian policy and system issues, sectoral issues coordinating country issues with their NGO membership, among other things.
- DCHA/DRG supported InterAction and the National Security Council (NSC) in organizing an event on closing civic space in Washington DC, on the margins of the UN General Assembly. The meeting provided an opportunity for the NSC to share information on how USG agencies have responded to President Obama's Stand with Civil Society initiative and for policy makers, civil society activists, academia and others in the development community to talk about what more can be done to support civil society in difficult political environments. InterAction has indicated an interest in continuing to collaborate with DCHA/DRG on the topic of closing civic space, though specific next steps have yet to be identified.
- PPL frequently meets with different leaders and bodies of InterAction on issues of policy development, international cooperation and the program cycle.

BOARDS, COUNCILS, AND COMMITTEES

As of November 2009, USAID has two advisory boards and committees – the **Advisory Committee and Voluntary Foreign Aid (ACVFA)** and the **Board for International Food and Agricultural Development (BIFAD)** – and houses the Executive Secretariat for a third White House advisory council – the **President’s Global Development Council (GDC)**. All three advisory groups are governed by the Federal Advisory Committee Act of 1972 (FACA), which emphasizes transparency and public engagement through open meetings and reporting requirements. This paper provides an overview of the three bodies and is supplemented by profiles of each.

BOARD PROFILES

ACVFA is USAID’s main general advisory council, providing advice and counsel on a range of development and humanitarian issues to the USAID Administrator since 1946 (see profile on pg. 2).

BIFAD is a presidentially appointed federal advisory committee to USAID established in 1975 under Title XII of the Foreign Assistance Act to advise USAID on agriculture and higher education issues pertinent to food insecurity in developing countries (see profile pg. 4).

The **GDC** is the first-ever Presidential advisory council on development, established in 2013 in response to the Presidential Policy Directive (PPD) on Global Development to inform and provide advice to the President and other senior U.S. officials on U.S. global development policies and practices (see profile pg. X).

AGENCY STRUCTURE

ACVFA, BIFAD and the GDC are each led by a dedicated Executive Director who draws on support from various parts of the Agency for compliance, substantive input and logistical support.

The Agency **Committee Management Officer (CMO)** is responsible for ensuring compliance and providing guidance to all of the Agency’s advisory groups on various aspects of the FACA regulation, including charter and membership documentation, annual review and reporting, and meeting determinations. Prior to 2013, the CMO position was unfilled but the Agency’s **Designated Agency Ethics Officer (DAEO)** in the Office of the General Counsel provided legal guidance and diffuse support to the function. With the establishment of the GDC in 2013, the Agency was required to establish a dedicated CMO. The position currently resides in the Bureau for Management and the support function is being shifted to this position. The Agency DEO still provides legal and ethical guidance.

Each advisory group is led by a **Designated Federal Officer** (also referred to as **Executive Director**) who manages all aspects of the day-to-day operations of the group and ensures FACA compliance in reporting and meetings. Per their charters, ACVFA and the GDC are both staffed by Executive Directors in the Office of the Administrator. Since the departure of the last full time ACVFA Executive Director in 2013, the President’s Global Development Council and ACVFA Executive Directors have been dual-hatted. Whether or not it makes sense to continue to combine these roles will depend on the future of both committees and the extent to which the Administration wants to actively use them. BIFAD is staffed by an Executive Director in the Bureau for Food Security.

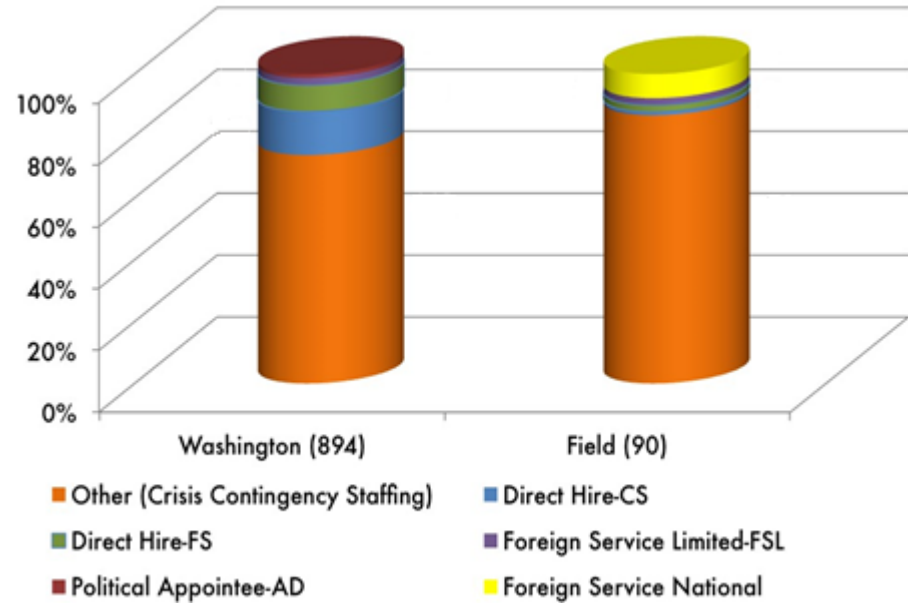
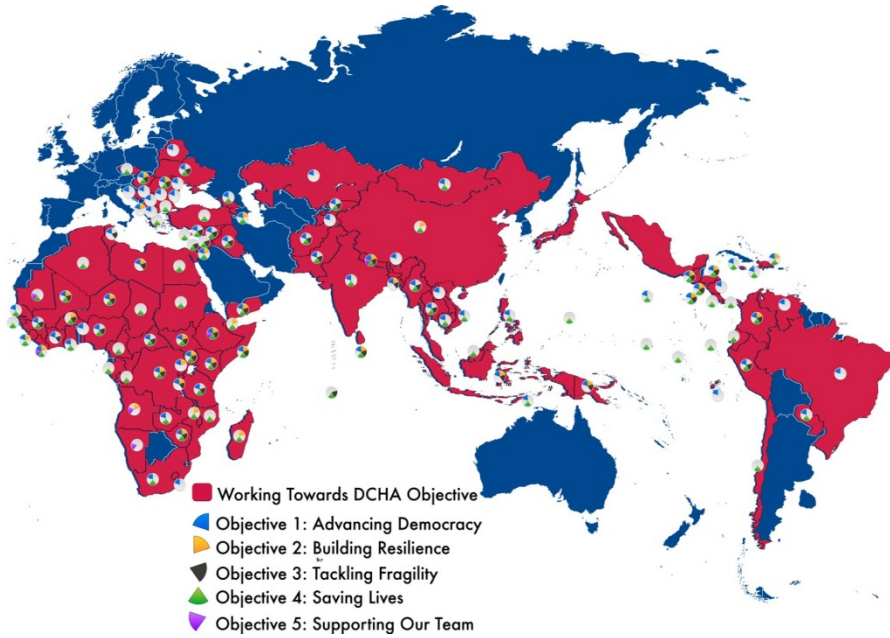
Finally, each advisory group draws on support from **relevant bureaus** as necessary. For BIFAD, this is mainly the Bureau for Food Security, which houses and supports BIFAD. ACVFA draws on almost every part of USAID given its Agency-wide mandate and the scope of issues covered. On the substantive side, the ACVFA Executive Director co-leads topical working group and subcommittees together with the relevant bureau or independent office. On the logistical side, the Bureau for Legislative and Public Affairs (LPA) provides support to organize and manage committee meetings. Finally, the Global Development Council Executive Director collaborates with an NSC Council lead and, together, they coordinate input from the interagency, including via PPL for USAID.

PRESENCE

BUREAU PROFILE: BUREAU FOR DEMOCRACY, CONFLICT AND HUMANITARIAN ASSISTANCE

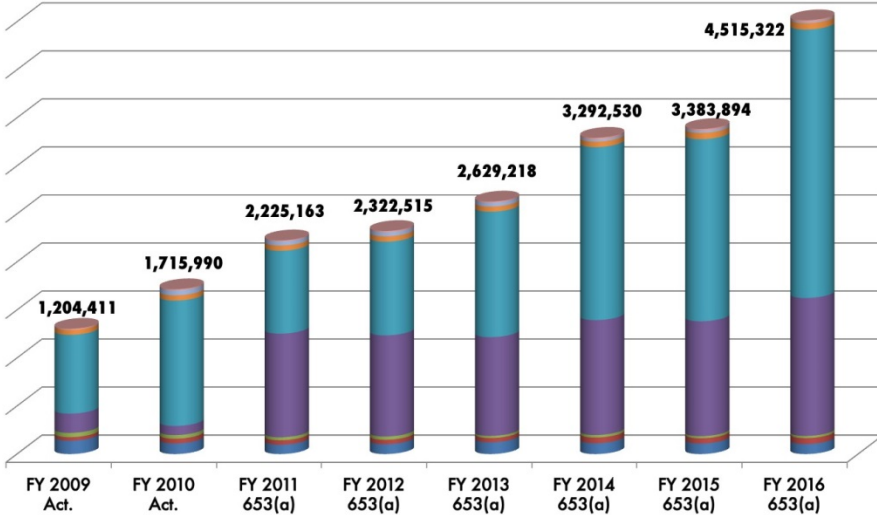
STAFFING

Fill Rate = 90%



BUDGET: FY 2009 – FY 2017

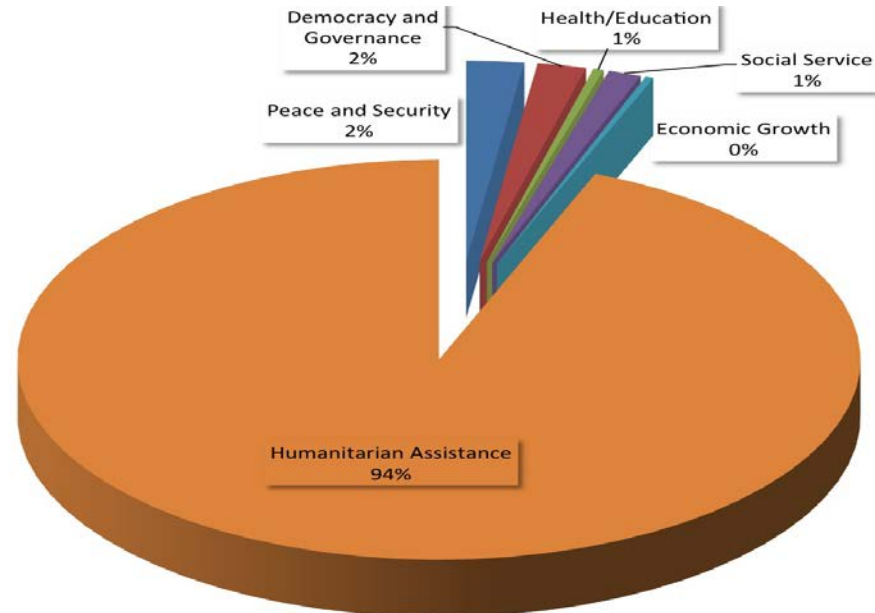
Percent Change Fiscal Year 2009 to Fiscal Year 2016: 375 percent



Data in Thousands

Legend: DA, DF, ESF, FFP, IDA, TI, CCF, GHP-USAID

BUDGET: FY 2015 BY SECTOR



BUREAU BRIEF: BUREAU FOR DEMOCRACY, CONFLICT, AND HUMANITARIAN ASSISTANCE

INTRODUCTION

The DCHA Bureau is at the forefront of U.S. efforts to prevent, mitigate, and respond to complex crises and humanitarian disasters with nearly 1,000 staff and more than 20 percent of the USAID budget. Its role and global presence have expanded significantly given the scale and duration of conflicts in Syria, Iraq, South Sudan, and Yemen, the first ever Ebola epidemic, and a spate of natural disasters (including most recently Hurricane Matthew in Haiti and the 2015 Nepal earthquake). DCHA also plays a major role in interagency policy deliberations and implementation. In addition, DCHA houses significant components of USAID's tools for prevention, the management of transitions, resilience, and democracy and governance.

DCHA is the Agency's focal point for coordination with the Department of Defense (DoD) and civilian-military activities through the [Office of Civilian-Military Coordination \(CMC\)](#). This office is driving a more cohesive cross-Agency approach to engagement with DoD, which today directly consults USAID for strategic and technical guidance before conducting development-like activities, including in Syria, Armenia and Bangladesh.

LOOKING BACK

An increased number of complex crises of long duration have generated demand for USAID's capabilities and expertise, and in particular for the Disaster Assistance Response Teams (DARTs) that spearhead U.S. humanitarian operations. While USAID continues to bring unique capabilities and U.S. leadership across multiple crises, the scale and scope of the demand has placed significant pressure on USAID's capacity, structures, [staffing, and budget](#).

Over the past two decades, demand for USAID's disaster response capacities for both rapid onset and protracted complex emergencies has grown exponentially. Since August 2013, DCHA has deployed up to five simultaneous DARTs in the longest and largest sustained surge of staffing in the Agency's history (in early November, DCHA will have six DART teams deployed for a short period as Nigeria's DART team ramps up and the Ethiopia DART begins to close). DCHA's ability to meet these demands is under increasing strain given that, while DCHA's Humanitarian Assistance budget has increased 57 percent since 2010, direct hire staffing numbers have not increased. Further, the flexibility and levels of resources do not sufficiently reflect needs nor trends. In particular, the demand for USAID engagement through DCHA's Complex Crises Fund and Office of Transition Initiatives is increasing; as are the requests from missions and other agencies to increase our investments in democracy and governance.

In FY 2016, Congress created a \$2.3 billion democracy and governance earmark on the Department of State and USAID in a demonstration of support for the sector. Despite this earmark, the Agency was unable to reverse the downward trend in democracy and governance funding in some key regions due to countervailing restrictions and directives on spending.

LOOKING FORWARD

One of our major challenges going forward is also an opportunity – to maximize the use, reach and effectiveness of proven analytical, program and operational capabilities. DCHA's Office of Transition Initiatives (OTI), for example, delivers tangible support during critical periods of socio-political transitions with sufficient impact to generate demand from missions, embassies, and the interagency that is only constrained by budget.

We can better operationalize our approach to **fragility**. Two thirds of USAID missions are in fragile or conflict-affected states. While Agency leadership and the interagency value the analytical products generated by USAID, the analysis is not sufficiently integrated into decision making or project design. **Countering violent extremism (CVE)** is an expanding area of work. USAID is a leader in CVE analysis and programming. In 2011, USAID issued its first in-depth study of the drivers of violent extremism and established a formal agency policy. In 2014, as U.S. Government interest in CVE heightened, USAID developed a joint CVE strategy and draft implementation plan with State, and participates in regular interagency meetings at the staff and executive levels. A critical challenge is to protect the Agency's mission and personnel by delivering development analyses and programs that can counter extremism without crossing the line into what might be considered counter-terrorism.

USAID has made progress in recent years to generate rigorous evidence to inform **Democracy, Rights and Governance (DRG)** approaches, including through randomized control trials and other high-quality evaluations, but gaps persist in evidence and much work remains to be done. The way to position the Agency to lead in this area, yield better and broader impact on the ground, better justify budget requests, and forestall the need for Congressional directives, is to double down on rigorous analytics and on more quickly moving people and resources to problem areas. This can be done through more evaluation support to USAID missions, and prioritizing learning and research efforts in partnerships with U.S. academic institutions and more comprehensive and systematic research efforts worldwide.

The Agency should do more to rationalize a confusing array of terms and coordinating efforts around fragility, countering violent extremism, non-permissive environments, transitions and other DCHA areas of expertise. In particular, fragility in both analytical and programmatic terms, could be a more valuable frame used within the interagency and USAID. It may also be worth considering an internal USAID coordinating body that brings together fragility and these other issues in a more coherent fashion so that USAID's analytical tools are neither siloed nor underutilized.

Resources will continue to pose a challenge and two issues will be critical in budget deliberations. First, the "Overseas Contingency Operations" (OCO) account, created in 2011, is not subject to Congressional budgetary limits and has become a key source of funding for DCHA activities. OCO was designed to replace ad hoc supplementals, as OCO-designated funds do not count towards discretionary budget allocations, or towards sequestration-imposed budget caps. In FY 2016, OCO made up 68 percent of humanitarian and transition assistance funding, excluding in-kind food assistance. If future budget requests do not include OCO or Congress stops appropriating OCO, without reverting to full funding for Humanitarian Assistance and transition accounts under regular budget procedures, USAID's crisis-related funding will be jeopardized overnight. Second, in 2010, a key provision under the National Defense Authorization Act expired, limiting DoD's authority to transfer funds to other U.S. Government agencies in support of CVE, stabilization, and transition activities. In 2016, USAID and DoD held high-level discussions exploring this issue and in particular the transfer of DoD resources to USAID. In tandem with other agencies and OMB, this option is worth review, including because it could further deepen civilian-military cooperation and impact.

AT A GLANCE

BUREAU PROFILE: BUREAU FOR ECONOMIC GROWTH, EDUCATION AND ENVIRONMENT

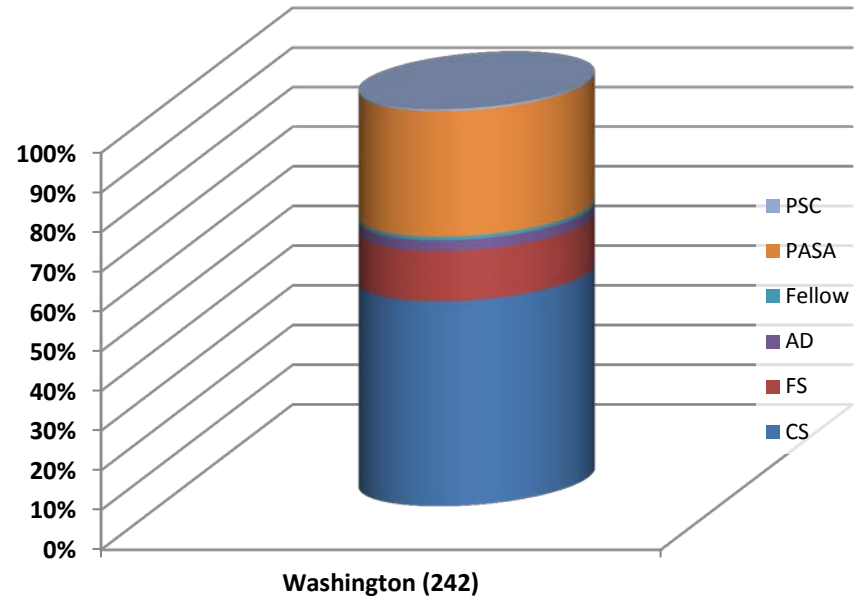
STAFFING

Fill Rate = 71%

We partner to end extreme poverty and to promote resilient, democratic societies while advancing our security and prosperity.

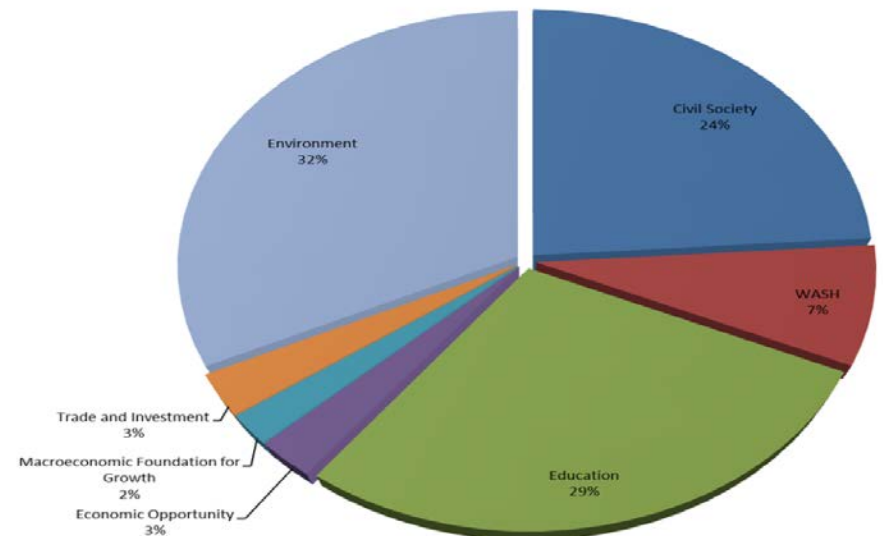
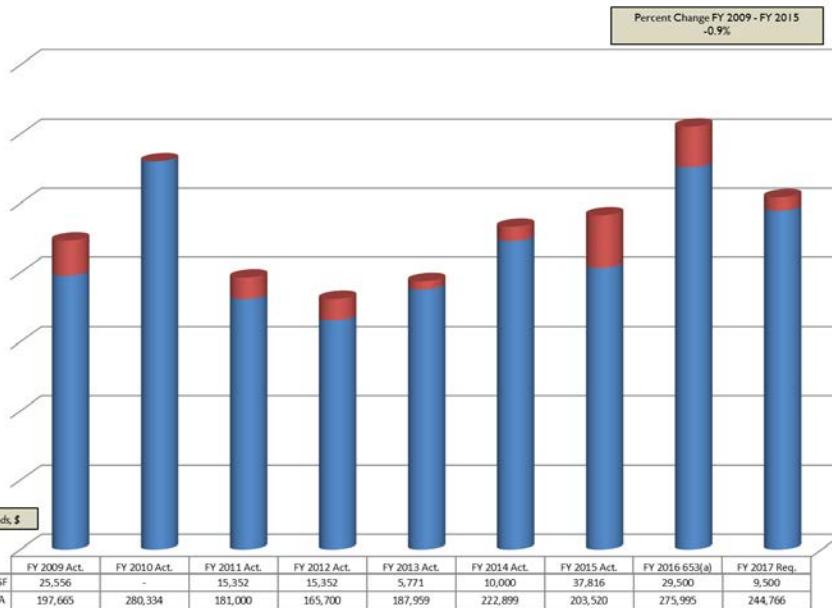
E3 provides a global perspective, evidence-based expertise, and sustainable solutions in our sectors to accelerate the Agency's collective impact on development outcomes.

- E3 is the Agency's technical leadership and field support hub for 14 of the 17 Sustainable Development Goals, the framework that will inform and drive the global development agenda for the next 15 years.
- The Bureau's areas of expertise are: private capital and microenterprise, development loan guarantees, trade and regulatory reform, economic policy, education, global climate change, energy and infrastructure, water, forestry and biodiversity, land and urban, local sustainability, gender equality and women's empowerment, and conducting environmental reviews of multilateral development bank projects.



BUDGET: FY 2009 – FY 2017

BUDGET: FY 2015 BY SECTOR



BUREAU BRIEF: BUREAU FOR ECONOMIC GROWTH, EDUCATION, AND ENVIRONMENT

INTRODUCTION

The Bureau for Economic Growth, Education and Environment (E3) is the Agency's technical leadership and field support hub for 14 of the 17 Sustainable Development Goals, the framework that will inform and drive the global development agenda for the next 15 years. E3 leads the Agency in: how to leverage private capital and microenterprise, development loan guarantees, trade and regulatory reform, economic policy, education, global climate change, energy and infrastructure, water, forestry and biodiversity, land tenure and urban services, and monitoring multilateral development bank implementation of environmental and social safeguards. In support of Agency-wide implementation of women's empowerment activities, E3 leads efforts on gender integration and policy. The Bureau also implements a set of Congressionally mandated programs that advance the Agency's focus on local sustainability.

LOOKING BACK

Policy and Strategy: Over the past eight years, E3 led and implemented landmark, Agency-wide strategies in education, water and climate change and policies in gender, biodiversity and urban services. E3 also collaborated with other agencies and departments, often taking a leading role, to shape and implement U.S. government strategies and policies in climate change, wildlife trafficking, gender-based violence, and resettlement. E3 used its expert knowledge and international standing to shape global development policy. In one instance, E3 used an evidence-based approach to shift the focus of education policy from outputs towards outcomes, and increase access to education in conflict-affected areas. In the area of sustainable water delivery, E3 works with partners to acknowledge the importance of local systems, and the linkages between sanitation and other development priorities, including education and nutrition.

Partnership Leveraging and Innovation: E3 expanded its partnerships with the private sector, other donors, and other USG agencies to leverage significant resources in multiple ways. For example, E3 leads the Agency in mobilizing domestic resources and private capital for all development objectives, including through structuring renewable energy auctions with partner countries. In addition, the Agency's loan guarantees, which only have a 2.5 percent default rate, have leveraged \$4.8 billion in private financing in 76 countries with 381 institutions since 1999.

Measurable Impact on the Ground: E3's "bench strength" is the cost-effective approach it uses to maintain high levels of demand-driven, high-caliber, and innovative technical support in the face of cost, space, and staffing challenges. E3 deployed its expertise—including nearly 3,000 days of in-country technical support to USAID missions in 2015—to help the Agency achieve development impact. Illustrative results from E3-led programs include:

- Between 2011-2015, 14 countries added 52,000 megawatts of renewable energy capacity—enough to power 13 million homes in the United States—and many more in developing countries. USAID support is enabling more than 300 prospective clean energy investments, with a projected value of more than \$12.5 billion;
- Nearly 38 million girls and boys benefitted from reading programs from 2011-2015;
- Improved drinking water supplies were provided to more than 26.3 million people and improved sanitation to more than 12.6 million since 2009;
- 5.3 million people in more than 40 countries are using climate information and technology to respond to threatening climate and weather conditions; and

- \$5.6 billion in construction activities provided critical infrastructure services across USAID's global portfolio from 2011-2013.

LOOKING FORWARD

Drive for results through current and new strategies: E3 will intensify its support to developing countries to implement their climate change commitments and prioritize the integration of gender and women's empowerment throughout Agency initiatives. In water, E3 will continue to forge new partnerships and will convene a Global Water Summit in early 2017 that will provide critical inputs to inform a new, Congressionally mandated, USG global water strategy for roll-out next year. With the end of our existing Agency strategies in education and global climate change, E3 is prepared to launch new Agency strategies in these important areas. E3 will also continue to amplify work in economic growth, a sector that underpins sustainable development, but one that has been under-resourced due to scant discretionary funds.

Lead on emerging development trends: E3 will closely track and capitalize on opportunities, and potential threats to development progress, presented by "emerging trends" in areas such as urbanization, combatting wildlife trafficking, education in conflict and crisis settings, workforce development, and local resource mobilization. Leadership on these new issues will require E3 to identify cross-sectoral, integrated approaches across the Bureau and with other parts of the Agency (e.g., amplifying the linkages between illicit global trade, wildlife trafficking, and governance).

Prioritize data collection and learning around impact and sustainability of development results, and sharing best practices and lessons learned across its technical sectors: E3 will continue to strengthen the Agency's technical capacity, sharpen the impact of investments through cost benefit analyses and growth diagnostics, leverage funding, expand and improve environmental reviews, improve oversight of infrastructure programs, and continue to guide Agency staff to conduct Climate Risk Assessments of development programs.

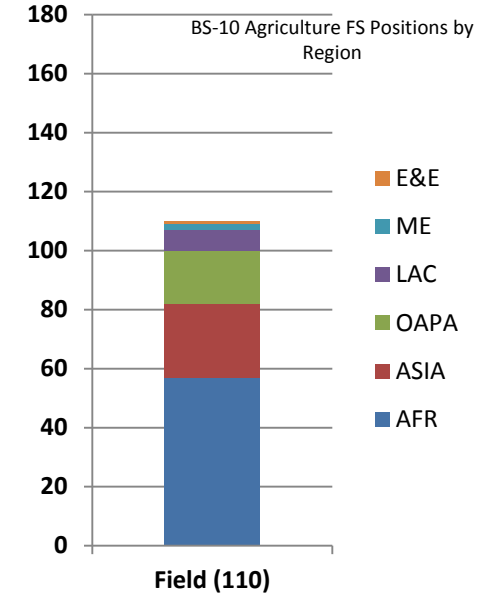
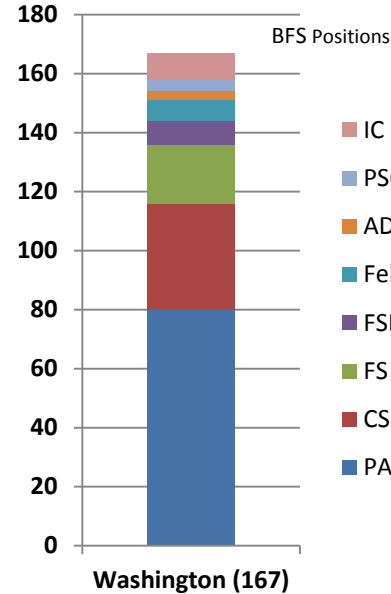
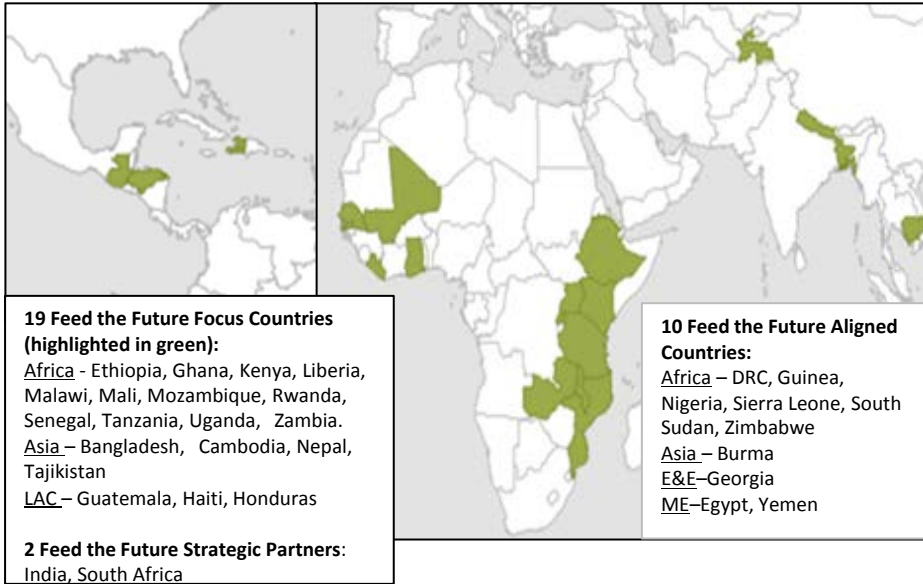
Resource Constraints and Challenges: Budget constraints in some areas will likely limit E3's ability to address development priorities and support core Agency systems. Flexible funding is especially important to expand the Agency's leadership and potential across the economic growth spectrum, renewable energy initiatives, workforce development, and fundamental land and resource issues.

PRESENCE

BUREAU PROFILE: BUREAU FOR FOOD SECURITY

STAFFING

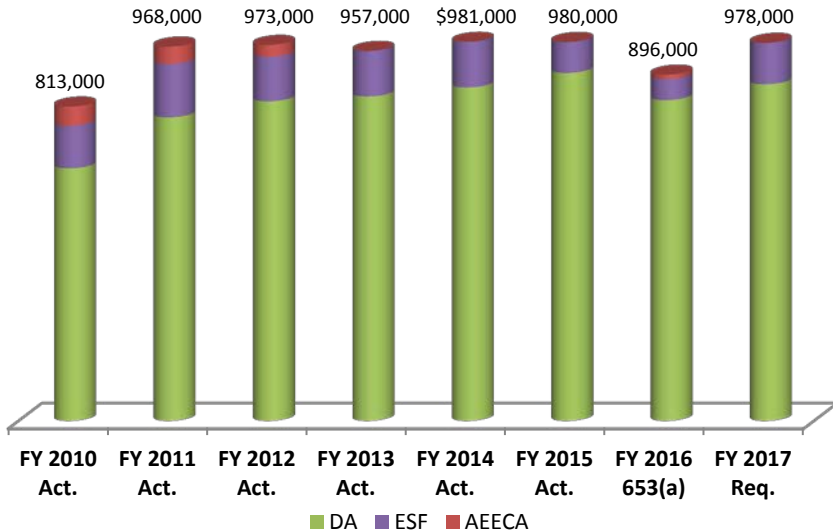
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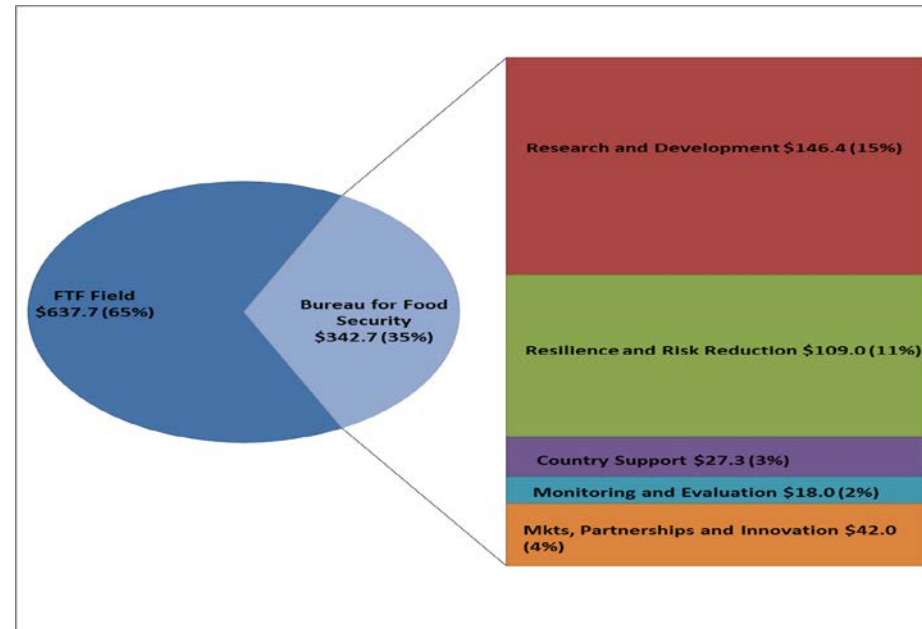
BUDGET: FY 2009 – FY 2017

Data in Thousands

Percent Change FY 2010 - FY 2015 = 20.6%



BUDGET: FY 2015 BY SECTOR



BUREAU BRIEF: USAID BUREAU FOR FOOD SECURITY

INTRODUCTION

The Bureau for Food Security (BFS) leads the whole-of-government Feed the Future initiative to reduce hunger, malnutrition, and poverty, and increase sustained and inclusive economic growth. BFS works to advance the new model of development based on strong country leadership and [private sector investment](#). In addition, BFS supports critical investments in [science and technology](#) to address long-term food security challenges, provides technical leadership as the Agency's pillar bureau for agriculture, guides Feed the Future implementation by USAID Missions in-country, and coordinates across U.S. Government agencies' efforts on all aspects of Feed the Future, both in Washington and in the field.

LOOKING BACK

Food security currently enjoys strong bipartisan support and is broadly recognized as critical to U.S. national security. After falling to historic lows in the 1990s and early to mid-2000s, funding and political interest in agricultural development has risen to the top of the development and foreign policy agendas over the past eight years. This dramatic change followed the devastating food price shocks of 2007 and 2008, which resulted in public protests in more than a dozen countries, including Burkina Faso, Mauritania, Egypt, and Morocco, and widespread geopolitical instability. The critical linkage between food security and U.S. national security interests gained strong support from Congress, the Bush Administration, and the attention and advocacy of key development leaders, including USAID Administrators. These events, coupled with research showing that investments in agriculture are more than twice as effective at helping people in poor countries emerge from poverty than investments in other sectors, gave further urgency to a growing focus on food security. In response, the Obama Administration helped spur commitments from other donors at the 2009 G8 Summit in L'Aquila, Italy, leveraging more than \$22 billion in food security investments. This led to the launch of the USG's global hunger and food security initiative, Feed the Future, which has delivered significant [results](#) on malnutrition, stunting, and poverty and is poised for the next phase of implementation.

USAID established BFS on an accelerated timeline in 2010 to implement the Feed the Future initiative, requiring the consolidation of relevant staff from E3 and Regional Bureaus. As BFS formulated new programs, Agency leadership pulled financial resources from across the Agency to execute the ambitious Feed the Future agenda. To ensure alignment across this whole-of-government initiative involving 11 independent government agencies and departments, BFS carefully negotiated agreements among interagency partners to align resources and harmonize programming and performance reporting processes. From its inception, BFS has also cultivated close, collaborative relationships across USAID's Regional and Pillar Bureaus, particularly with Global Health, DCHA, and E3. In July 2016, Feed the Future entered a new phase following passage into law of the bipartisan Global Food Security Act (GFSA), which represents the largest development authorization since the President's Emergency Plan for AIDS Relief. The legislation builds on the success of Feed the Future and institutionalizes food security as a USG priority.

LOOKING FORWARD

Key opportunities to continue progress towards the topline goal of sustainably reducing global hunger, malnutrition, and poverty:

1. [Global Food Security Act Strategy](#): Through USAID's strong interagency leadership, the whole-of-government strategy builds on the lessons learned from the first phase of Feed the

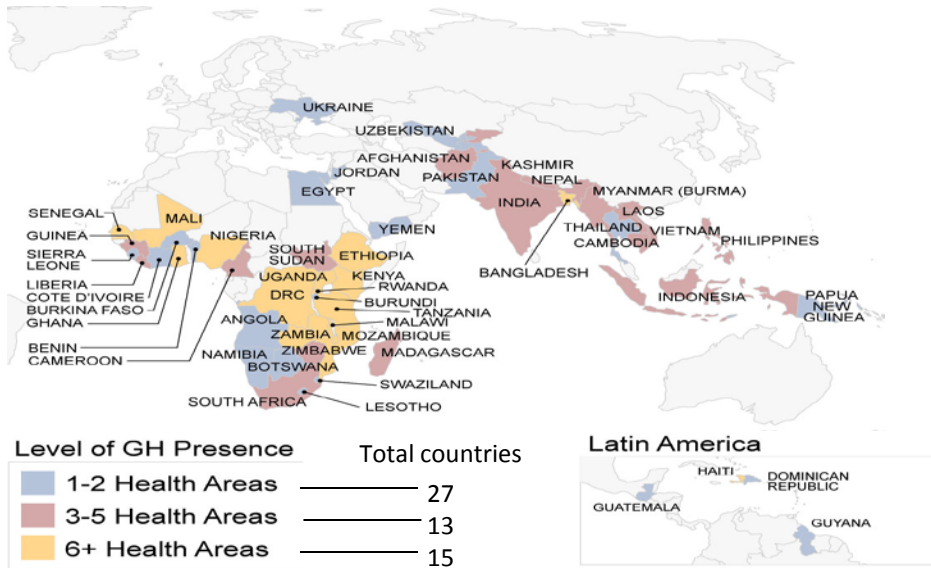
Future by focusing on efficient and effective agriculture and food systems, resilience, nutrition, gender, and improved collaboration with USAID's Food for Peace development activities and Global Health and E3's Water, Sanitation and Hygiene programs. To better leverage the full scope of the U.S. Government's work, the Strategy emphasizes the integration of humanitarian food aid and five complementary work streams: economic growth in complementary sectors; health ecosystems and biodiversity; democracy, human rights and governance; reduced burden of diseases; and well-educated populations. The strategy outlines new country selection criteria and emphasizes interagency engagement.

2. **Resilience:** The evidence is clear that by working to strengthen resilience, including of the most vulnerable, USAID can better ensure that its investments are inclusive and achieve lasting results. BFS continues to be a leader in this area and houses the [Center for Resilience](#), which is charged with coordinating resilience efforts across the Agency. By both elevating resilience as a key objective under the GFSA Strategy and ensuring it is integrated across food security activities, BFS will continue to make progress toward ending hunger while advancing the Agency's mission to end extreme poverty.
3. **Global Engagement on Food Security:** In September 2016, the USG launched [A Food-Secure 2030](#), which casts a vision for how the world can achieve the Sustainable Development Goals, particularly the targets on poverty, hunger and malnutrition, and calls upon the global development community to mobilize the resources and partnerships required for success. The paper calls for continued, strong country leadership and more catalytic development assistance to increase agriculture-led economic growth, resilience, and nutrition. To achieve this vision, country leaders, development partners, donors, civil society, and the private sector must commit to investing strategically more public and private capital and enable them with effective policy systems and strong institutions. The 2017 G7 and G20 international summits are shaping up to be opportune moments to promote this shared vision and potentially deliver on this collective call to action. G7 and G20 host countries have identified food security as a priority for the summits and are looking towards the United States to help launch something tangible and to bolster current and future international commitment to leadership on food security.

Challenges in implementing the GFSA Strategy and maintaining USAID leadership for Food Security:

1. **Interagency Leadership:** The President recently delegated interagency leadership of over USG global food security efforts directly to USAID. The successful implementation of the strategy will require strong leadership within BFS and across the interagency. Some believe that a Senate-confirmed AA position would ensure BFS has access to internal and external decision-makers to maintain USG leadership on food security. A protracted confirmation process for this essential role, however, could delay critical decisions and slow the Bureau's programmatic momentum.
2. **Feed the Future Brand:** The USG built a world-recognized Feed the Future brand over the last six years. Determining how best to capitalize on this valuable asset is important for the implementation of the Global Food Security Strategy. Despite the fact that Feed the Future is a whole-of-government effort, some agencies identify the brand with USAID. Replacement of the FTF brand may raise doubts among partners (donors, governments, private sector and civil society) as to the USG's long-term investments and commitment to food security.

PRESENCE

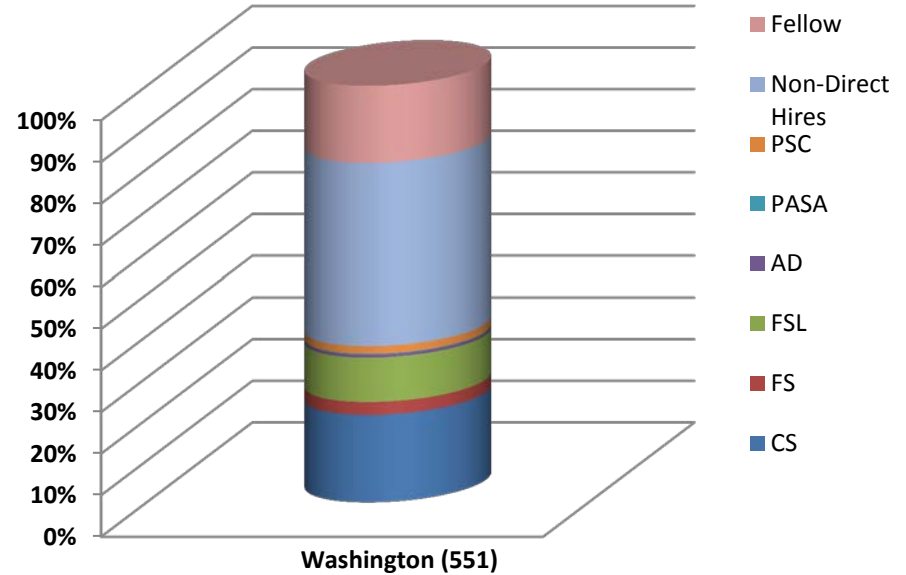


Map shows 55 countries only and does not include countries and/or programs funded regionally.

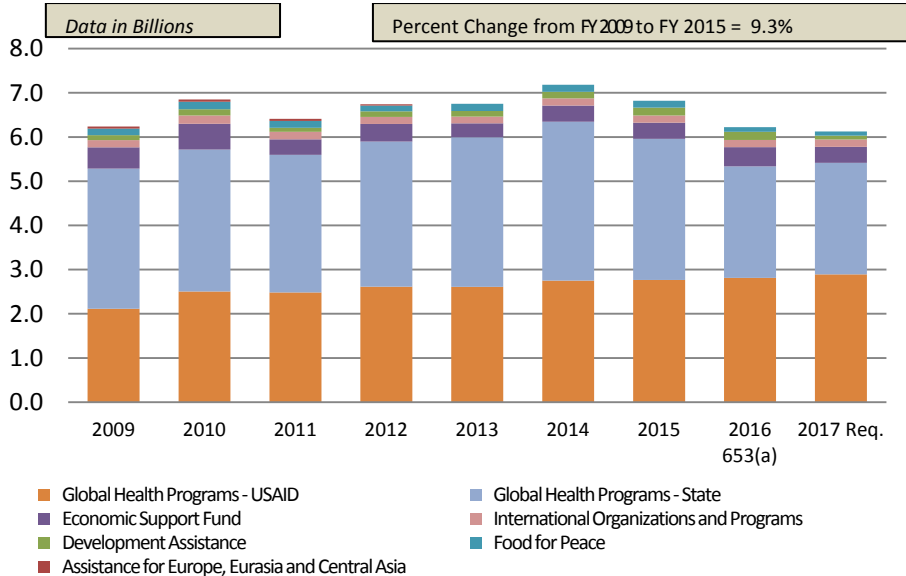
BUREAU PROFILE: BUREAU FOR GLOBAL HEALTH

STAFFING

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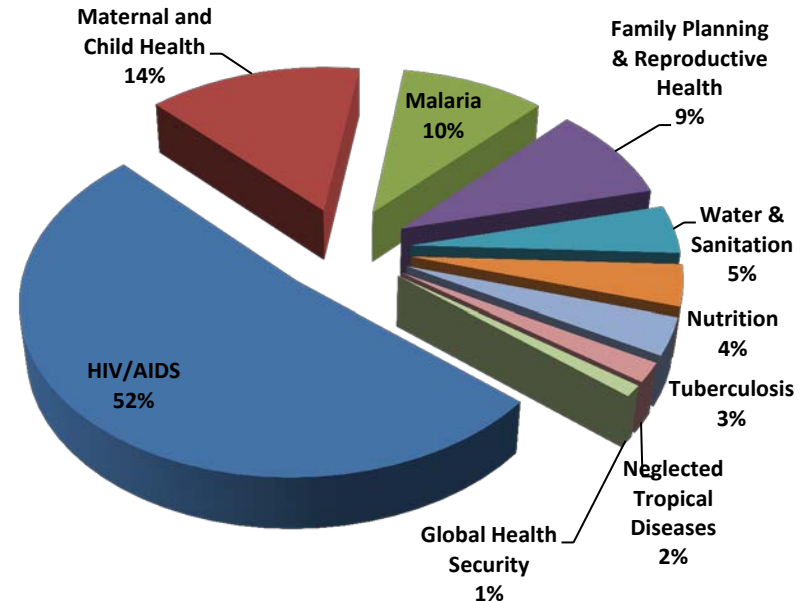


BUDGET: FY 2009 – FY 2017



The GH Bureau directly manages 47% of USAID's health funding (not including contributions to the Global Fund).

BUDGET: FY 2015 BY SECTOR



BUREAU BRIEF: THE BUREAU FOR GLOBAL HEALTH

INTRODUCTION

The Bureau for Global Health's (GH) more than 500 public health specialists provide essential technical assistance to USAID missions on health issues, provide thought leadership on global health policy, and manage a range of contracts and grants used by USAID missions to support implementation of health programs. GH also **strengthens health systems** by addressing the health worker shortage, improving local supply chains, and helping countries find and manage more of their own money for the health sector. GH's three strategic goals are:

1. **To end preventable child and maternal deaths;**
2. To create an **AIDS-free generation;** and
3. To **protect communities from infectious diseases,** including TB, malaria, neglected tropical diseases (NTDs), and pandemic threats such as influenza, Ebola, and Zika.

LOOKING BACK

Saved lives and improved health. Outcomes in the countries receiving USAID health assistance have improved dramatically over the last 40 years and particularly in the last decade. While USAID cannot claim sole credit, it has played a critical role as the world's largest donor and technical partner in global health. USAID health programs helped save the lives of 100 million children since 1990, significantly increased access to modern contraception, and significantly decreased deaths from TB and malaria.

Shaped the global agenda. The global health sector has grown more complex over the last decade, with an increasing number of U.S. agencies, other donors, NGOs, and other stakeholders operating at global level. USAID successfully engages with, and leverages the resources of, these groups in all health areas where it works. For example, GH leveraged more than \$11 billion of drug donations from pharmaceutical companies for NTDs since 2006. GH also initiated a paradigm shift with the launch of the 2012 *Child Survival Call to Action*, which challenged donors and developing countries to achieve within a generation health outcomes comparable to those of industrialized countries. Many of these ambitious goals are included in the Sustainable Development Goals (SDGs) for health.

Fostered and applied innovation. Investments in research and innovation are critical to the achievement of health objectives. GH provides significant support in late-stage product development. For example, investments in TB diagnostics, malaria drugs, and antiseptics have resulted in better diagnoses, improved treatment, and lower infection rates. New diaphragms and injectables are expanding contraceptive options for women. The Center for Accelerating Innovation and Impact (CII), a center of excellence within GH, has also pioneered new approaches to globally crowdsource game-changing innovations from individuals and the private sector, from a reimagined suit to protect health workers from Ebola to research on mosquitoes that can no longer transmit disease. Finally, as many partner countries experience significant economic growth, GH helped develop and use innovative financing methods to encourage host countries mobilize more of their own resources for health.

LOOKING FORWARD

Save lives and improve health: GH has clear and ambitious targets that it expects to meet over the next 15 years in alignment with the Sustainable Development Goals, and will continue to help Missions adapt to evolving host country conditions through flexible programming, quality technical assistance, deepening relationships with host governments, and attention to health systems and health financing, including domestic resource mobilization.

Shape the global agenda: GH shapes the global agenda through its engagement of other governments and donors, including at global forums such as the World Health Organization, the G7 and G20, and in global alliances and initiatives such as the Global Fund, Gavi, Roll Back Malaria, and the Global Virome Project, an innovative project to identify and inventory viruses globally, in order to anticipate the next outbreak.

Innovation: GH innovates by using our country presence to evaluate new tools and implementation approaches in our growing health finance work, through the design of projects that build on past experiences, and through our research portfolio, work in CII, and ongoing “grand challenges.”

Workforce: Achieving these goals is complicated by serious [staffing and management challenges](#). The size of GH’s budget, the complexity of its portfolio, and the prominence of the initiatives it manages have increased significantly over the past decade. GH has been severely constrained in its ability to directly hire new Civil and Foreign Service staff. The solution has been to hire staff through numerous contracts with third parties. Negative consequences of this include: (1) creating unreasonable levels of supervisory, financial, and contract management responsibilities for the small number of direct hire staff; (2) making it difficult to perform basic HR functions like succession planning and budgeting; and (3) making GH extremely reliant on several large institutional support contracts for core business processes that carry high overhead costs and significant administrative burden, and are highly vulnerable to contracting delays and other procurement complications.

Interagency: USAID is one of several U.S. agencies working in global health. The structure - where the State Department oversees the President’s Emergency Plan for AIDS Relief and allocates funds primarily to USAID and the Centers for Disease Control and Prevention - has resulted in challenges in the field to coordinate work and has required significant staff and leadership time to address. The [President’s Malaria Initiative](#) is our preferred model, avoiding these issues by using an operational model that relies on interagency technical expertise and a single implementation platform managed by USAID.

Host-Country Partnership: As developing countries advance, they can and will provide more of their own resources to address their evolving health needs. Development agencies will be called on to provide advice on how to structure national health insurance schemes, find host country resources for health, and address non-communicable diseases, while also completing the unfinished business of securing sustainable, equitable primary health care.

BUREAU BRIEF: BUREAU FOR LEGISLATIVE AND PUBLIC AFFAIRS

INTRODUCTION

The Bureau for Legislative and Public Affairs (LPA) provides central Agency focus and overall coordination for all aspects of legislative, public affairs, and internal communications matters.

LOOKING BACK

Despite significant opposition from some Members of Congress and special interest groups, LPA was successful in leading efforts to achieve a number of development reforms and the enactment of key authorizing and appropriations legislation. These accomplishments were achieved by creating a clear strategy, steadfastly focusing on goals, engaging the interagency when needed, collaborating with the Office of the General Counsel and the technical and policy experts in the Agency, and deliberately planning for the involvement of the Administrator. The successes include:

- Securing appropriations for USAID-managed accounts at or above the President's budget requests in Fiscal Years 2013, 2014, 2015, and 2016;
- Enacting the most meaningful food aid reform in the sixty-year history of Food for Peace;
- Enacting the Global Food Security Act (GFSa), a key Presidential development initiative and authorizing funding for Feed the Future and the International Disaster Assistance account - the culmination of a three-year effort in which LPA supported and galvanized a broad and inclusive coalition within and outside of the USG to support passage of the bill; and
- Enacting the Electrify Africa Act, legislation codifying much of Power Africa, the President's initiative to double electricity access in sub-Saharan Africa. USAID, by direct delegation from the President, coordinated the interagency process to produce and submit to Congress the interagency strategy required by the law.

LPA has transformed the way USAID communicates publicly by improving the quality of content, better alignment of messaging, a proactive press office, and greater audience engagement. LPA has developed and launched a new message framework, message manual and training, storytelling hub, and a pro-active press capacity that delivered a more focused, compelling Agency message, strong press coverage, and a forty percent increase in followers across all social media platforms in 2015.

Through a months-long process of consultation and feedback within the Agency, LPA, PPL, and the Administrator's Office developed and launched a new Agency Mission Statement in 2014. The formulation of the Mission Statement was not without controversy and required extensive consultation within the workforce. While formally adopted by the Agency - and omnipresent in the Agency's internal materials - some staff have not internalized or fully adopted the Mission Statement.

LOOKING FORWARD

Sustaining Strong Bipartisan Support in Congress: Over the past several years, LPA developed strong, bipartisan Congressional support as evidenced by robust Agency appropriations (notwithstanding earmarks and directives – see below) and the enactment of historic, bipartisan legislation. Maintaining this bipartisan support will require a significant commitment of time by the next leadership team. It should be noted that approximately 30 percent of the Legislative Affairs team is comprised of political appointees, which will pose a particular challenge for maintaining legislative momentum during the transition. In addition to focusing on Senate confirmations, the new team will need to prepare in the first few months for the FY 2018 budget hearings, which cover a broad range of issues. LPA will prepare a USAID Congressional engagement strategy for the new team.

Achieving an Agreement on Limiting Earmarks and Directives: The incoming team should decide to what extent it will seek to limit Congressional directives. The new Administration has the opportunity to begin a dialogue with Congress to strike an agreement that could reduce both Congressional directives and Presidential initiatives in exchange for enhanced accountability and greater flexibility.

Telling USAID's Story: The Agency's decentralized communications structure, with LPA in the lead and communicators in the Bureaus and Missions, sometimes poses a challenge for delivering a consistent message. In response, Public Affairs has moved from a "clearance" house to a proactive driver of communications based on campaigns and focused on key priorities. USAID has made great progress in developing and implementing a compelling, consistent message through the creation of a Storytelling Hub. USAID's **Press Office**, which is staffed by State Department employees – a holdover arrangement resulting from Congressional displeasure with USAID press engagement in the 1990s – focuses on using effective crisis communications to quickly contain negative stories and proactive press outreach to place positive stories about USAID's work. The Press Office needs to continue to be proactive and communicate with the White House to mitigate surprises. Public Affairs maintains successful training and support for the Development Outreach Coordinators program, which coordinates the work of Mission communicators, many of whom are Foreign Service Nationals, but funding is limited and the support team's capacity is small. LPA also includes the Office of **Public Engagement** which manages the Administrator's public outreach and interaction with NGOs, private sector partners, and the broader international development community, and includes the Agency's Protocol and Special Events team.

Communicating with USAID's Workforce: The **Internal Communications** team is in charge of ensuring that USAID's employees, both in Washington and the field, are informed and feel connected to the Agency's mission through Agency Town Halls, calls with Mission Directors, Agency Notices, and the Agency intranet. The Agency intranet, **My.USAID.gov**, could be an important tool for facilitating internal communications and learning. However, it has faced a number of challenges and employee reluctance to use the tool presents a significant concern, as is the continued cost of maintaining the platform. Efforts are underway to improve the system and depending on the progress, the new Administration should consider the pros and cons of My.USAID and make an early decision on whether or not it should continue. If committed to continuing to support My.USAID, it would likely require a focus on improving and increasing adoption of this tool, potentially including through the creation of robust "communities of practice" and professional peer-to-peer user groups.

Branding USAID Programs and Activities: USAID has a statutory responsibility to brand its programs and activities to ensure that people in partner countries know the assistance is provided by the United States. In 2016, LPA updated USAID's branding standards for the first time in a decade. The guidelines simplify rules and provide new guidance. However, ensuring uptake of the guidance remains a challenge and the next Administration should consider whether additional staff should be dedicated to branding compliance.

BUREAU BRIEF: BUREAU FOR MANAGEMENT

INTRODUCTION

With more than 1,100 staff, the Bureau for Management (M) is the largest bureau in the Agency. It provides central administrative services for every Bureau, Independent Office, and Mission. The Bureau's five core functions are: (1) Finance; (2) Information Technology (IT); (3) Procurement; (4) Logistics; and (5) Operational Policy, Budget, and Performance. The M Bureau's core functions, particularly its oversight of Procurement and Operational Budget (i.e. "Operating Expense" or OE funds) functions, touch virtually all aspects of Agency policy and operations.

LOOKING BACK

Over the last decade, the M Bureau has undertaken several key efforts to strengthen operations:

- **Funding to Revitalize the Foreign Service (FS):** Working to support an Administrator-conceived and Administration-adopted initiative to double the size of the Foreign Service, M increased two-fold and then maintained that level of OE appropriation from FY 2008 to the present, funding an additional 820+ Foreign Service Officers worldwide. While the number of Foreign Service Officers has increased, much-needed strategic workforce planning will provide evidence to help the Agency determine if, how many, and what skill sets are required. Congressional limits on direct hire staff restrict Agency options and lead to use of other hiring mechanisms, such as Institutional Support Contracts, creating other challenges for the Agency.
- **Pioneering Procurement Reforms to Enhance Oversight and Aid Delivery:** M implemented a variety of Acquisition and Assistance (A&A) reforms. A&A awards total about \$16 billion with 22,000 transactions annually and are the primary means for delivery of foreign assistance. Reforms include stronger executive-level review of major procurements; a new unit for ensuring partner compliance; more assistance delivered through local governments and organizations; and improved use of past performance data. However, partners have continuing concerns related to existing procurement guidance on choosing between use of contracts or grants, despite recent updates and refinements, and the time it takes to move from project design to award.
- **Innovative IT Solutions to Improve and Expand USAID's Reach:** M introduced new IT tools to help workflow worldwide and expand engagement inside and outside the Agency: Gmail became the primary email application; WiFi accessibility became widespread; mobile platforms (iPhones, iPads, and apps) and new Internet and Intranet sites were delivered. However, different needs between USAID and State lead to varying IT requirements, solutions and perspectives; mobile computing also adds to IT security challenges.

LOOKING FORWARD

Balancing Openness with Security: Proactively opening data while protecting the security and privacy of staff, partners, and beneficiaries' personally identifying information, is a delicate balancing act and will require increased resources and ingenuity over the next decade. There is also a concern in the international development community about "data for the sake of data" without a concomitant focus on its use, the outcomes it should drive, or the impact on vulnerable populations it describes. Big data advancements make the balancing of transparency with security and privacy especially challenging. Additionally, as data is collected and readied for public release, "responsible data" and cybersecurity are equally critical concerns. **Cybersecurity** is a high-profile, high-risk function for USAID because USAID has a vast attack surface and inadequate resources to adequately mitigate the risk (See Cybersecurity Supporting Paper).

Strengthening the Means of Implementation

Partner Vetting: The M Bureau developed and implemented the first Agency-level counterterrorism vetting policies after ten years or more in which counterterrorism partner vetting policies and processes developed in an ad hoc fashion at the Agency. When a Congressionally mandated Partner Vetting System pilot program with State concludes, likely in November 2016, USAID must submit a joint report to Congress with State within 180 days of completion (likely no later than June 2017). As a part of finalizing that report, the Agency must make decisions about the future policy, process, scope, budgeting and operational requirements for vetting, and fashion a strategy for engagement with Congress, partners and the interagency.

Local System and Fiduciary Oversight: M Bureau has also strengthened the fiduciary tools for responsibly delivering assistance through local government systems and local partners, has made changes to streamline the process, and continues to look for ways to streamline it further. M Bureau will also lead efforts to increase engagement on fiduciary tools with other donors.

Enterprise Risk Management: M Bureau is leading the effort to meet OMB requirements for Enterprise Risk Management (ERM), which emphasizes integration of risk management across silos. However, with numerous risk management processes in use, there is a wariness in the Agency about adding to the burden and a need to leverage existing governance structures to the extent possible.

Building Workforce Connection and Performance

Washington Real Estate Strategy: M Bureau implementation of the dual-track Washington Real Estate Strategy is a critical workforce initiative because, related to workspace, the Agency has among the least square footage allocated per person and among the lowest satisfaction rates across the federal government. Track One is a floor-by-floor renovation of outdated, 20-year old space at the RRB. Track Two is consolidation of several short-term leases into one long-term lease in the District which is expected to be procured through GSA in or about June 2017. In addition to that decision, the costs of renovation and lease procurement will require sustained Agency leadership engagement on the budget with OMB and Congress.

Enhancing M Participation in Program Design and Oversight: M Bureau is also focused on increasing its engagement with program staff at headquarters and the field at the start of the program cycle to ensure that program design takes advantage of the Agency's best procurement, financial, and administrative expertise from concept through implementation.

Operational Efficiency: M Bureau is in the lead to address State's continued push for more consolidation of overseas logistical services, such as motor pool, maintenance and residential leases. However, one size does not fit all, so ongoing analysis and engagement is crucial. M Bureau has completed significant A&A reform, but requires Agency support to continue its work to reduce the time from concept design to award. Using data for evidence-based decision-making is steadily achieving operational efficiencies and remains a top future priority. However, this requires multi-year investments in the Development Information Solution, a suite of IT tools that is being built to enable a corporate view of the entirety of USAID's portfolio of operational and program data. M Bureau champions Continuous Process Improvement (CPI) in support of operational objectives, but CPI needs wider application across programs and operations to enable the Agency to be more agile in responding to a changing world.

BUREAU BRIEF: BUREAU FOR POLICY, PLANNING AND LEARNING

INTRODUCTION

PPL shapes how USAID thinks and works internally, as well as how the Agency engages with other parts of the U.S. government and externally with influential development institutions and organizations around the world. PPL is responsible for:

- More effective programming by managing processes for strategic planning, monitoring and evaluation, and project design.
- Maximizing USAID's leadership at high-level international meetings and summits and its engagement with bilateral and multilateral donor institutions.
- Managing the Agency's central policy function, housing the Chief Economist and Chief Strategy Officer, and providing policy guidance to the Administrator, USAID, the interagency and the wider development community.
- Leading and managing, in close coordination with the Office of the Administrator, the Administrator's Leadership Council (ALC), which reinforces the concept of a senior management team in the Agency.
- Strengthening U.S. policy by ensuring a strong Agency voice in interagency discussions and during production of key USG strategy documents including, among others, the National Security Strategy and Quadrennial Diplomacy and Development Review.

LOOKING BACK

PPL was established in June 2010, four years after a prior foreign aid reform effort dismantled the Agency's longstanding Policy and Program Coordination Bureau. This reform dissolved USAID's independent policy and budget functions, resulting in declining morale and lessening the strength of U.S. development policy both at home and abroad. With the policy function reinstated, PPL has been critical to elevating a development perspective and strengthening the voice of the Agency within the USG and internationally. At the same time, this "external" focus has to be continually balanced against PPL's role in shaping and improving USAID's internal processes. One critique PPL is trying to address is that it has, at times, prioritized the former at the expense of the latter.

PPL was charged with re-establishing a corporate approach to the design of program strategies, projects, and activities that use the best available information to achieve and sustain results [\(see USAID's Operational Model for Development Results\)](#). PPL also led development of new approaches to planning, monitoring, evaluation, and organizational learning (see [Learning and Results](#)). These efforts are critical to ensuring that USAID meets professional standards of development and that USAID projects are strategic, well designed, integrate evidence and learning, and achieve maximum impact. One result of PPL's work is that the Agency has developed and approved 63 new country and regional strategies since 2011, up from zero prior to that year. PPL also supported policy development and coordination across the Agency on issues ranging from USAID's public statements of priorities to specific policies on evaluation and gender or sector strategies, such as education and water.

Internationally, PPL coordinates with bilateral and multilateral donors to provide U.S. leadership that advances aid effectiveness and development. PPL's work enabled the USG to shape the outcome of global negotiations on development, and generate high-profile announcements at key inter-governmental meetings and world summits. For example, working closely with the White House and the interagency, PPL helped shape Presidential engagement in the 2015 summit that launched the Sustainable Development Goals. The Bureau is directly involved in high-level efforts to leverage new development investments from other major donors, such as Sweden and the U.K.

LOOKING FORWARD

Positioned at the heart of Agency strategy and policy, PPL confronts a range of opportunities and challenges:

- **Strategy-Budget Alignment:** Budgets tend to shape Agency strategy rather than the other way around. A key challenge for PPL is how to play a greater role in budget decision-making to better align country strategies and budget allocations. The major Presidential or Agency-wide initiatives, such as Feed the Future or the President's Emergency Plan for AIDS Relief, tend to drive Agency operations and strategic planning, given their size and visibility. Often, they exist in parallel with the corporate strategic planning process – a system specifically designed to support principles of country-ownership, impact, and sustainability.
- **Boosting Agency-wide Coherence and Effectiveness:** As an organization with a flat management structure, USAID is challenged to ensure Bureaus' compliance with corporate priorities and the decisions made by the Administrator. This sometimes results in stalled processes and mixed messages to both internal and external audiences.
- **Delineation of Responsibilities vis-à-vis the Management Bureau (M):** As two central bureaus with mandates that reach across many of the Agency's priorities and processes – M on the operational side and PPL on the programmatic side – there are inevitable areas of overlap and sometimes conflicting responsibilities. Among other things, clarification of roles and responsibilities is needed between PPL and M on performance management, risk management policy, data, transparency, and aid statistics.
- **Changing Landscape for Development Cooperation and Global Policy Leadership:** USG engagement with an expanding set of emerging donor countries and stakeholders beyond governments can improve their effectiveness and positively impact broader foreign policy objectives. For example, PPL recently led the Agency in coordinating the US-China development agreement signed last year. This agreement has, among other things, created space for greater cooperation on non-development policy issues of interest to both countries.
- **PPL's Roles in Interagency Representation/Donor Coordination:** At its best, PPL helps synthesize development knowledge and expertise from across Bureaus into a single, strategic voice, as was the case with significant USAID input into the President's National Security Strategy. In recent years, the Agency has been asked to participate in an increasing number of high-level interagency meetings, and PPL often provides central support, especially in relation to long-term policy and strategic planning efforts **(see: Agency Policy Development)**. PPL plays an important role in the management of relationships with the NSC, the Office of Foreign Assistance Resources, and other parts of State, as well as Treasury, OPIC, MCC, and other interagency counterparts.
- **Strategic Learning:** Despite a strategic push by PPL across the Agency, evaluations and other evidence are still underutilized and a systematic learning culture remains nascent. Much could be gained from even greater focus on these areas, especially learning across countries and sectors, but doing so comes with institutional, methodological, and resource challenges.

BUREAU BRIEF: OFFICE OF HUMAN CAPITAL AND TALENT MANAGEMENT

INTRODUCTION

When functioning effectively, HCTM advances the Agency's mission by helping leaders place skilled staff in the right place at the right time. HCTM leads strategic workforce planning, human resource policy, and the full life-cycle of human resources for Foreign and Civil Service employees, such as recruitment, onboarding, performance management, discipline, professional development, assignments, and promotions. The entire Agency is impacted by HCTM and will benefit greatly from a sustained focus on HR Transformation that produces noticeable results. While USAID is filled with highly motivated, Mission-driven, and skilled staff, we have perhaps historically relied too heavily on this motivation and not devoted enough resources and leadership attention on a holistic effort to manage our talent effectively and adjust our workforce planning to the environment.

LOOKING BACK

Workforce

- USAID operates under strict Foreign Service and Civil Service personnel ceilings, which constrain the Agency's ability to support emerging requirements. For the Foreign Service, following decades of a shrinking workforce, between 2007 and the present, USAID has focused on recruiting and sustaining 1,850 Foreign Service Officers. HCTM sought to **increase staff mobility and readiness** by hiring and training highly qualified Foreign Service Officers. USAID also sustained a **Civil Service** workforce of approximately 1,698 employees.
- Staff that are citizens of our host countries play a critically important role in the Agency. USAID's **Foreign Service Nationals** (FSNs) are essential to the Agency's mission and operations, representing 42 percent of the entire workforce and 71 percent of all staff overseas. As an outcome of the Worldwide FSN Conference in 2013, USAID established an **FSN Advocacy Council** in 2014 to champion **issues** on behalf of our more than 4,900 FSNs.
- Finally, our workforce comprises a large number staff retained under other hiring mechanisms (e.g., contracts and agreements with other agencies). These mechanisms are not supported by HCTM, making it a challenge to provide comprehensive workforce planning and support, and even to account for overall staffing numbers.

Commitment to Learning

- In 2013, HCTM established the Washington Learning Center, a state-of-the-art training center, and also opened training centers in Bangkok and South Africa. These facilities provide continuous learning and professional development, greater access to much-needed mandatory training, and access to remote training, and are strategically placed to help save the Agency travel and per diem costs. Ensuring that training and learning opportunities are evenly spread across staff and hiring mechanisms is a continuous challenge.

Commitment to Staff Wellbeing

- In 2012, HCTM established StaffCare, which provides employee assistance, employee resilience, critical incident response teams, child care subsidy, elder care, and employee wellness benefits. Staff Care's wellness activities have resulted in an 84 percent satisfaction rate, compared to an 80 percent government-wide average, and its Work Life Program has provided more than 2,419 referrals to employees and their family members on resources for child and eldercare. The Staff Care program has been designated a best practice for the Federal government and is critical to supporting our staff in Missions facing conflict and crises.

LOOKING FORWARD

Although HCTM has significant recent successes, an assessment of the human resource function in 2015 identified deep structural and operational challenges and opportunities in customer service, process and policy, tools and technology, and talent and culture. Based on these findings, the USAID HR Transformation Strategy (June 2016) seeks to establish strong core HR capabilities that exceed the expectations of customers. Fundamentally improving the way USAID supports human resources and talent management is central to advancing the Agency's mission, particularly given our increasingly complex operating environments. The three major pillars of the transformation are: 1) HR operations; 2) workforce preparedness; and 3) organization culture and wellness. It is important to note that HR functions are not all located in one place, which adds some complexity to USAID's workforce planning and operations. The Bureau for Management (e.g., payroll and M/CIO), the Office of Civil Rights and Diversity, the Office of Security, and Bureau and Mission HR professionals all play key roles that require coordination.

During the first year of implementation, the HR Transformation Strategy is prioritizing efficient, effective, and customer-focused **HR operations** to improve customer service, clarify roles and responsibilities, and clean up HR data. The goal is HR Services that will be streamlined and agile, leading to expeditious onboarding of new talent and giving employees access to self-service and consultative HR services options.

The HR Transformation also seeks to ensure **workforce preparedness** by providing the knowledge, skills, abilities, and attributes needed to meet the Agency's mission for today and the future. This effort will include strengthening the Agency's workforce planning capabilities, creating career paths that allow the Agency to support crisis situations around the world, developing a performance management system that promotes excellence, and building the next generation of leaders. The preparedness efforts are focused on all hiring mechanisms to ensure the workforce is nimble and responsive to evolving Agency requirements.

The third and overarching pillar of HR Transformation is **organization culture and wellness**. The future state will include a stronger culture of accountability where people demonstrate high levels of ownership to think and act in the manner necessary to achieve organizational results. We also seek a culture of diversity and inclusion, as well as ensuring that the workforce is equipped to address the unique challenges and occupational stresses associated with being a part of an Agency with an international mission.

BUREAU BRIEF: U.S. GLOBAL DEVELOPMENT LAB

INTRODUCTION

The U.S. Global Development Lab serves as an innovation hub that seeks to take smart risks to test new ideas and partners that accelerate development impact. The Lab operates under these guiding principles:

- **Open and Inclusive:** Draw upon the ingenuity of people from around the world.
- **Evidence-based:** Invest based on strong evidence of impact.
- **Catalytic:** Attract the support of others to enable sustainable development solutions that reach massive scale.
- **Agile:** Create fast feedback loops that enable continuous learning and performance improvement.

LOOKING BACK

The Lab's [strategic plan](#) established high-level objectives around science, technology, innovation and partnership (STIP), to dramatically ramp up the Lab's work with Missions and Bureaus across USAID. Over the last two and half years, the Lab has made [significant progress](#) towards its two part mission, but more remains to be done:

- [Produce breakthrough development innovations](#) by sourcing, testing, and scaling proven solutions that could impact millions of people; and
- **Accelerate the [transformation of the development enterprise](#)** by opening development to people everywhere with good ideas, promoting new and deepening existing partnerships, bringing data and evidence to bear, and harnessing scientific and technological advances.

LOOKING FORWARD

Accelerate Impact at USAID: A top priority for the Lab is to partner with Missions and Bureaus to jointly leverage Science, Technology, Innovation, and Partnership (STIP) tools and approaches to accelerate development results and maximize impact. In FY 2016, the Lab oriented its budget so that more than 50 percent is dedicated to supporting Missions and Bureaus through co-programming and technical assistance, including three dedicated [Lab-wide priority](#) teams to bring the suite of Lab offerings to three of USAID's top priorities: Ebola, Power Africa, and Feed the Future.

The Lab seeks to take smart risks - through Grand Challenges, Development Innovation Ventures, and other creative approaches - that weed out ideas that fail to demonstrate impact, enabling Missions and Bureaus to choose from a menu of proven innovations, tools, and approaches that will help them more effectively deliver on their development objectives. Overall, Agency demand for Lab services continues to rise. In the first half of FY 2016, 50 Missions and Bureaus used Lab-supported tools, approaches, and advisory services, more than in all of FY 2014. Two years ago, buy-ins into Lab mechanisms were valued at \$54 million; buy-ins jumped to \$85 million in FY 2015, with further increases anticipated in FY 2016.

Process Innovation: The Lab hosts an Operational Innovations team, consisting of dual-hatted experts from across Agency functions, with a charter to "hack the bureaucracy" to improve efficiencies and outcomes. One tool—the Broad Agency Announcement (BAA)—is a procurement approach that allows USAID to work with potential partners to define a problem and co-create solutions before making an award. In the last two years, USAID issued 53 BAAs resulting in more than 100 awards. In Indonesia, for example, the Lab worked with the Mission to issue a BAA to identify new solutions on inclusive workforce development; more than 130 organizations expressed interest in co-creating solutions to this challenge.

Engage New Actors: The Lab seeks to engage the ingenuity of people from around the world to solve development challenges. For example, in the most recent round of applications for the Securing Water for Food Grand Challenge, 75 percent of our applicants have never received USAID funding before, and 74 percent of applicants were from developing countries.

Catalyze Private Sector Engagement: 91 percent of financial flows from the United States to the developing world now come from private sources. The Lab provides training, toolkits, advisory services, and research on partnership effectiveness to the rest of the Agency to enable them to leverage private sector expertise and capital to drive sustainable development results. In FY 2015, USAID had more than 360 active public-private partnerships with leverage commitments of \$5.9 billion. For every taxpayer dollar spent on it, the entire Lab leverages at least \$1 of external funding.

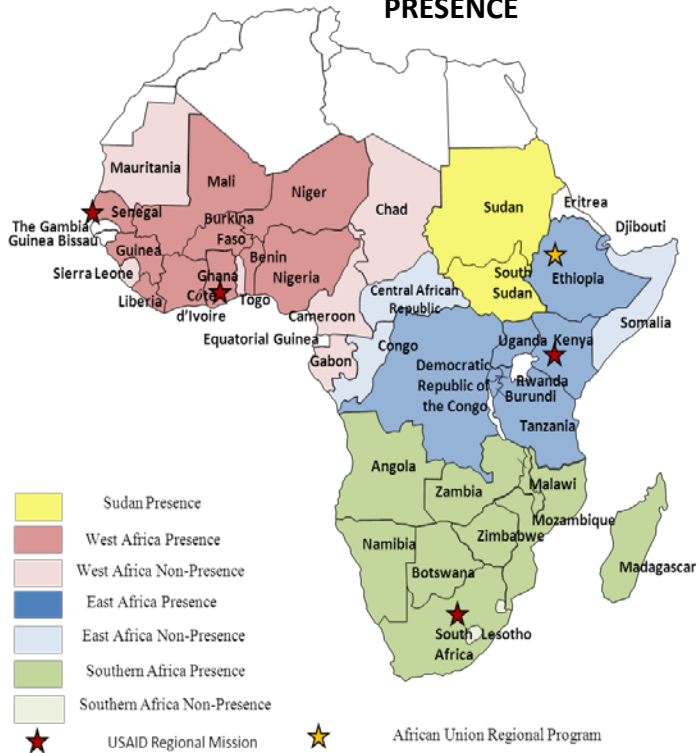
Achieve Scale: Part of the Lab's mandate is to work with USAID and other donors to bring development interventions to the massive scale that is needed to achieve our mission. For example, the Lab invested in a diverse portfolio of more than 900 innovations, taking a venture-capital style approach. An early \$100,000 investment in OffGrid: Electric (a pay-as-you-go home solar system business in Tanzania) is now providing electricity to more than 100,000 homes and has received more than \$100 million in external debt and equity.

Increase Flexibility: The Lab was allocated flexible funding to enable experimentation across sectors and geographies, in a rapidly changing world. The Lab was also set up with a flexible staffing strategy to attract and retain staff from non-traditional backgrounds such as technology, scientific research, finance, and the private sector. The Lab has taken advantage of fellowship programs and new hiring authorities, and could benefit from even greater flexibility in hiring and staffing.

Keep Experimenting: The Lab is designed to identify cutting edge development and technology trends, then "test the waters" to see if they are of broader applicability to development goals. For example, the Lab played a crucial "early adopter" role regarding tools such as mobile money, real time data systems, geospatial analysis, and co-creation, which are now being integrated across the Agency. Potential future opportunities for experimentation might include areas such as machine learning, drones, data visualization, or outcomes-based financing. This "over the horizon" function was originally conceived to be a greater area of focus, and has been limited by budget levels and staffing flexibility.

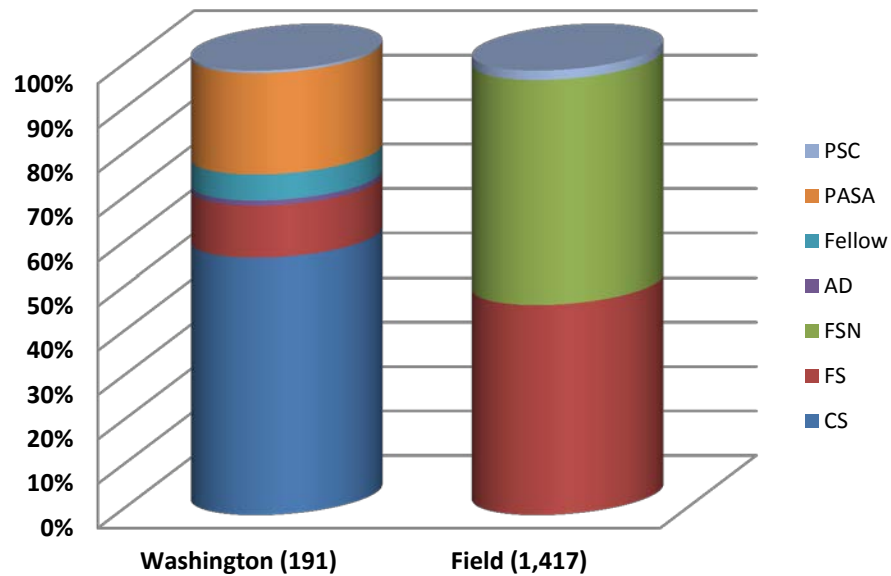
BUREAU PROFILE: BUREAU FOR AFRICA

PRESENCE



STAFFING

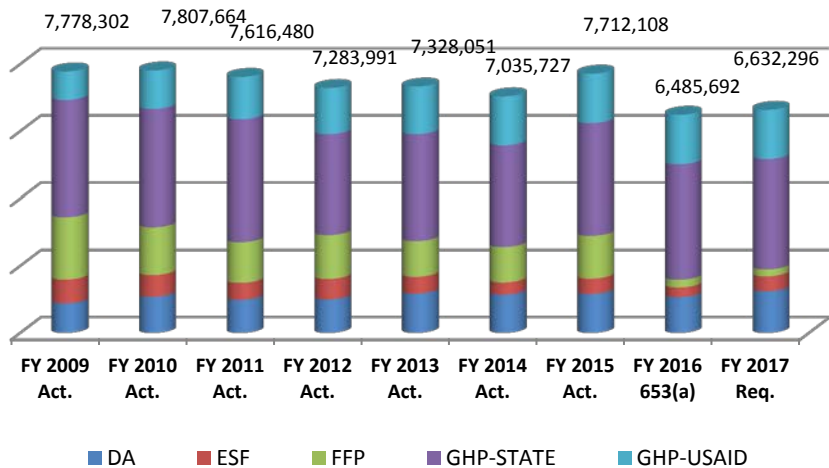
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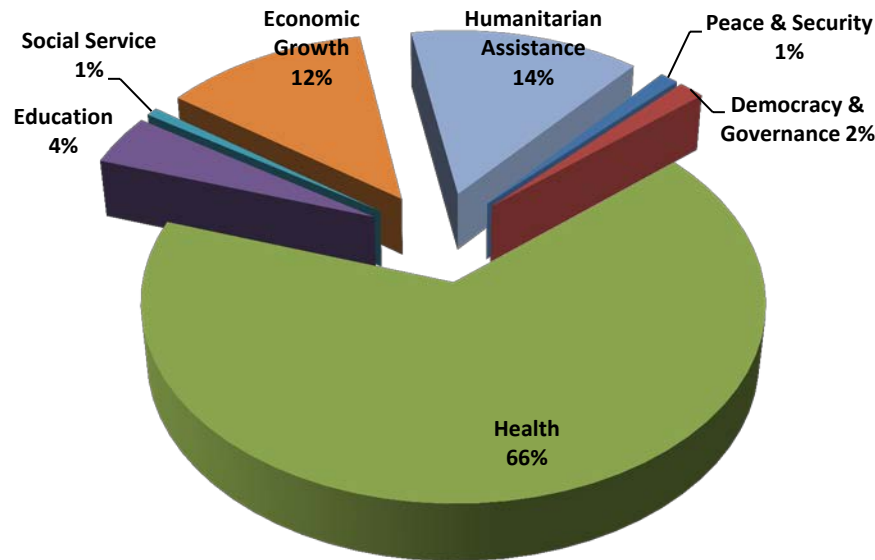
BUDGET: FY 2009 – FY 2017

Data in Thousands

Percent Change FY 2009 - FY 2015 = -0.9%



BUDGET: FY 2015 BY SECTOR



In addition to the Global Presidential Initiatives, there are three Africa-focused Initiatives: Power Africa, Trade Africa and Young African Leaders Initiative. **78.6%** of Africa funding (all accounts) is initiative funding.

BUREAU BRIEF: BUREAU FOR AFRICA

INTRODUCTION

Opportunity for development impact in Africa has never been greater, through the combined leveraging of innovation, private sector engagement, youth, diaspora and strong partnerships with regional and sub-regional organizations. Development is on the region's agenda, with the emergence of a new generation of more savvy and visible civil society leaders, the recognition by some heads of state that development is and must be their priority, and the African Union (AU) driving efforts to increase food security and expand trade, develop a common African position on the Sustainable Development Goals and establish an African Center for Disease Control.

Many people know that nearly half of the world's extreme poor live in sub-Saharan Africa, but fewer are aware that Africa is the world's fastest growing continent or that it will by 2050 represent one of the largest markets in the world. It is already one of the world's fastest growing mobile phone and off-grid energy markets and is using these technologies to leapfrog traditional steps in the development of soft and hard infrastructure. Since 2008, USAID has helped save the lives of 4.6 million African children and 200,000 women; AIDS-related deaths in Africa have declined by more than 40 percent from their peak; and millions more have access to basic education and health care. Through the Agency's efforts on the [Ebola](#) response, in close coordination with CDC, the number of cases was held to less than 30,000 - well below the 1.4 million cases predicted by the CDC at the onset of the crisis.

At the same time, Africa is challenged by some of the most complex and chronic crises in the world (i.e. South Sudan, Central African Republic, Mali); some of its most challenging political transitions (Nigeria and South Africa); a high degree of political and economic fragility; and vulnerability to global threats (terrorism, climate change, pandemics). Despite registering some of the fastest economic growth in the world, Africa still hosts nine of ten of the world's most fragile states.

These realities have led to critical changes in the way USAID works in Africa. What we do, and how the continent matures will have enormous implications for our national security and the global economy. Because Africa's development is so consequential, USAID plays an increasingly critical role in providing analysis, designing and managing programs, and engaging in interagency policy development, coordination and implementation. USAID's largest regional bureau, the Bureau for Africa (AFR) leads these efforts and oversees 36 bilateral country programs, and four regional platforms that serve 49 countries in Africa.

LOOKING BACK

AFR has provided a steady hand in managing a number of bilateral programs in countries that enjoy reasonable levels of stability and/or are longstanding U.S. development partners, while at the same time leading efforts in complex transitions. Given the number of countries in Africa, the Bureau is at any one time addressing at least one and often as many as 3-5 natural disasters, conflicts and/or political crises. The Bureau's contribution to foreign policy formulation, engagement and implementation has increased significantly, and cooperation and institutional coordination with the Departments of State and Defense, in particular, have deepened. As Africa attracts more foreign direct investment, the Bureau has also expanded its work in the areas of private sector development and trade.

The Bureau's expertise and USAID's institutional knowledge are the basis for AFR's co-leadership of two important presidential initiatives. With the Department of State, AFR co-leads the [Young African Leaders Initiative](#), which provides leadership and skills training to the next generation of African leaders.

In close coordination with the office of the U.S. Trade Representative and other agencies, AFR leads [Trade Africa](#), which has helped to quadruple trade between African economies and the U.S. in less than a decade. Through trade capacity building, regional integration, and policy and regulatory reform assistance, Trade Africa efforts supported growth in exports to the U.S. of \$4.1 billion in 2015 (up from \$1.4 billion in 2003) and \$140 million in non-extractive investments in 2015. AFR has also been a leader, within USAID and across the interagency, in expanding our partnerships with diaspora communities.

The Bureau benefits greatly from, and coordinates with, major presidential initiatives or government-wide lines of effort focused largely or exclusively on Africa. These include Feed the Future, an interagency food security initiative led by USAID and managed by the Bureau for Food Security; and global health, which is a top priority for USAID but also the focus of the Office of the Global AIDS Coordinator and the Centers for Disease Control. Finally, [Power Africa](#), is a new model of presidential initiative based in the field and linked to both the Africa Bureau and the Office of the Administrator through which USAID coordinates 12 U.S. government agencies, out of South Africa, in pursuit of the goal of doubling access to electricity in Africa. Cooperation is most often effective, but also poses both management challenges to and demands on AFR, and thus needs steady attention.

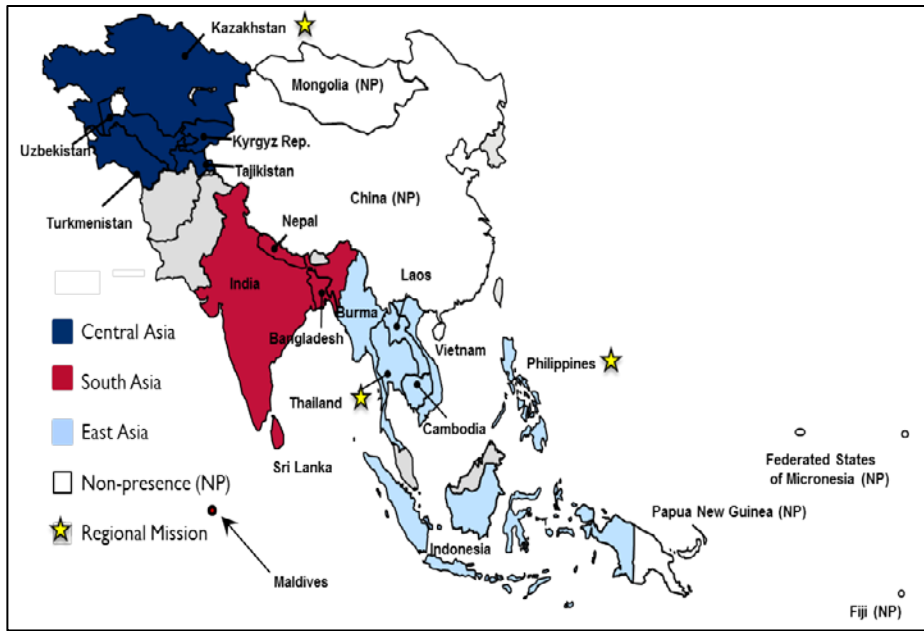
Cognizant of the fact that traditional development assistance alone will be insufficient to help Africa meet its development needs, since 2009, AFR is part of an Agency-wide effort to adapt its model for development to include diverse and sustainable partnerships. Since 2010, AFR has doubled the number of partnerships it manages and leveraged more than \$500 million in private sector investment. Additionally, AFR collaborates with the AU and each of its sub-regional institutions, such as the East Africa Community, on regional integration, trade, food security, and regional security issues. These partnerships enable us to address cross-regional challenges and unleash regional opportunities.

AFR has faced persistent challenges because USAID's budget is tightly constrained and stove-piped. Eighty-five percent of AFR funding (of which 70 percent is health) is subject to Congressional earmarks or Administration priorities. While it offers a tremendous opportunity for cross-sectoral development, the rigid nature of funding streams often limits the ability of the Bureau to adapt, optimize outcomes, and rapidly reorient programming in the face of changing conditions. For instance, this year the Bureau did not have funding to address the prevention of violent extremism (Africa hosts a number of designated terrorist organizations, and working with communities to prevent their expansion is a key component to our work in fragile states), nor was it able to expand economic growth and trade facilitation programs designed to create jobs and reduce poverty.

LOOKING FORWARD

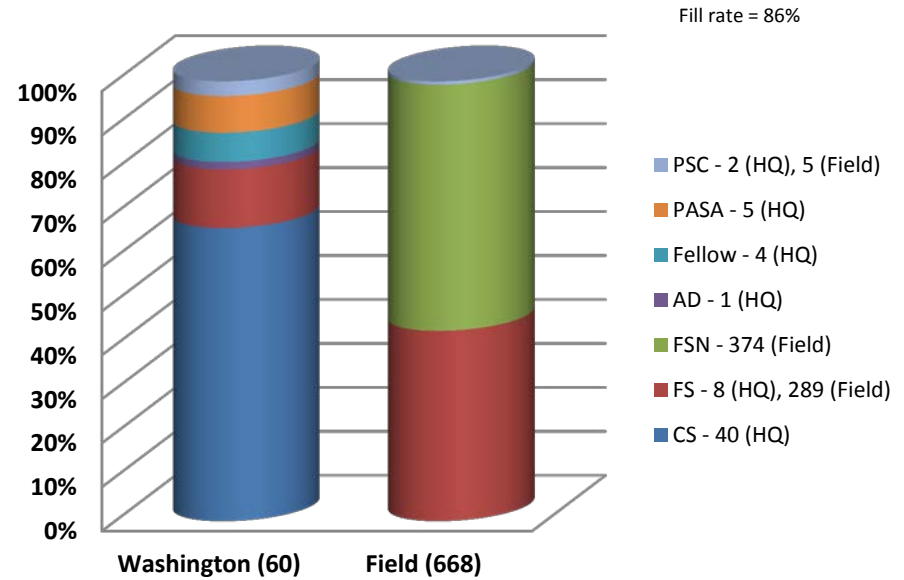
Perhaps the single greatest challenge that we need to address is Africa's massive youth bulge. Seventy percent of sub-Saharan Africans are under the age of 30. These youth have the potential to drive a new workforce and economy, or fuel the instability that comes from dissatisfaction and exclusion. While a number of initiatives address this issue in part, no single dedicated effort focuses on scaling job creation and skills development on the continent. Additionally, more than half of AFR's discretionary budget is dedicated to stabilizing fragile states and [complex crises](#). To succeed, we must more aggressively address the underlying drivers of fragility, such as corruption and undemocratic governance, weak institutions, and poor infrastructure. Through the integration of stove-piped funding streams, focused attention on fragile states, and the creation of diverse partnerships to address the critical and longstanding barriers to development, USAID and our international partners have an historic opportunity to positively influence the trajectory of African development.

PRESENCE

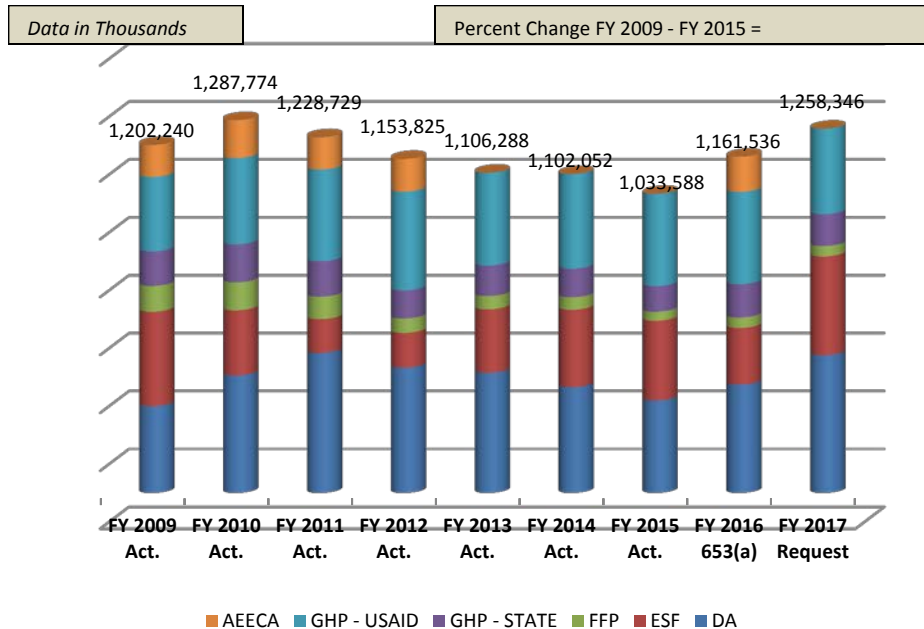


BUREAU PROFILE: BUREAU FOR ASIA

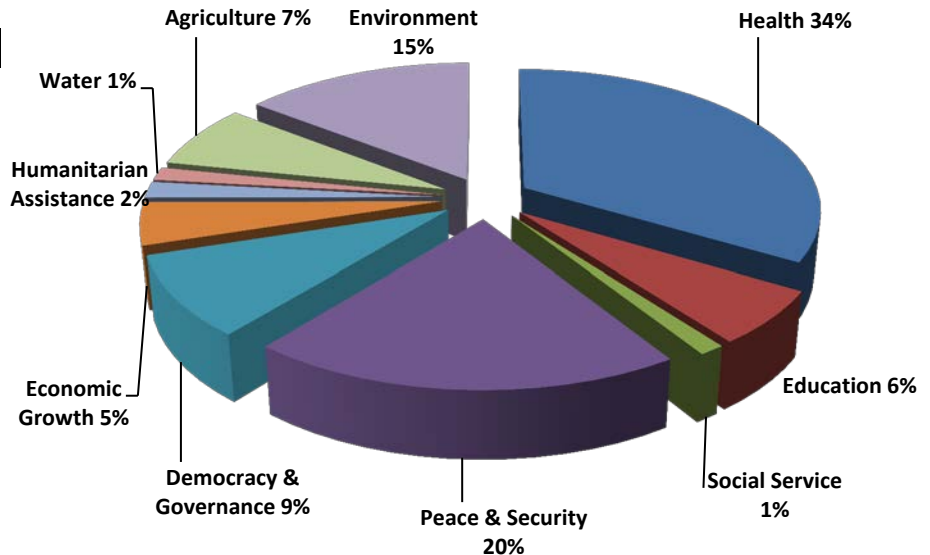
STAFFING



BUDGET: FY 2009 – FY 2017



BUDGET: FY 2015 BY SECTOR



- Asia Bureau coordinates with three Bureaus at State Department: EAP (East Asia and Pacific), SCA (South and Central Asia) and EURACE (Europe and Eurasia).
- Our non-presence countries include People's Republic of China, Mongolia, and 12 countries of the Pacific Islands.

BUREAU BRIEF: BUREAU FOR ASIA

INTRODUCTION

In 2011, the Obama Administration launched the Asia-Pacific Rebalance, recognizing that Asia is hugely consequential to U.S. security and economic interests. The U.S. and USAID have played an important role in regional fora like the Association of South East Asian Nations (ASEAN). Sustainable, inclusive development in the region is vital to U.S. security and prosperity, and is at the core of the Rebalance. Asia is home to the majority of the world's population, 50 percent of the world's extreme poor, 70 percent of the world's malnourished children, and the majority of all natural disasters. At the same time, there is an increasing number of rising political and economic powers in the region.

LOOKING BACK

Throughout Asia, our development has helped yield considerable success. In Bangladesh and Nepal, national poverty rates were cut in half over the last 15 years and mortality rates of mothers and children under 5 were slashed. In the East Asia-Pacific, the extreme poverty rate was cut in half between 2002 and 2012. Malaria mortality and stunting of children have plummeted, literacy levels are climbing, and universal primary education is nearly achieved. In Central Asia, tuberculosis rates fell by up to 50 percent. We have helped strengthen democracy and governance by partnering with reformers to bring about change. Contributing \$18 million for elections in Burma, USAID was the lead donor supporting the landmark 2015 elections and played an important role in strengthening Sri Lanka's democracy following the 2015 breakthrough election.

While great progress has been made in the region, much remains to be done. Asia suffers from environmental degradation, corruption, and inadequate health systems. Education, health, and gender inequalities persist. Rapid urbanization, which affects poverty, food security, and the environment, is an urgent problem, and more people in Asia are trapped in forced labor and sex trafficking than anywhere else in the world. Social marginalization, repression of human rights, and weak institutions generate the potential for violent extremism and insurgency among marginalized populations.

LOOKING FORWARD

Assisting the new democratically elected government to deliver economic and political benefits to the people of [Burma](#)

USAID played a critical role in the democratic advances that have taken place in recent years in Burma. We reopened our Mission in 2012, enabling us to better support reform processes. In FY 2016, Burma became USAID's largest aid recipient in the East Asia-Pacific, reflecting the country's democratic transition, large population, and development challenges on nearly every front – including health, agriculture, national reconciliation, and human rights of the Muslim Rohingya and other minorities. The new government has a short period of time in which to deliver economic benefits and real change to the people, and our development work is vital to continued reform.

Helping with Nepal's post-earthquake recovery

Nepal suffered twin devastating earthquakes in April 2015 killing nearly 9,000 people, impacting eight million, and resulting in \$7 billion of economic losses. When the earthquakes struck, our 20-year disaster risk reduction work proved critical to Nepal's ability to respond. The U.S. Government mobilized \$130 million for immediate post-earthquake needs, re-programmed existing projects into the earthquake-affected districts, and launched new projects to support recovery. Despite these investments, Nepal faces a long road ahead and continued U.S. support is critical. The Mission has designed a \$274 million earthquake reconstruction program; however, available resources fall significantly short. Moving forward, budget tradeoffs may need to be made in deciding how much we can provide to reconstruct

homes, schools, and health centers. The fragility of Nepal's political system is a major variable in our efforts as the country has had 24 prime ministers in the past 25 years.

Responding to escalating violent extremism across Asia, especially in Bangladesh

Violent Extremism (VE) in Asia is spreading and has multiple manifestations. USAID focuses on VE's root causes with special emphasis on Bangladesh – the largest recipient of USAID assistance in Asia and the third-largest Muslim majority country in the world. Bangladesh has experienced a wave of ISIS and Al-Qaeda-claimed attacks since 2015, including the 2016 murder of Xulhaz Mannan, a human rights activist employed by USAID's mission in Bangladesh. While our programs address VE drivers, bolster civic space, and strengthen accountable governance, 95 percent of bilateral resources are earmarked for development needs other than democracy, governance, or countering VE. We are formulating recommendations to develop a coordinated strategy and identify resources to address VE drivers in Asia.

Positioning development in the U.S.-[India](#) relationship

The United States and India have transcended the traditional donor-recipient relationship and today are engaged in a peer-to-peer strategic partnership that strengthens India's role in more sustainable development in India and throughout Asia. The Bush and Obama Administrations prioritized strengthening the relationship, including through development cooperation. Moving forward, it is essential to further focus on development in strengthening India's regional and global leadership.

Implementing development in quickly growing middle income countries

Asia is a unique environment in which to undertake development. While many development indicators in countries like Burma, Cambodia, Laos, and Timor-Leste remain dire, Asia is also home to quickly growing middle income countries such as Indonesia, Kazakhstan, Vietnam, and the Philippines. We are taking a long-term view of our interests in the Philippines as we consider actions in conjunction with current developments there. Our approach in these faster-growing countries requires further strategic thinking that reflects U.S. interests, as well as country-specific development needs. In Vietnam, for example, we assisted the country to strengthen 150 laws and regulations to facilitate the Trans-Pacific Partnership – meeting both development challenges identified by Vietnam as well as broader U.S. foreign policy priorities.

Crafting a U.S.-China development cooperation policy

USAID has expanded its relationship with China over the past few years, including signing an MOU and engaging in trilateral cooperation. At the same time, we continue to implement programs in China through the Regional Development Mission for Asia. Despite this growing engagement, USAID does not have a written China strategy or policy, and incoming Agency leadership will need to formulate a policy that clarifies the nature and level of USAID engagement with China. The new Administration should also decide what types of activities, if any, are appropriate to be undertaken *inside* China versus global or regional programming that includes working with China in third countries.

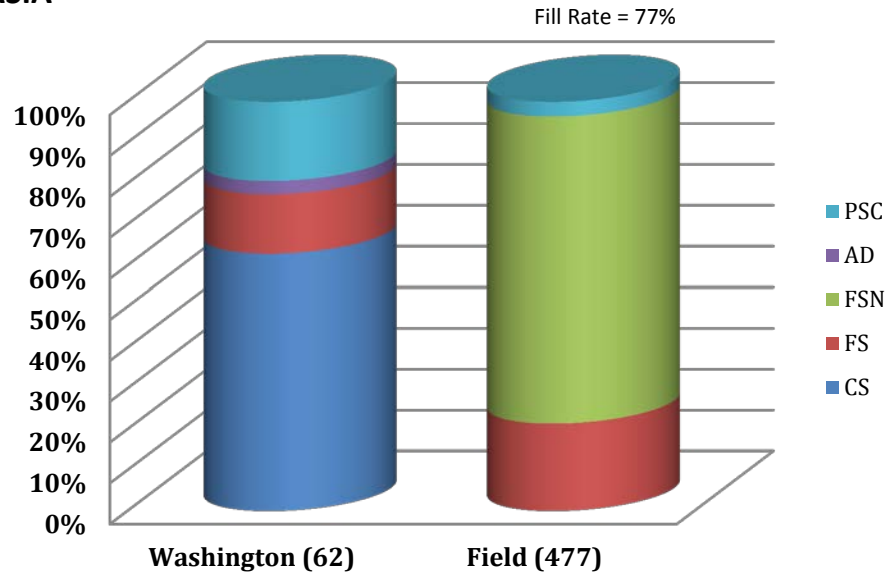
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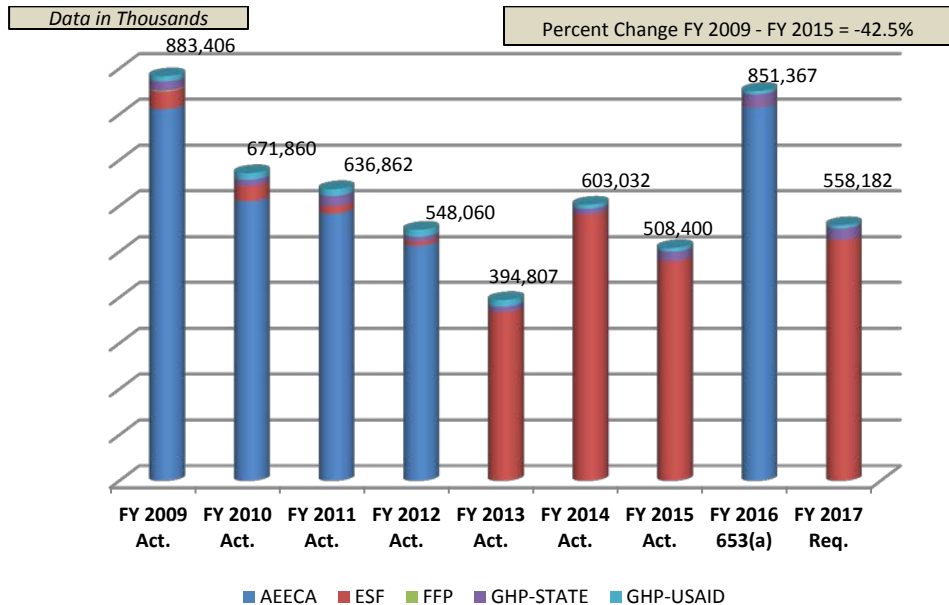
★ USAID Regional Mission

BUREAU PROFILE: BUREAU FOR EUROPE AND EURASIA

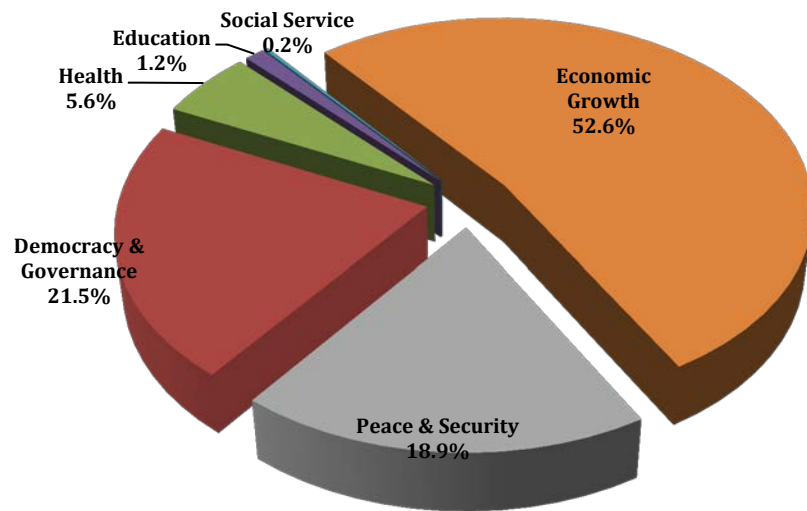
STAFFING



BUDGET: FY 2009 – FY 2017



BUDGET: FY 2015 BY SECTOR



- FY14, 15, and 16 budgets reflect three Sovereign Loan Guarantee subsidies allocated to Ukraine (ranging from over \$150 million to just about \$300 million in the Economic Growth Sector).
- 85% of the Peace and Security total is made up of OSCE (\$22 million) and Ukraine (\$60 million)

BUREAU BRIEF: BUREAU FOR EUROPE & EURASIA

INTRODUCTION

Established after the fall of the Berlin Wall, USAID's Bureau for Europe and Eurasia (E&E) administers development programs in the former communist countries of Eastern Europe and the former Soviet Union. The State Department's Assistance Coordinator for Europe, created by statute more than two decades ago when there were no overseas USAID Missions in the region, continues to play a significant role in policy coordination and budget. From FY 2010 to FY 2015, USAID funding in this region declined by 54 percent, leading to significant downsizing of USAID Missions. Following the 2014 invasion of Ukraine and heightened Russian aggression across the region, Congress re-established a dedicated appropriations account for the region in FY 2016, including a specified budget for Ukraine. Present today in 10 countries, USAID's bilateral and regional programming achieves development results, catalyzing donor collaboration to improve people's lives and bring countries into closer alignment with Euro-Atlantic structures.

LOOKING BACK

The collapse of communism in Europe 25 years ago began a tremendous political and economic transition across what became more than two dozen new and newly liberated countries. Responding to this historic opportunity and the unique development context, USAID assistance helped create the institutional, legal, and regulatory backbone for market economies and democratic governance, including by privatizing state-owned enterprises, standing up central banks, improving energy efficiency and security, reforming health and pensions systems, establishing the foundations for a constitution, fair elections, independent media, independent judiciaries and robust civil society. In coordination with European partners, USAID assistance was frequently framed in terms of European integration and accession. Eleven formerly communist countries assisted by USAID have now joined the European Union (EU) and others are at varying stages of accession. USAID developed distinct approaches and specialized tools for programming in this region. For example, E&E pioneered **Enterprise Funds** that rely on a private sector approach to stimulate free market development and economic growth. Follow-on Legacy Foundations continue in countries across the region. E&E made inroads combating **corruption** and strengthening rule of law through e-governance systems for public procurement and licensing, and in customs and the courts, and by bolstering watchdogs and reformers to press their governments for accountable and transparent governance. E&E's methodology for measuring country performance and the state of reform was accepted by the interagency and adapted globally by the State Department.

LOOKING FORWARD

In addition to basic state-building efforts in all the countries of the E&E region, USAID provides vital post-conflict assistance in several countries, including Ukraine, Armenia, and Georgia, among the former Soviet countries, and in Bosnia and Kosovo, still recovering from the Balkans wars of the 1990s. USAID's presence in the region reflects the longstanding U.S. commitment to democracy, prosperity, resilience, and stability. **Heightened aggression by Russia** has challenged the post-Cold War order with violent occupation, politically oriented disruptions of trade, including cutoffs of energy supplies and export markets – along with a widening propaganda campaign intended to discredit Western institutions, American assistance and often modernization itself. USAID support to advance economic gains and consolidate democratic governance will improve the lives of ordinary citizens and help maintain public support for reforms while keeping E&E countries on a Western-oriented trajectory.

Brexit and other crises inside the EU, rifts created by the migration crisis, and escalating nationalism and xenophobia have prompted some of our best partners to turn their attention (and resources) inward.

Though the EU is still officially committed to further expansion, the hopes of several aspirant countries have been dimmed, and USAID may have to recalibrate its targets more toward global standards in the near term. Moreover, the migrant crisis has galvanized anti-democratic forces in “graduated” E&E countries now in the EU, and created severe pressure in Western Balkan countries that have no experience, capacity, or resources to respond should the numbers of refugees in their midst continue to grow. The emergence of extremists and foreign fighters in several Balkan countries presents an additional concern. USAID experience in building local capacity and emphasis on inclusive economic development are particularly important in this context.

After more than two decades of general progress, the region has seen significant backsliding in democratic performance and economic and social development over the past five years. The remaining E&E-assisted countries present the most acute and intractable transition **challenges**. They are comprised of mostly small, new countries without democratic traditions or experience in self-governance, facing economic stagnation, deteriorating standards of living, and chronically high unemployment, especially among young people. Forecasts project little improvement in economic performance in the next five years, with Ukraine (the largest of our countries) expected to be especially hard hit. Stubbornly entrenched regimes and economic elites, often aligned with malign Russian interests, continue to suppress both democratic and economic development. In many E&E countries, these bad actors operate in environments where corruption is pervasive and government institutions are ineffective. This phenomenon blocks needed reform, prevents progress and inspires communist nostalgia. Continued USAID support will be important to remove obstacles to democratic and economic progress, for instance in private sector development, combatting corruption, and energy reform.

The EU and its member states are at present focused on addressing internal **crises** caused by political fracturing and the arrival of thousands of refugees. USAID missions thus need to play an enlarged leadership role to fill the gap created by European donor partners reducing spending in parts of the region. In fact, host governments and other donors say that targeted USAID assistance enables practical steps toward meeting onerous EU requirements. USAID has established strong credibility in advising host governments on reforms and their implementation, from Georgia and Ukraine to the Western Balkans. By leveraging our reputation and our relationships, we are able to help host governments develop legislation and protections that not only move their nations further towards becoming resilient democracies and economies but also resist Russian pressure.

E&E’s more than 25 years of experience positions USAID to recognize signs of increased instability and fragility and devise feasible assistance approaches before crises occur. With modest resources, E&E capitalizes on regional approaches that bring together small new countries and collectively address the onslaught from Russia. The early successes of the march to free market democracy, and the long but continuing path towards sustained reform, were not accidental. They provide a blueprint within the changing regional context and deeply rooted impediments that USAID is uniquely positioned to take on.

The E&E Bureau is poised to continue addressing democratic backsliding and economic stagnation and to invigorate popular support for reforms by showcasing the benefits of transparent and effective governance and free markets in people’s daily lives. Catalyzing other donors and partners to work together, a modest presence can continue to advance development objectives in this strategically important region at this critical time.

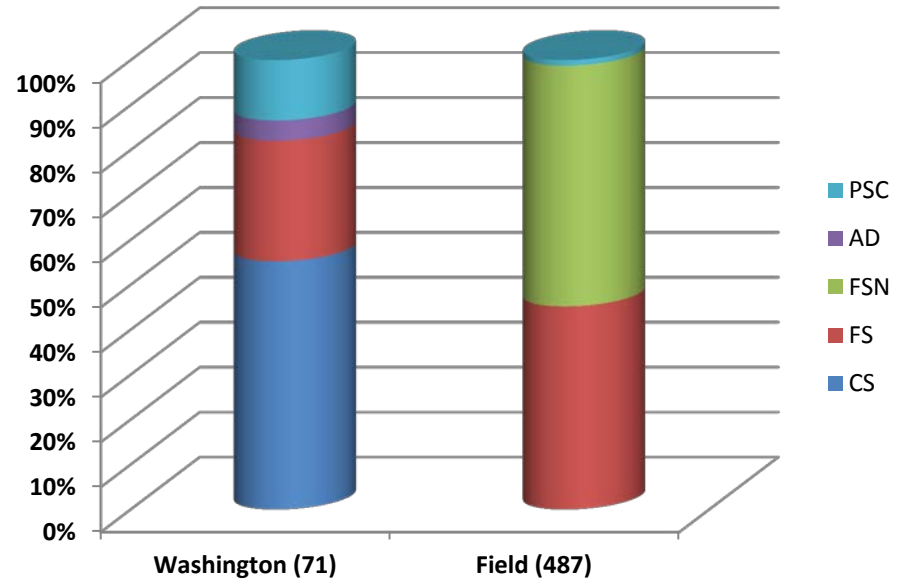
PRESENCE



BUREAU PROFILE: BUREAU FOR LATIN AMERICAN AND THE CARIBBEAN

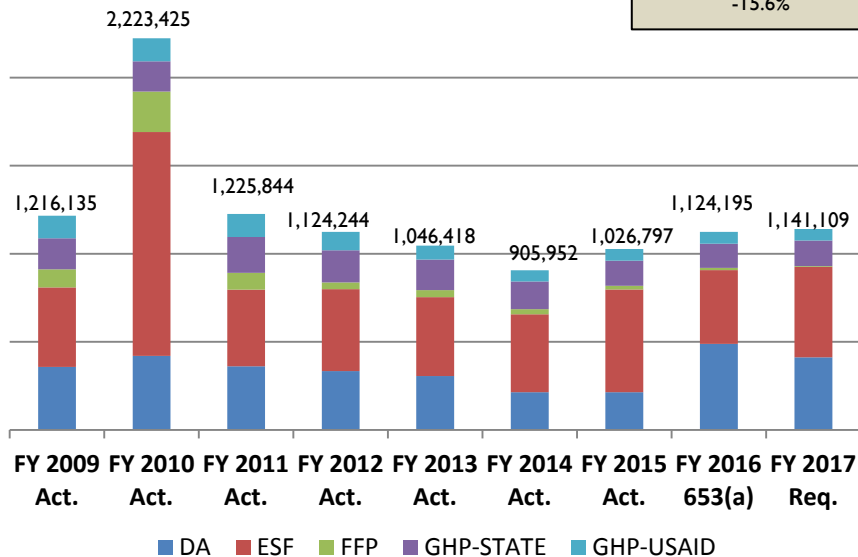
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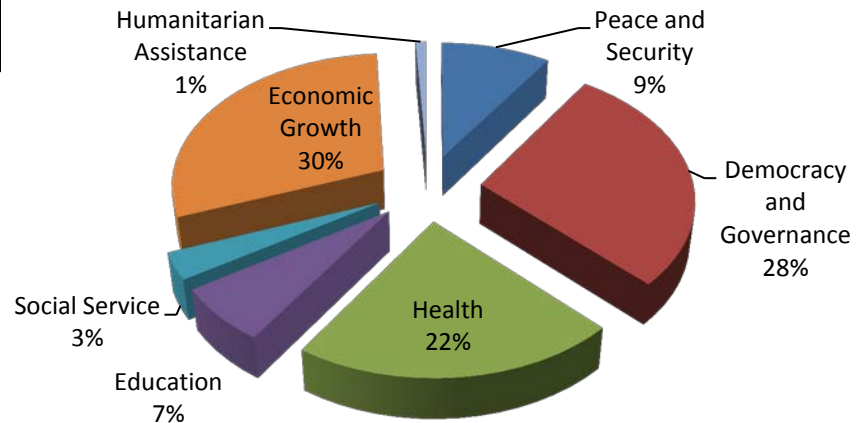
BUDGET: FY 2009 – FY 2017

Percent Change
FY 2009 - FY 2015
-15.6%



Data in Thousands

BUDGET: FY 2015 BY SECTOR



- Increased FY 2015, 2016, and 2017 levels reflect additional funds for the U.S. Strategy for Engagement in Central America.
- The FY 2017 request also includes increases for the President's Peace Colombia initiative.
- Program funding increases require a corresponding ramp up in staff to design, award, and manage new programs.
- Most of the security initiative funding (CARSI, CBSI, Merida) is programmed through the Democracy and Governance sector.

BUREAU BRIEF: LATIN AMERICA AND THE CARIBBEAN

INTRODUCTION

Peaceful, stable, democratic societies in Latin America and Caribbean (LAC) make for good trading partners and strong allies, helping the United States to be more prosperous and secure. U.S. foreign assistance has been critical to the great strides made in the region. There continue to be tremendous opportunities in the region, but significant challenges remain. LAC countries continue to have some of the highest rates of income inequality in the world and economic growth has slowed in recent years. Crime and violence pose huge challenges. Despite democratic progress, some countries are witnessing troubling backsliding. Opportunities in the region include capitalizing on political momentum in the Central America to stem the flow of immigration, supporting a durable peace in Colombia, preventing human suffering in Venezuela, supporting broad-based economic growth, and strengthening democracy throughout the region.

LOOKING BACK

Central America: The unaccompanied children migration crisis in the United States in 2014, and the associated development challenges, resulted in a refocusing of USG efforts including the appropriation of significant new resources for interagency programs in the region. USAID has made significant progress partnering with the governments of Honduras, Guatemala, and El Salvador to address development challenges, including modernizing their approach to crime and violence across the Northern Triangle. Whereas heavy-handed law enforcement approaches predominated in the region a few years ago, through Agency efforts, all three governments have codified national crime prevention strategies incorporating international best practices. The USG has also shifted host government development priorities to make them more sustainable and inclusive of neglected regions and populations.

Peace in Colombia: Begun in 2000, when Colombia was plagued by active civil conflict, corruption scandals, and widespread drug cultivation, Plan Colombia was developed by the United States and the Government of Colombia to help eradicate the drug trade and bring peace and prosperity. USAID provided victim's assistance to ensure access to justice and reconciliation, strengthened institutions to promote democracy and human rights, and supported trade and investment networks to help grow and strengthen the rural economy. Thanks to years of committed work and strategic patience, the Government of Colombia and the Revolutionary Armed Forces of Colombia (FARC) have agreed to work toward a future of peace.

Strengthened Host Country Partnership: USAID empowers countries to assume responsibility for their own development and grow beyond the need for international assistance. By working directly with governments and non-governmental partners, USAID builds local capacity, fosters ownership, and promotes sustainability. For example, based on the success of USAID programs, we have strategically narrowed sectors in which we engage in certain countries, such as health in Paraguay, and have closed missions altogether, such as in Panama and Costa Rica. USAID has also forged partnerships with emerging donors, such as Chile and Brazil, within the region to advance development priorities.

LOOKING FORWARD

Northern Triangle: In 2015, the USG launched the Strategy for Engagement in Central America. The Strategy outlines interdependent prosperity, governance, and security efforts designed to address the root causes of migration. Building on the momentum of close collaboration between the governments of Central America and the USG, USAID will continue to address the underlying development challenges that have led to poor governance, low levels of equitable economic growth, and the highest crime rates

in the world - all of which have contributed to the surge in migration from the region to the United States. Within the USG, USAID and State are successfully collaborating and co-leading daily management of the Strategy and engaging the wider interagency where appropriate. The problems are difficult, but solvable, particularly given the political will in the region and in the U.S. Congress for a sustained, long-term focus on the region. As with any new initiative, a challenge has been staffing up and designing new programs to absorb the increase in resources in recent fiscal years. Moving forward, it will be imperative to continue to engage Congress, given the high level of interest and significant funding that has been appropriated for the region.

Closing Spaces: The LAC region has the largest number of “closing spaces” in the world – countries where governments generally are duly elected and populist, but ultimately prove to be anti-democratic and restrict freedom of association and expression. USAID will continue to engage where appropriate in these politically restrictive environments. In Venezuela, for example, USAID is considering programming beyond its current democracy and governance portfolio; additional efforts would seek to mitigate the effects of a large-scale political and humanitarian crisis. In other closing spaces, such as Ecuador, Nicaragua, and potentially Bolivia, the Agency’s mission must focus on promoting resilient, democratic societies. In Cuba, USAID will continue to coordinate closely with the Department of State on democracy programming and humanitarian assistance, while also seeking opportunities to expand its engagement with the Cuban people in other areas of the Agency's typical development expertise.

Peace Colombia: Sustained U.S. engagement will be critical to the implementation of peace in Colombia. Peace Colombia, a collection of programs already in progress or planned to begin now that peace accords have been signed, was launched by the USG in February 2016. While the Colombian people in a referendum on October 2 voted “no” on the September 26, 2016, peace accord, the result is not a rejection of peace; it is more indicative of a deeply divided nation. In consultation with the Government of Colombia, USAID will expand upon current programming to help Colombian government institutions to establish a stronger presence in former conflict zones, seek post-conflict reconciliation and justice, promote inclusive rural economic growth, and manage the country’s vast natural resources.

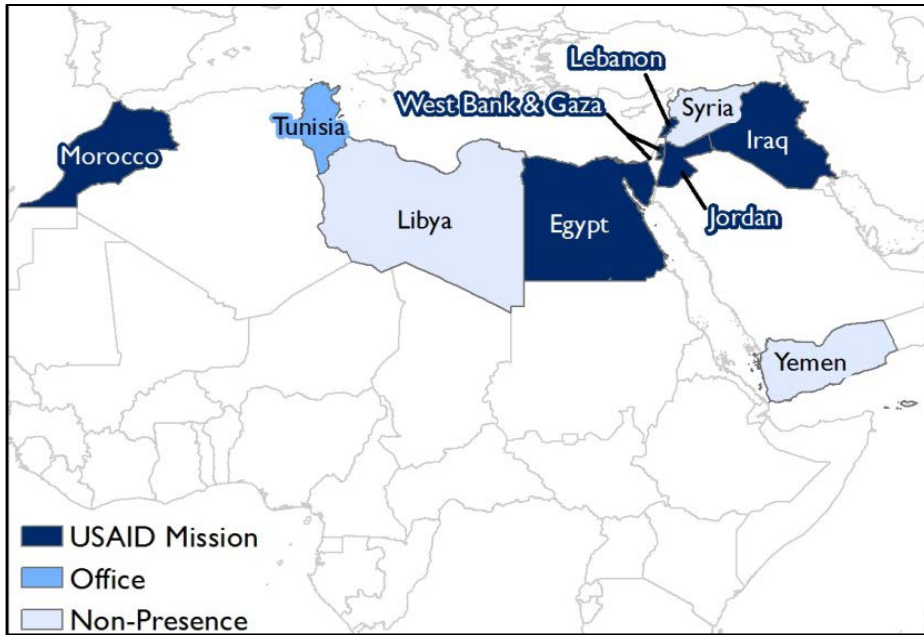
Sustainable Broad-based Economic Growth: Although the LAC region experienced positive growth during the first decade of the 2000s, growth rates have turned negative; the region is also marked by some of the highest income inequality in the world. The World Bank has found that the largest segment of LAC’s population is in what they call the “vulnerable” category: in between poverty and middle class. The region must guard against people slipping into poverty due to shocks from economic downturns, environmental impacts and severe weather events, crime and violence, illness, or other threats. USAID’s economic growth programs create jobs, increase financial security for poor households, and increase rural productivity while promoting inclusion of vulnerable groups.

Encouraging Democracy and Human Rights: Violence and insecurity in the LAC region have eroded citizen confidence in democratic institutions and practices. USAID’s democracy and human rights programs address fundamental democratic issues, including anti-corruption efforts, promotion of press freedoms and the rule of law, and support for civil society. USAID also works with host governments on crime prevention, with a particular emphasis on targeting at-risk youth.

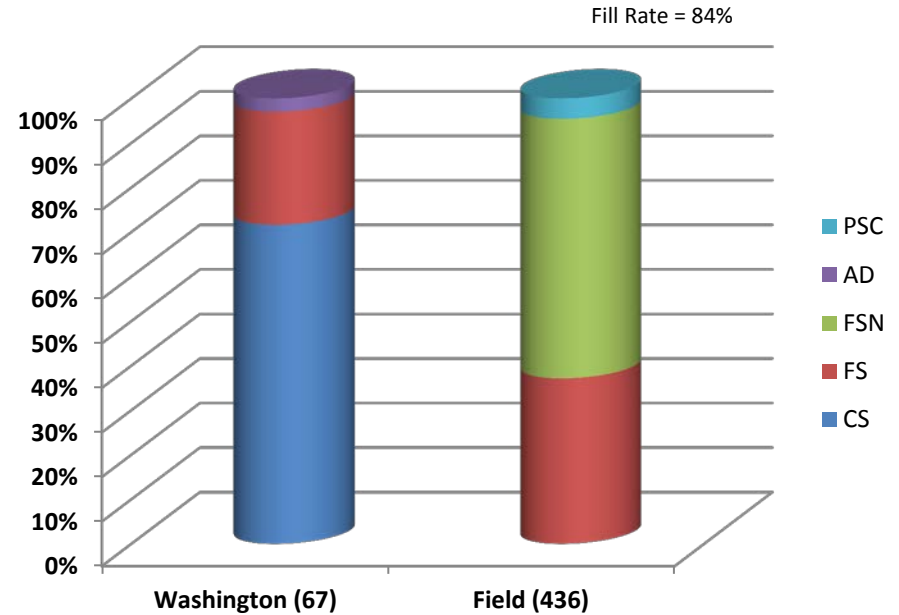
Haiti: In 2018, USAID will launch its first development strategy for Haiti, which will continue efforts to help Haiti grow into a stable and economically viable country. Despite early coordination challenges, USAID has built successful relationships with interagency partners, particularly the State Department’s Office of the Haiti Special Coordinator, to carry out long-term strategic assistance goals.

BUREAU PROFILE: BUREAU FOR MIDDLE EAST

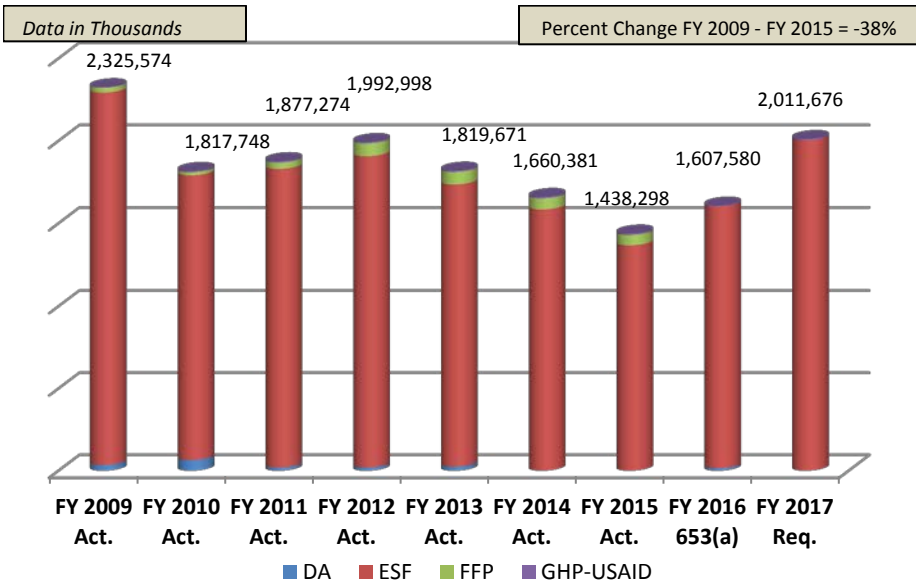
PRESENCE



STAFFING

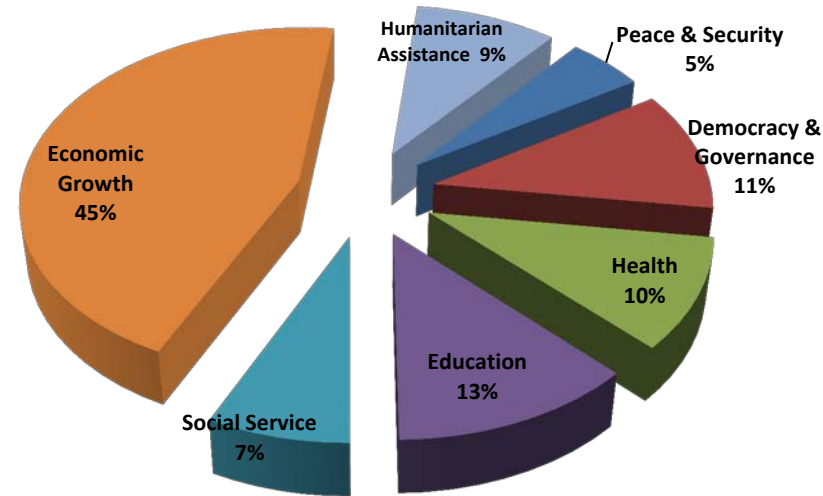


BUDGET: FY 2009 – FY 2017



Funding does not include humanitarian assistance from the International Disaster Assistance (IDA) account, which is managed by DCHA.

BUDGET: FY 2015 BY SECTOR



USAID has an active engagement in the Middle East and North Africa— an area rife with complex challenges. Our priorities in the region include mitigating the human impact of ongoing conflicts, supporting core U.S. national security objectives, and fostering inclusive development and reform as opportunities arise.

BUREAU BRIEF: BUREAU FOR THE MIDDLE EAST

INTRODUCTION

The Middle East region is in its sixth year of turmoil as social compacts break down, but a new order has yet to emerge. The counter-ISIL campaign waged in Iraq and Syria has rendered the challenges more daunting and in some cases deepened the chaos. Together, these trends pose a complex set of interrelated challenges that threaten the region's political, economic, and social development.

Despite growing evidence that the demands and expectations of citizens are more powerful than centralized and exclusive rule, development is not yet viewed broadly as central to the region's decline or its recovery. While the need for macroeconomic stability garners the attention of some leaders, the need for inclusive growth, jobs, and effective services too often fall to the bottom of the list. In some cases, the humanitarian crises borne of political upheaval make development nearly impossible. The Bureau for the Middle East (ME) is therefore faced with the challenge of addressing critical national security challenges, responding to immediate crises in the region, supporting stabilization and transition where possible, maintaining momentum where there are positive trends, and laying the foundation for future engagement. USAID's priorities in the Middle East and North Africa (MENA) fall within three priority areas: supporting core U.S. national security objectives; mitigating the human impact of ongoing conflicts in the region; and fostering inclusive development and reform as opportunities arise.

LOOKING BACK

As the Middle East has evolved during the past several years, so too, has the ME Bureau:

- USAID has reoriented our strategies in Jordan and Lebanon as host communities struggle to manage the refugee influx while maintaining economic and social stability.
- In Iraq, where USAID was on a glide path to closure by December 2015, the rise of ISIL and the Iraqi fiscal crisis demand renewed engagement.
- Since 2011, USAID established three new operating units supporting work in Syria, Tunisia, and Libya, and paused Mission operations in Yemen as a result of the ongoing conflict. Reflecting the importance of [our work in crisis areas](#), USAID was among the last within the USG to evacuate Yemen.
- In Tunisia, USAID commenced programs in 2011 focused on assisting the country to remain stable, consolidate democratic gains, and ensure [enduring economic reform](#).
- To respond to the evolving crisis in Syria, USAID established platforms in Jordan and Turkey, through which we work to restore essential services, [improve governance capacity](#), and support livelihoods.
- Since 2011, USAID has worked in a constrained environment in Libya focused on stabilization and transition. Following the increase in conflict in that country, the U.S. Embassy and USAID evacuated, and USAID has henceforth managed operations from Tunis, Frankfurt, or Malta.

USAID's footprint in the region is highly constrained and our Washington operating expense budget does not allow us to fill all of the required positions even as our programs and broader interagency demand for our involvement has grown. Our work in the Middle East elicits strong interest in and attention from the National Security Council, and USAID's perspective on and knowledge of the region and its social, political and economic dynamics has enabled us to contribute significantly to policy deliberations. But it has also increased the workload for Bureau staff and leadership. The burden on staff supporting and/or living in high-risk environments is increased by the need to engage our partners, fulfill State Department reporting requirements, and respond to NSC taskers.

Middle East Missions are at the forefront of developing methods to successfully manage third party monitoring systems for our work in non-permissive environments. We are also developing a body of information on countering violent extremism, and pioneering activities that provide non-formal education in crisis environments. In order to meet our operational needs in light of the staffing and security constraints, USAID ceased providing regional program support from our Egypt Mission and in its place established a new Middle East Regional Platform (MERP) at the U.S. Consulate in Frankfurt, Germany. MERP staff work closely with the Middle East Bureau in Washington and field Missions to provide support services (i.e. contracting, legal, strategy, and technical assistance) that are not available locally.

LOOKING FORWARD

The Bureau must contend with the key challenge of positioning USAID's work and footprint in the Middle East. The diffusion of power away from traditional state actors and among sub-state and non-state actors puts USAID's work with citizens, communities, the private sector, and civil society at the fore and increases the importance of USAID's role in maintaining relationships and presence within the region. Several challenges—both **interagency** and intra-agency—loom ahead for the Bureau:

- Over the past several years, an increase in the number of assistance coordinators at the Department of State, including the Near East Affairs Bureau, has at times diverted from USAID's core development mission in order to support short-term projects often designed to yield immediate foreign policy gains. While USAID strongly supports our foreign policy aims, there is a growing risk of an imbalance between short-term gains and longer-term development solutions.
- Given a high degree of interest, our engagement with and outreach to Congress must continually be strengthened. USAID has prioritized initiatives managed by functional bureaus in its Congressional engagement, and there is a need to deepen and expand engagement on USAID's role and programs in the Middle East.
- The Bureau's extensive and growing relationship with DCHA requires regular attention, particularly around democracy and transition issues, where the division of responsibilities is sometimes unclear.
- The Bureau has the compounding challenge of securing Agency resources and attention for its hard-to-fill but high-profile posts.
- In order to maximize our effectiveness and impact, ME needs to address operational challenges and determine appropriate levels of staff, funding, and engagement in new operating units that have been established since the Arab Spring uprisings of 2011, including as and if peace and some ability to operate in post-conflict settings in Syria, Libya, and Yemen allows us to expand our programming. ME has considered this question, but has not yet established **contingency mechanisms** to enable rapid operationalization in these countries.
- On the management side, ME established Senior Development Advisors (SDAs) with responsibility for USAID's work in Tunisia, Syria, Libya, and Yemen. This is not the traditional USAID model and has presented some management challenges, while at the same time it has allowed us to operate in complex environments. One and a half years into the establishment of the MERP, there remains significant unmet demand for support, and determining how the staff in MERP supports regional and bilateral activities is a work in progress. We also need to regularize funding and allocation processes, especially for the new operating units, which are often funded on an ad hoc basis to support important but short-term activities.

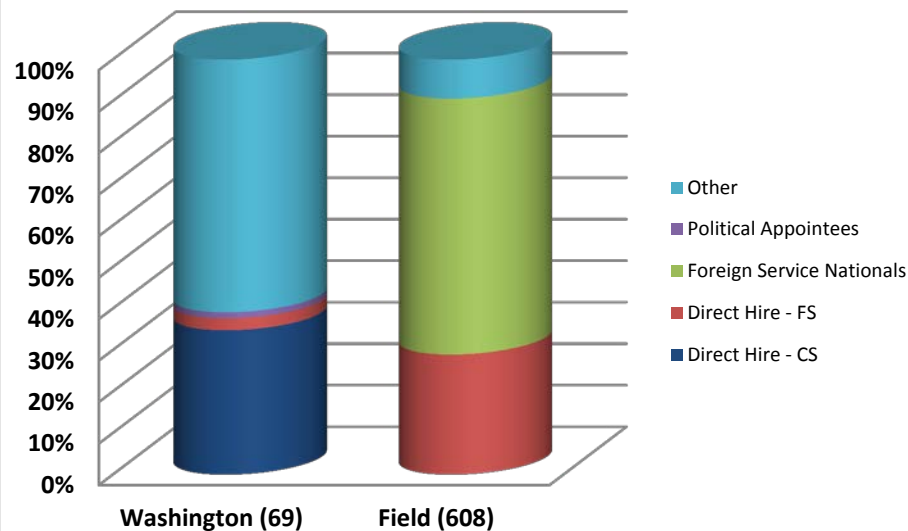
BUREAU PROFILE: OFFICE OF AFGHANISTAN AND PAKISTAN AFFAIRS

PRESENCE



STAFFING

Fill Rate = 96%

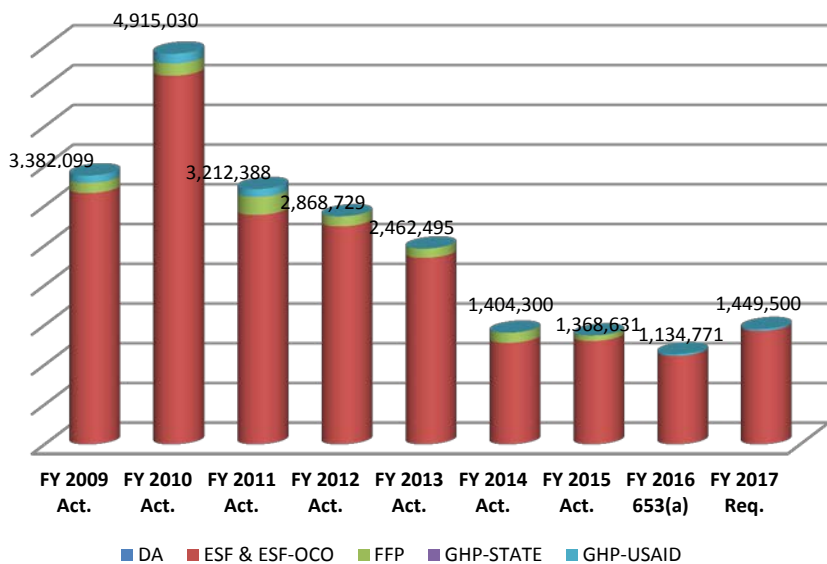


The Congressional report data used in all bureau profiles is inaccurate with respect to OAPA, particularly as to field levels. Actual levels are lower; the total for the two Missions is 552.

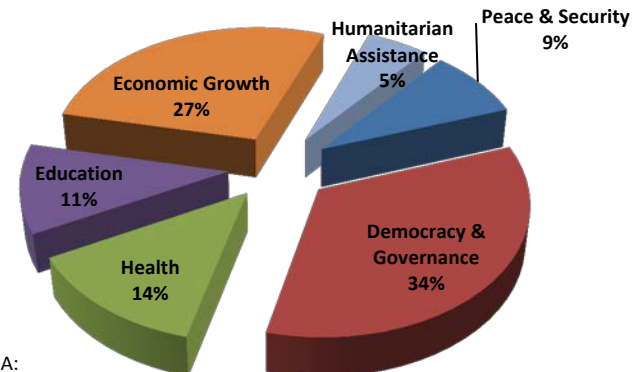
BUDGET: FY 2009 – FY 2017

Data in Thousands

Percent Change FY 2009 - FY 2015 = -59.5%



BUDGET: FY 2015 BY SECTOR



- The FY 2015 budget for OAPA:
 - Afghanistan represents 65% and Pakistan 35% of the total budget
 - 60% (or \$281.9 million) of Democracy and Governance funding is attributed to the Afghanistan's Reconstruction Trust Fund (ARTF) and New Development Partnership (NDP)
 - 38% (or \$143.2 million) of Economic Growth funding is attributed to energy-related programs in Pakistan
 - 6% (or \$83.4 million) of the total budget is transferred to the Department of State (includes \$12.6 million that was transferred to USAID/Asia).
- On-budget programs in Afghanistan and Pakistan (including direct government assistance and multi-donor trust funds) between FY 2010 – FY 2015 have been budgeted at 34% (or \$5.6 billion).
- The Enhanced Partnership with Pakistan Act of 2009 (referred to as Kerry Lugar Berman or KLB), authorized up to \$7.5 billion for Pakistan's civilian assistance over the five year period between FY 2010 – FY 2014. Pakistan was appropriated \$4.4 billion over that time.

BUREAU BRIEF: OFFICE OF AFGHANISTAN AND PAKISTAN AFFAIRS

INTRODUCTION

USAID anticipates that stability and development in Afghanistan and Pakistan will remain a top U.S. foreign policy priority given U.S. Government (USG) investments, including more than \$17 billion in program funding appropriated to USAID since 2010, and lessons learned about the need for sustained engagements. Achieving sustainable results that meet national security priorities despite volatile security environments requires a dynamic management and oversight model as well as strong policy coordination and public outreach, in particular with Congress, the National Security Council, and the Departments of State and Defense. Collaboration with State's Special Representative for Afghanistan and Pakistan (SRAP) is a high priority. SRAP's office of approximately 50 staff has the lead in diplomatic and policy engagement with Afghanistan and Pakistan in Washington and coordinates interagency efforts to meet U.S. strategic goals in the region.

LOOKING BACK

Afghanistan Achievements: USAID's strategy in Afghanistan focuses on improving the performance and legitimacy of the Afghan government; promoting economic growth; and maintaining gains in health, education, and women's empowerment. In 2001, there were few educational opportunities, especially for girls. Today, with the help of USAID and other donors, millions of children are enrolled in school. University enrollment has increased 20-fold over the same period, from 8,000 to 174,000 students. In the past 11 years, USAID has reached more than 3.9 million Afghan households and helped to create nearly 650,000 new agriculture-related jobs by supporting the productivity and quality of agriculture in Afghanistan and connecting Afghan farmers to markets. Since 2011 alone, USAID has formed 297 public-private alliances to support small- and medium-sized businesses and given 4,700 businesswomen skills to open and enhance their businesses. The Afghan government, with help from USAID, established the country's electrical utility, Da Afghanistan Breshna Sherkat (DABS), eight years ago. DABS is now profitable, and with USAID's continued assistance is bringing 18.5 megawatts of additional electricity to Afghanistan's power-starved south. Commitments from more than 70 countries at the October 2016 Brussels Conference on Afghanistan reached \$15.2 billion for the 2017-2020 period, with a U.S. commitment of assistance at or near current levels (close to \$1 billion annually) through 2020.

Pakistan Achievements: The United States has provided assistance to Pakistan for more than 60 years. Under the Enhanced Partnership with Pakistan Act (often called the Kerry Lugar Berman Act or KLB), \$4.95 billion was appropriated for civilian assistance from 2010-2014. It is in the U.S. national interest to assist Pakistan in becoming a more secure, prosperous, and stable democracy that successfully counters violent extremism and contributes to peace and stability in the region. Civilian assistance to Pakistan focuses on five priority areas that advance Pakistan's stability and U.S. interests: 1) helping Pakistan address energy challenges; 2) fostering economic growth; 3) supporting stabilization efforts across sectors and in regions susceptible to violent extremists; 4) facilitating greater access to and increased quality of education; and 5) building capacity to meet health needs. Since 2010, USAID assistance has added 2,460 megawatts of electricity to the national grid, benefiting more than 28 million people, and constructed more than 1,100 kilometers of roads, including rehabilitating the four main border crossings with Afghanistan. USAID programs also leveraged more than \$16 million in private sector investment, awarded more than 15,000 higher education scholarships, and trained more than 37,000 health care workers.

Oversight: OAPA **ensures accountability** in difficult environments by surpassing already rigorous USAID standards. USAID's multi-tiered monitoring approach in Afghanistan has mitigated the effects of limited

mobility and internal oversight is complemented by external oversight. OAPA manages upwards of thirty audit or audit-like interactions at any given time with the Government Accountability Office (GAO), Office of the Inspector General (OIG), and Special Inspector General for Afghanistan Reconstruction (SIGAR), garnering media and Congressional attention.

LOOKING FORWARD

Political and Physical Operating Environments: OAPA collaborates closely with the Missions to deal with bilateral challenges and opportunities. In Afghanistan, the relationship between President Ghani and Chief Executive Officer Abdullah continues to be tenuous, and USAID remains dedicated to the stability of Afghanistan through strengthening local governance, anti-corruption efforts, engagement with civil society, women's empowerment, and support to election administration. The volatile security situation in Afghanistan, and restricted movement in Pakistan, hampers project implementation and will require constant innovation in our performance monitoring and oversight. In Pakistan, USAID faces important **operational challenges** to the ability of our partners to implement programs. Our implementing partners struggle with the Government of Pakistan's restrictive regulations for NGOs that hamper smooth project execution. To further safeguard our assistance to Pakistan, USAID is initiating a counterterrorism vetting program for implementing partners in fiscal year 2017. The program is patterned after a similar OAPA initiative in Afghanistan in which more than 7,000 potential partners have been vetted since 2011; four percent did not pass stringent controls, denying them involvement in \$662 million in assistance. Working in Pakistan also necessitates an interagency approach due to the complex intersection of diplomatic, security, and development goals, which can create a challenging State-USAID dynamic, as highlighted in a recently released OIG audit on long-term development under the KLB Act. USAID has addressed many of OIG's recommendations. Although the current interagency environment is increasingly positive, it will require continued attention in the coming years.

Resource Management: Afghanistan and Pakistan remain two of USAID's largest portfolios despite recent decreases (FY 2016 USAID-managed resources are \$812 million and \$323 million, respectively), with large pipelines (\$6 billion combined, including FY 2016 resources) that require intense management. More than half of each pipeline consists of "on-budget" resources, reflecting our historical commitment to channel funding through host-government systems (directly or through multi-donor trust funds). However, expectations on the robust use of on-budget mechanisms in coming years should be tempered given implementation challenges and therefore explored on a case-by-case basis. In an environment of increasing priorities worldwide, the funding commitments to Afghanistan and Pakistan have stabilized at levels lower than several years ago. A key challenge will be to ensure a steady and measured reduction in U.S. assistance to Pakistan while building on development gains.

Structure: Turnover in both Missions is exceptional because Foreign Service Officers typically serve one-year tours, and local staff in Afghanistan change up to 45 percent annually due to special programs that permit expedited immigration visas and other pressures. Due to security and funding constraints, the Missions (especially Afghanistan) face pressure to have a smaller footprint. The Afghanistan Mission has reduced its direct-hire complement from 375 to 100 in the last five years; in Pakistan the number was reduced from 72 to 67. For these reasons, OAPA must maintain a robust Washington support structure to help with activity design, procurements, project oversight, and staff shortages, providing continuity and institutional knowledge. Alternative arrangements in the planning stage, such as a sub-office in India to support Afghanistan, will become critical extensions of the Mission. In terms of OAPA's status and structure, the likelihood that existing levels of programmatic and budgetary demands will continue suggests that USAID might be best served by maintaining OAPA as an independent office. State has similar considerations with SRAP.

BUREAU BRIEF: OFFICE OF BUDGET AND RESOURCE MANAGEMENT

INTRODUCTION

The Office of Budget and Resource Management (BRM) is an independent office within the Office of the USAID Administrator, established in 2010 in response to the recognition of the value and importance of producing a corporate USAID development budget on behalf of the Administrator. Coordinating closely with the State Department's Office of U.S. Foreign Assistance Resources (State/F), BRM formulates, justifies, and oversees the execution of USAID's program budget, and represents the interests of the Administrator, the Agency, and the Administration throughout the foreign assistance budgeting process. BRM's end goal is an evidence-based development budget process that aligns with USAID's mission, prioritizes USAID and broader U.S. Government development investments, and promotes foreign assistance transparency and effectiveness to the greatest extent. BRM is called on frequently to provide briefings to Congress to help justify funding of Administration and Agency development priorities.

LOOKING BACK

A significant [evolution of Agency budget capacity](#) began in 2006, when USAID's Bureau for Policy, Planning and Coordination was dissolved to consolidate foreign assistance policy and budget formulation under State/F. This resulted in the erosion of USAID's corporate role in budget and resource management and its ability to systematically deploy resources where they would have the greatest impact. In recognition of this gap and in order to re-establish this essential function, USAID created BRM in 2010.

Over the past six years, BRM has grown steadily, beginning with a few detailees, but expanding by 2016 into a full office. This growth has allowed BRM to take on an expanded set of responsibilities. With its small team, BRM now provides the Administrator with the corporate-level capacity to propose, justify, and execute the USAID budget, promote the use of country and sector strategies to influence resource requests and allocation, analyze and work to maintain healthy [resource trends](#), and manage scarce resources in support of the Agency's mission. Over the past year, BRM helped the Agency improve country-level strategic planning by integrating data-driven budget assumptions into the parameters for Mission strategies. As more and more new country strategies are developed, these inputs will lead to more realistic, focused, and evidence-based strategies.

BRM also increased the [efficiency of budget execution](#) through increased focus on financial management of program funds. This had not been a priority of staff in State/F, yet is crucial to the successful implementation of development assistance programming. By looking more critically at funding held up in unnecessary pipelines and proactively reprogramming funding before it expires, USAID can use its resources more effectively to expand implementation, increase support to priority programs, prevent funding gaps, and better justify future funding requests to Congress. BRM's role becomes even more critical when unanticipated resource requirements arise due to urgent challenges. From the Ebola outbreak, El Nino response, and conflicts in Afghanistan and Pakistan, to Zika concerns and countering violent extremism, BRM staff have engaged with State and USAID partners to ensure the Agency develops effective, coordinated, corporate responses to the world's most critical and pressing priorities.

LOOKING FORWARD

BRM has made significant progress in re-establishing the Agency's critical budget formulation and execution functions. However, many opportunities and challenges remain:

- **Authorities:** The Agency's ability to make strategic budget decisions is constrained by a significant disconnect between: (1) the Administrator's delegated budgetary authority; and (2) the Administrator's responsibility and accountability for development programming. This disconnect also inhibits the Agency's ability to adaptively manage programs to achieve better results by shifting funds among countries and programs based on needs and evidence. When State/F was originally established, the USAID Administrator simultaneously held the title of Director of Foreign Assistance, with corresponding authorities over the foreign assistance budget. These positions have since been decoupled, with the budgetary authorities remaining at State/F with the Director of Foreign Assistance Resources. Therefore, despite being a Senate-confirmed Administrator of an independent USG agency, the USAID Administrator does not currently have a direct line to the Secretary of State regarding the USAID budget.
- **Budget Negotiation:** With the establishment of BRM, many budget tasks and responsibilities returned to USAID at the working level. However, due to a lack of formal budgetary authorities, success in resolving budget challenges with State, the Office of Management and Budget, and Congress is often dependent on interpersonal relationships. This unresolved structural problem is particularly exposed during changes in leadership, when new relationships must be nurtured. It can be especially challenging to achieve consensus and consistent messaging among all stakeholders during the budget justification process.
- **Relationship Between Program and OE Funds:** Within USAID, the program budget is overseen by BRM, while Operating Expenses (OE) are managed by the Bureau for Management (M). This split management arrangement, which came about because of the creation of State/F, requires significant collaboration to ensure that Agency operational resources are aligned and adequate to meet shifting programmatic needs. Views differ on whether this split arrangement is the most efficient approach to strategic budgeting.
- **Humanitarian-Development Tradeoffs:** Since the overall USAID budget has been relatively stable in size over the past five years, and includes both development and humanitarian assistance priorities, budget increases in one area are frequently made at the expense of the other. These tradeoffs in a zero-sum environment make it difficult to resource unanticipated crises while maintaining consistent strategic commitments to development programming.
- **Budget Pressure from Directives and Initiatives:** USAID's flexibility and ability to link budget decisions to strategy and learning has been constrained by increased numbers of Congressional directives and Administration initiatives. One strategy to acquire increased funding flexibility is to develop consensus between the Administration and key Congressional committees on the levels required to reasonably accommodate both Congressional and Administration priorities.
- **Selectivity and Focus:** Along with other key stakeholders such as PPL and M, BRM will continue to provide leadership in analyzing the nature and focus of our presence and programs overseas. Through this process, BRM will help ensure that USAID is planning effectively to transition our aid to align with evolving host country relationships and resources.
- **Future Funding:** The USAID budget has become increasingly reliant on "Overseas Contingency Operations" (OCO) funding, which began as annual appropriations related to operations in Iraq and Afghanistan, but has expanded considerably. OCO is currently used to respond to various conflicts and humanitarian challenges in Africa, Asia, Eastern Europe, and the Middle East, and accounts for approximately 25 percent of USAID's FY 2016 budget. How OCO is approached in the future by the new Administration and a new Congress is an extremely important question, with significant implications for USAID's base budget.

BUREAU BRIEF: OFFICE OF CIVIL RIGHTS AND DIVERSITY

INTRODUCTION

The Office of Civil Rights and Diversity (OCRD) was created in 2010 to broaden the scope and footprint of existing Agency programs and activities, to diversify its workforce, grow and sustain a culture of inclusion, and implement the legal requirements related to equal employment opportunity (EEO) and fostering a fair and respectful work environment free of discrimination. OCRD is an independent office reporting to the Administrator. The OCRD Director is the Agency's EEO Official and Chief Diversity Officer.

OCRD promotes a diverse and inclusive workplace, one in which the contributions of all employees are valued, recognized as vital to driving innovation and forging strong relationships with stakeholders, and critical to the success of USAID's mission and initiatives. OCRD administers the Agency's EEO program, including the EEO complaint process, Alternative Dispute Resolution program, Reasonable Accommodation process, Anti-Harassment Program, and a variety of diversity, inclusion, and outreach programs and activities to foster a diverse and inclusive workplace, free of discrimination, where all employees are valued and can contribute to their fullest potential. OCRD also facilitates the engagement of Employee Resource Groups (groups that employees voluntarily organize to promote common interests of their members and provide input on Agency strategies to advance diversity and workplace inclusion).

LOOKING BACK

Since its inception, OCRD has vigorously embraced its mission. OCRD has expanded its footprint, from primarily Washington-centric to Agency-wide, by delivering training and building a network of Foreign Service Officer EEO counselors, and Foreign Service National EEO liaisons in its missions overseas. OCRD prioritized and implemented necessary enhancements to the Agency's reasonable accommodation program. Specifically, OCRD assigned a dedicated program manager to oversee the Agency's ongoing compliance with applicable statutes and regulations and revised policies and protocols to centralize and streamline accommodation processing and decision-making. These efforts reduced the average time to process reasonable accommodation requests by nearly 73 percent, from 169 days to 46 days, while overall requests increased by 287 percent. In addition, to address the workload increase and ensure continued program effectiveness, including accountability, oversight, and transparency, OCRD is currently implementing a new reasonable accommodation case management system.

OCRD enhances the Agency's Anti-Harassment Program to ensure consistency, integrity, and compliance with relevant laws. This has resulted in promptly addressing allegations of EEO-based harassment which contributes to a productive work environment. To foster diversity and inclusion, OCRD instituted efforts to increase the participation in and visibility and engagement of the Agency's 13 Employee Resource Groups (ERGs). For example, OCRD created an ERG Leadership Council that meets regularly with the OCRD Director and other Agency leaders. ERGs routinely provide critical input on new and revised personnel-related policies and procedures. To signal the importance of and leadership commitment to the value of a diverse workforce and an inclusive workplace, OCRD revitalized the Agency's Executive Diversity Council (EDC) (co-chaired by the Deputy Administrator and OCRD Director). Recently, the EDC was instrumental in establishing a targeted outreach initiative: the Development Diplomat in Residence Program, which places a Senior Foreign Service Officer in two regions of the United States to serve as regional contacts, engage in outreach and recruitment of targeted student populations, and promote careers with USAID. OCRD has expanded EEO, diversity, and inclusion training, including training on Lesbian, Gay, Bisexual, Transgender, and Intersex (LGBTI) Inclusion

in USAID's Workplace and Programming. This training, a noted best practice by the Office of Personnel Management, has been a leading resource for federal agencies, the private sector, and nongovernmental organizations.

Regarding diversity and inclusion, USAID continues its priority to achieve a U.S. workforce that looks like America – the overall benchmark is the National Civil Labor Force (NCLF). As of September 30, 2015, USAID's workforce representation of Blacks, Asians, Hispanics, and Individuals with a Targeted Disability was as follows:

- Black representation (22.16 percent) exceeds the corresponding NCLF (12.02 percent);
- Asian representation (7.72 percent) exceeds the corresponding NCLF (3.9 percent);
- Hispanic representation (5.75 percent) is below the corresponding NCLF (9.96 percent);
- Employees with disabilities (4.81 percent) is below the corresponding NCLF (8.99 percent).

LOOKING FORWARD

OCRD's growing mandate is not adequately structured, staffed, and resourced. OCRD believes it requires a new organizational structure, staffing plan, and corresponding resources to align with its programmatic mandates. These changes would enable OCRD to more effectively and efficiently process EEO complaints, file mandated reports, address reasonable accommodations requests, conduct harassment inquiries, build a comprehensive training portfolio that includes a wide array of courses related to civil rights, diversity and inclusion, and advance diversity and inclusion programs in a proactive manner.

Although the Agency has made strides in diversifying its workforce as noted above, three overarching challenges remain:

- Representation of Hispanics in the Civil and Foreign Services;
- Representation of Individuals with a Targeted Disability (the representation at USAID is 0.76 percent compared to a federal target of 2.0 percent); and
- Representation of Blacks, Asians, and Hispanics in select major occupations (positions that are mission-critical and encumbered by a large number of employees) in both the Civil and Foreign Services.

Accordingly, OCRD will continue to advance programs and collaborate with stakeholder to address the noted challenges. One such initiative is OCRD's continued involvement with National Security Workforce (NSW) agencies on the Inter-agency initiative for promoting diversity and inclusion in the NSW. As part of this mandate, OCRD developed and is implementing specific USAID goals that align with and advance the NSW *Interagency Work Plan for Promoting Diversity and Inclusion in the National Security Workforce*. In addition, on October 5, 2016, President Obama issued a Presidential Memorandum entitled, *Promoting Diversity and Inclusion in the National Security Workforce*. This Memorandum provides guidance on policies to promote diversity and inclusion in order to strengthen the talent in the national security workforce and outlines a number of actions that the NSW agencies must take to better leverage the diversity and inclusion of the federal workforce.

BUREAU BRIEF: OFFICE OF THE EXECUTIVE SECRETARIAT

INTRODUCTION

The Office of the Executive Secretary (ES) advances the Agency's mission and priorities by enabling Agency leadership to successfully articulate, advance, and defend the U.S. Government's development agenda worldwide. Led by a member of the Senior Executive Service (SES), who also serves as the Agency's National Security Advisor, and comprised exclusively of civil servants and contractors, ES endeavors to serve as an honest broker, decision making process arbiter, channel for official interagency communications, and institutional memory.

LOOKING BACK

In recent in-depth reviews of ES operations, feedback from the Front Office, ES staff, and bureaus and independent offices highlighted the following areas for improvement:

- Clearer delineations of duties between ES and the Front Office; and
- Broader and more comprehensive engagement across the interagency; specifically, with ES counterparts in select agencies.

Based on feedback received, ES undertook a series of reforms, including:

- Placed ES Special Assistants in almost all meetings between the Administrator and anyone outside of the Office of the Administrator to ensure clarity regarding taskings and next steps; and
- Devised and launched systemic, internal data tracking to drive decision making.

These reforms - and those to come, as outlined below - are crucial because the volume of work ES is responsible for is tremendous. Between FY 2014 and the present, ES processed more than 500 action memoranda, 1,000 briefers, and facilitated USAID participation in nearly [600 National Security Council](#) meetings at the Deputy, Principal, and Presidential levels. ES also continues to revise its processes, templates, and guidance to adjust and meet the needs of the Agency's principal officers and created training modules for new employees and drafters. ES also leads the process by which the Administrator approves assistance and acquisition awards above \$100 million; since 2013, ES has coordinated the review of 72 of these large awards worth more than \$30 billion. Since 2011, ES has also managed the Administrator's Initiative Fund (AIF), which is a \$5 million per year fund used to support Administrator or bureau initiatives, conferences and events, and staff salaries.

ES also provides administrative and management services to approximately 100 individuals comprising the Office of the Administrator and the units housed within it, including the Counselor's Office, Office of the White House Liaison, Office of the Senior Gender Coordinator, Office of Budget, Resources, and Management, and the Center for Faith Based and Community Initiatives.

ES's role, however, is not limited to facilitating briefing materials. Tragically, USAID lost 104 staff since 1961. As a result, ES established and leads the Agency Casualty Response Task Force (also known as the "[Fallen Colleague](#)" working group), which consolidates and strengthens operating procedures in case of an employee's death or serious injury in the field, ensuring coordinated family and staff support.

ES is also responsible for managing a number of classified processes and a significant amount of classified information. All bureaus and independent offices face the struggle with the mismatch between the inadequate security clearances and/or lack of sufficient access to classified terminals, and ES is often asked to pick up the slack. ES also manages one of the Agency's two Sensitive

Compartmented Information Facilities (SCIF), secure communications, and intelligence support classified up to TS/SCI.

To strengthen the Agency's reach into the interagency, ES serves as the conduit for [detailees](#) to the NSC, Congress, and elsewhere. We currently have 17 persons detailed from USAID serving outside the Agency and 12 persons detailed from other organizations to USAID. In order to be as responsive as possible to immediate requests from the NSC, USAID needs to increase its capacity to carry out Top Secret clearance investigations.

LOOKING FORWARD

In addition to the reforms outlined above, in August 2016, ES launched a broader reform effort entitled "ES 2020," which will include efforts to:

- Support principals domestically and abroad by advancing domestic and international trips, easing the burden on Missions for paperwork, and working with Missions to ensure deliverables are tracked, notes taken, and final trip reports catalogued. ES will, like its State and NSC counterparts, set up a "mobile ES" to ensure Principals have connectivity and support at the ready in case of emergency meetings.
- Transition from a legacy paper process to an e-process that allows real-time drafting, editing, tracking, distribution, and updates to correspondence;
- Institutionalize a 24/7 operational model;
- Regularly schedule ES training and learning events at headquarters and in the field to socialize and improve quality of products submitted through ES;
- Devise and launch quality control and evaluation mechanisms to track and disseminate feedback to bureaus and independent offices; and
- Deepen interagency linkages through development of a strategy to transparently recruit, productively engage, and successfully return detailees.

BUREAU BRIEF: OFFICE OF THE GENERAL COUNSEL

INTRODUCTION

The primary role of the Office of the General Counsel (GC) is to advise, counsel, and serve the Agency and its officials through our legal team in Washington and Foreign Service Resident Legal Officers (RLOs) stationed in 38 field missions. The breadth of complexities in USAID's operating environment, compounded by the variety of innovative tools USAID uses in achieving development, have increased the need for cutting edge and specialized legal services. On two occasions—first in 2010 and most recently in 2016—the American Bar Association recognized the quality of GC's assistance by awarding it the Hodson Award for Public Service.

LOOKING BACK

GC provided crucial legal support in high-profile Agency actions, such as addressing the needs of displaced Syrians and responding to Ebola and Zika outbreaks. GC also guided Agency staff through statutory and regulatory requirements and developed legal protections for the U.S. Government in new efforts like USG sovereign loan guarantees and Power Africa. GC was integral in the drafting, negotiation, and ultimate passage of the Global Food Security Act. GC also successfully advocated for an exemption from the Internal Revenue Service for a newly enacted foreign procurement payment tax, resulting in significant savings for the Agency, its contractors, and other USG agencies implementing foreign aid programs. RLOs negotiated critical agreements that provide the legal basis for USAID to conduct activities in a particular country and require careful balance of interests among USG agencies and with the partner government, in Laos and the Kyrgyz Republic, and navigated complex legal restrictions and authorities to permit essential assistance to go to Burma under its new leadership. GC represents the Agency in administrative fora in all litigation matters.

LOOKING FORWARD

Legal Innovation (Partnerships, Financings, Other Transactional Authority): Recognizing that the most intractable development challenges require resources far beyond those of USAID alone, the Agency proactively seeks creative solutions to leverage its assets and resources. GC devises innovative approaches within our statutory/regulatory framework with cutting-edge structures, such as Grand Challenges for Development, use of our "other transactions authority" for leveraging private funds, and investment funds to direct resources to vital sector enterprises. Private sector partners range from Fortune 500 companies to local entities.

Legal Challenges of Operating in Difficult Environments: Approximately half the Agency's operations are in areas considered non-permissive environments due to repressive governments, significant security threats, or other restrictive conditions. Programming in these environments includes civil society support as well as urgently needed humanitarian assistance. This context has disrupted many of our traditional business practices and has required intense GC involvement to minimize risk and conduct programs consistent with applicable law.

OFAC Sanctions/Material Support: An additional challenge in many countries is the presence of groups or individuals sanctioned by the Treasury Department's Office of Foreign Assets Control (OFAC) or entities designated as Foreign Terrorist Organizations (FTOs). Violations of OFAC sanctions or statutes prohibiting material support to FTOs can result in criminal and civil liability. Carrying out programs in these environments raises significant legal issues for USAID and its implementing partners, which is

particularly acute where we provide humanitarian assistance. While legal authorities may be available, the processes to obtain them are often challenging and time-consuming.

Privacy Act: USAID faces serious and growing challenges with respect to its efforts to protect privacy information while at the same time conducting its operations in an open and transparent fashion through publicizing data-sets that contribute toward critical scholarship and public accountability. Numerous statutory and regulatory regimes promote transparency while imposing privacy responsibilities on all Federal agencies, and USAID works to comply with these legal requirements. GC collaborates closely with the Management Bureau and the Senior Agency Official for Privacy to implement strategic data protection measures and incident response plans, ensure compliance with federal law, use technical and administrative safeguards, understand and address the state of information at the Agency, and improve staff understanding of responsible data management practices.

Enterprise Risk Management: By June 2017, the Agency will respond to OMB's revised Circular A-123 by integrating Enterprise Risk Management (ERM) principles into the Agency's governance structure. Development is an inherently risky business, and response to this OMB requirement may profoundly affect how the Agency assesses and addresses threats and opportunities. Currently, the Agency's Management Bureau is leading development of the A-123 response, and it is unclear when other major Agency stakeholders will be engaged. GC recommends early engagement by senior leadership from all Bureaus so that various options for addressing ERM can be compared and evaluated.

Improper Ebola Obligations: The FY 2015 Ebola emergency supplemental included authority to reimburse accounts used to fund Ebola activities prior to enactment of the supplemental. Concerns have been identified about how certain reimbursements were made. USAID is reviewing and remediating any potential legal violations, including Anti-deficiency Act violations, which may have resulted from a faulty reimbursement process. GC is providing critical legal counsel on reconciling improper obligations resulting from the flawed process. The Government Accountability Office, in a draft report provided to Congress in September 2016, raised serious concerns with the reimbursement process in its Ebola audit. The final report is expected in early November 2016.

Supporting Partnerships with Multilateral Organizations: GC works in the interagency (primarily with Treasury and State) to respond to concerns from the House Appropriations Committee for State, Foreign Operations and Related Programs (HACFO) relating to USG contributions to trust funds administered by multilateral development banks.

Litigation: GC provides counsel in all challenges to the Agency's contracting actions (bid protests) and domestic and foreign litigation to which the Agency is a party as well as all enforcement matters, such as suspensions and debarments of firms and individuals doing business with the Agency. Since 2012, GC has handled an average of 30 bid protests per year, triple the average number from previous years.

Ethics: GC is responsible for managing the USAID Ethics Program as required by the Ethics in Government Act. The USAID Ethics Program includes annual ethics education for all USAID employees, collection and review of all financial disclosure forms, and providing guidance to the Agency and individual employees on all ethics matters. Examples of ethics matters on which GC provides advice include: conflict of interest analysis, gift acceptance, participation in widely attended gatherings, post-government employment restrictions, and application of the Hatch Act's restrictions on partisan political activities.

SUPPORTING DOCUMENT: OFFICE OF THE GENERAL COUNSEL LEGAL INNOVATION

USAID is restrained by a myriad of statutory and regulatory restrictions. The legal framework generally anticipates a fairly standard contract or assistance award scenario, where USAID provides funds to an entity to implement a program—whether to a non-profit entity, for USAID to fund the partner’s program (e.g. a school feeding program), or to a for-profit entity for the partner to provide a good or service on behalf of USAID (e.g. to construct roads or perform a program evaluation). To make USAID’s ever more limited resources go further, and to help direct private resources to further international development efforts, USAID is expanding its arsenal of the types of programming it wants to accomplish, many of which do not fit into the standard mold.

The Office of General Counsel is consistently a part of the team to determine new ways to implement programming, and how to maneuver the legal landscape to minimize risk to the Agency, while also exploring new techniques for using Agency resources. This has required interpretation of the existing legal framework, while also seeking new authorities where necessary.

Prize Authority: It is recognized across the U.S. Government, and throughout industry, that running a prize competition provides tremendous benefits to the USG, including only paying for the best, proven solutions, attracting a variety of participants, and moving inventions towards scalability more quickly than conventional programming. The White House has encouraged USG agencies to engage in prize competitions, and through the White House Office of Science and Technology, provides a community of USG professionals to share and foster best practices for prizes and challenges.

USG agencies that run prize competitions generally either have special authority for prizes, or for most, engage in prize competitions under the America Competes Act. The America Competes Act, however, is limited to solvers from the United States. Recognizing that the best solutions for our issues are likely to come from those who work, and even live, in the countries in which we operate, USAID has chosen not to run any prizes under America Competes. Because we chose not to use America Competes, and did not otherwise have special authority, the Office of General Counsel worked closely with various clients in the Agency to conduct prize-like competitions (e.g. challenges) using our current assistance authorities (i.e. creating a structure allowing a competition, that ultimately resulted in a cooperative agreement using the standard assistance award authorities). For example, in the Securing Water for Food, Desalination Prize (Desal Prize), we issued a solicitation that called for solvers to present technological solutions to desalinating brackish water. The competition had three phases, which ultimately led to five finalists demonstrating the effectiveness of their respective technologies, with the two most successful technologies each receiving a \$200,000 assistance award towards scaling up the technology for widespread use.

Recognizing the limitations of the above approach, the Office of General Counsel engaged with the Global Development Lab (Lab) and Legislative and Public Affairs (LPA) to draft legislation to provide USAID with specific prize authority. Prize authority, called Innovation Incentives, was included in the FY 2016 appropriations act, and is also included in the current language of the FY 2017 appropriations act. Under the Innovation Incentives, USAID can award up to 10 prizes each year, up to \$100,000 for each prize.

USAID’s first prize competition under this authority is the 2016-2017 Off-Grid Refrigerator Competition & Innovation Prize, which includes another donor, the United Kingdom Department for International

Development, who will match the USAID prize amount, allowing for greater participation and potentially a greater impact, from the competition.

Pooled Funding Programs: USAID funding can have a greater impact when pooled with other funding. GC works with our clients to design programming where USAID can leverage its funds toward common goals with other donors. For many years, USAID has participated in pooled funding with public international organizations. Recently, GC worked with the Lab's Development Innovation Ventures team to design and launch the Global Innovation Fund (GIF) program. GIF is a private company incorporated under the laws of England and Wales and operates as a venture-capital like company, using staged financing to fund innovative ideas that have potential to scale up to reach millions of people. USAID has a seat on the Board of Directors, and works alongside other GIF donors, such as DFID, the Swedish International Development Cooperation Agency, the Department for Foreign Affairs and Trade in Australia, the South African Department of Science & Technology, German GIZ, and the Omidyar Network, to help capitalize the fund so that GIF can invest in innovative solutions. Much of the revenue received by GIF thus far was spurred by USAID's early investment in GIF, of which USAID expenditures now represent just a small fraction. GIF is fully operational and has an investment staff of 20 employees.

Sovereign Loan Guarantees: GC, in concert with the E&E Bureau, Ukraine Mission, and Inter-Agency, finalized a third \$1 billion Sovereign Loan Guarantee (SLGs) for Ukraine just before the Fiscal Year end. This will be the ninth SLG since 2012. Additional SLGs are being considered for both Egypt and Iraq. These instruments are very time intensive and require significant legal work to implement, but they can offer a critical lifeline to the host government. With the new contemplated instruments, USAID's total SLG exposure is over \$20 billion. While USAID would never have to pay that amount because it would come out of a US Treasury account, the reputation risk for USAID is very significant. Accordingly, GC mitigated these risks by adding an acceleration provision to the associated bilateral agreement with each country, which gives USAID more options if a host country defaults on the debt. Additionally, the Administrator's Leadership Council recommends that the Agency hire a SLG coordinator and a dedicated SLG lawyer to help try to further mitigate the inherent risks associated with SLGs.

Other Transactions Authority: USAID is provided broad authorities under the Foreign Assistance Act of 1961, including the ability to "make loans, advances, and grants to, make and perform agreements and contracts with, *or enter into other transactions...*" Loans, grants, and contracts are governed by a myriad of complex and imposing statutes and regulations. A smaller subset of those rules applies to our "Other Transactions Authority." This flexibility allows USAID to work with non-traditional partners, in a non-traditional manner. USAID uses such authority sparingly, in circumstances where we believe it is necessary to achieve our development goals, and another mechanism is not practical. For example, for our GIF contribution, mentioned above, USAID was able to use a streamlined agreement to provide the funding to GIF.

BUREAU BRIEF: OFFICE OF SECURITY

INTRODUCTION

The Office of Security's (SEC) mission is to protect USAID personnel and critical facilities through comprehensive and forward-thinking security solutions that enable USAID to achieve its mission. As an Independent Office within USAID, SEC is responsible for: 1) maintaining effective physical security systems, armored vehicles, and security communications to support USAID's global operations; 2) providing Agency oversight on counterintelligence, insider threats, information security, and intelligence support to the Agency Partner Vetting System; and 3) as one of 22 Federal Agencies with delegated authority, conducting personnel security investigations to grant security clearances to USAID personnel.

LOOKING BACK

SEC uses the threat criteria developed by the Department of State's Diplomatic Security Service to design and implement a tiered defensive system to protect personnel at each of the 22 USAID facilities not co-located with an embassy. SEC partners with Federal Protective Services to protect the elements of USAID located in Washington, DC.

- In the last ten years, the threat facing the Agency has changed from large single terrorist attacks such as the Nairobi and Dar es Salaam Embassy bombings of 1998, to a broader terrorist threat aimed at smaller soft targets. New threats and more work in dangerous environments impact USAID's mission success in humanitarian and development operations and creates new challenges. While the Office of Security has begun to reform its procedures to address these new realities, this shift will need continued leadership and focus to put the Agency in a position to best respond to the current threat environment.
- SEC has delegated authority to conduct personnel security investigations on USAID staff (vs. relying on another Agency to perform this function) because USAID needs to conduct investigations in a timely manner, particularly for programmatic surges such as Ebola response, Afghan hiring, and the Congressional mandate to increase the Foreign Service; however, this capacity has been strained to meet the urgent demands placed on it.
- SEC maintains a close relationship with the State Department's Office of Diplomatic Security (DS), as well as the FBI, the CIA, the Office of the Director of National Intelligence, and the Department of Defense.
- Under the guidance of the Deputy Administrator, SEC has undertaken a great deal of reform, including overhauling personnel and undertaking improvements to USAID's security clearances, and will need to continue to adapt to the new security environment and needs of the Agency.

LOOKING FORWARD

In a heightened threat environment, SEC continues to work closely with DS to monitor and mitigate developing threats. As a result, SEC has developed the following programs.

- **Implementing Partner Support:** In light of the new security environment, USAID Missions are providing higher levels of safety and security support to Agency implementing partners operating in difficult environments in Afghanistan, Kenya, and Pakistan; SEC is also opening offices in Bangladesh and South Sudan. As a result, more than 900 implementing partners benefit from outreach activities provided by Mission programs.
- **Personnel Recovery (PR):** The SEC PR Program is focused on ensuring that USAID has the capability to prepare for, prevent, and respond to instances when a staff member is lost or displaced due to natural or hostile events. The PR Program has established training programs at eleven Missions that has reached more than 1,500 USAID employees. With current staffing it will take SEC eight years to provide all overseas Missions with this critical training.

- **Security Assessments:** The bulk of our 22 USAID Missions that are not co-located with embassies do not have the 100-foot security perimeter setback needed, or cannot be upgraded to meet blast criteria. In most cases there are two options: find a new facility that meets the security criteria or wait until the Mission is co-located inside a New Embassy Compound (NEC).
- **Non-Permissive Environment (NPE):** SEC is leading the Non-Permissive Environment (NPE) working group whose purpose is to develop Agency practices for operating environments where staff movements are strictly proscribed.
- **Federal Investigative Standards:** In order to maintain the Agency's delegated authority to conduct personnel security investigations, SEC is required to implement the new Five-Tier Federal Investigative Standards (FIS) by December 2017 that require changes to the frequency and way that Federal Agencies perform security clearance investigations.
- **IT Infrastructure:** SEC has been working to improve our IT infrastructure to support the additional investigative requirements, to automate and streamline processes. Several required modules to support these initiatives remain unfunded moving forward into FY 2017 and beyond.
- **Counterintelligence and Insider Threats:** To respond to the Snowden/WikiLeaks and Navy Yard incidents, SEC has initiated several programs, including Active Shooter training, a Counter-Intelligence Program, an Insider Threat Implementation Plan, and Cyber Security awareness program. Executive Order 13587 requires the Agency to implement an Insider Threat Program; this was done without any increase in budget, which continues to be a challenge.
- **Security Facilities:** Along with ES and the M Bureau, SEC will need to address the inadequate Sensitive Compartmented Information Facilities (SCIF) and secure communications capacity for the Agency.

BUREAU BRIEF: OFFICE OF THE SENIOR GENDER COORDINATOR

INTRODUCTION

In March 2012, USAID updated a decades old gender policy and created a new roadmap for elevating gender within the Agency. The new policy mandated the integration of gender issues throughout USAID programs, identified responsibilities of all staff to implement the policy, and created a full-time Senior Coordinator for Gender Equality and Women's Empowerment reporting to the Office of the Administrator. There is growing evidence that investing in women and girls unlocks human potential on a transformational scale. Countries with greater gender equality are more prosperous and competitive. A McKinsey Global Institute report found that \$12 trillion could be added to the global GDP by advancing women's equality. When women participate in civil society and politics, governments are more open, democratic, and responsive to citizens. When women are at the negotiating table, peace agreements are more inclusive and durable.

LOOKING BACK

As a result of this evidence, in the last six years the U. S. government made promoting gender equality a central element of its foreign policy and development assistance priorities and developed a series of Presidential Memorandums, Executive Orders, strategies, and policies. There was also strong emphasis at the highest level of leadership from the President, Secretary of State, Administrator, and Deputy Administrator that gender is a priority, which resulted in resources and accountability mechanisms. USAID has become a recognized global thought leader, innovator, and convener in gender programming and promotion. For example, the Women's Empowerment in Agriculture Index (or WEAI) is the first-ever measure to directly capture women's empowerment and inclusion levels in the agricultural sector. This innovative tool tracks women's engagement in production, resources, income, leadership, and time use. Unlike any other tool, it also measures women's empowerment relative to men within their households, providing a more robust understanding of gender dynamics within households and communities. This year, at the three-year anniversary of the USAID Gender Policy and the Interagency Strategy to Prevent and Respond to Gender-Based Violence and the National Action Plan on Women, Peace and Security, USAID conducted policy assessments and revised implementation plans. Overall, the assessments documented the many successes these policies have achieved, as well as the areas where efforts should be strengthened and broadened.

LOOKING FORWARD

Staffing: In addition to the Senior Coordinator and the required gender advisors in each operating unit, USAID has a Senior Gender Advisor in PPL, and the Office of Gender Equality and Women's Empowerment in E3, which provides gender technical expertise, training, and communications. This decentralization was a deliberate strategy intended to create Agency-wide buy-in and commitment to gender integration; however, a recent policy assessment found that the structure is confusing and recommended a clarification of responsibilities and authorities among the three entities.

Budget: The Office of the Senior Coordinator does not have central funds, as resources for the Agency's gender work are accomplished through a two-track approach. First, in 2009 Congress established a \$20 million Women's Leadership Directive (now \$50 million) split between USAID and State to provide dedicated resources to implement gender programs. Second, gender is integrated into core development programs and tracked through a key issue attribution reporting process led by Missions and Bureaus in conjunction with BRM. In recent years, planned budget expenditures have decreased. The reasons for this are not totally clear; however, this decline needs to be analyzed and reversed. The new Administration should continue to track and meet the other FY 2016 Congressional Directives: \$150

million for gender-based violence, \$10 million for child, early and forced marriage; and potentially \$5 million for female genital mutilation/cutting in FY 2017.

Interagency: The Senior Gender Coordinator works closely with the State Department's Ambassador for Global Women's Issues and staff on issues of mutual concern and implementation of the interagency strategies. Coordination with the National Security Council, the Department of Defense, MCC, the Peace Corps, and USDA among others also takes place around different issues.

Policy Implementation: In the short-term, gender champions from across the Agency will draw lessons from the assessment of the gender policy to see how USAID can continue to improve work on gender-based violence and women, peace and security, adolescent girls, global health, and education in both Washington and the field. There will be a continued focus on capacity-building for all staff and renewed efforts to share the evidence collected about the positive impact of gender integration on programs.

New Programming Trends: With the recognition about the transformative role gender can play to end extreme poverty and meet the Sustainable Development Goals, we anticipate the importance of gender issues at USAID will continue to increase. Often, the impact and response to conflict or crisis by men and women in the same household are very different because of their gendered roles. This issue, as well as the measurement and impact of informal or unpaid care work and changing social norms across sectors will be important over the next decade as USAID is increasingly engaged in countries in or emerging from crises and conflict. USAID can also fill gaps that exist in research and programming in fields such as energy, climate change, countering violent extremism, economic empowerment, and data.

BUREAU BRIEF: OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION

INTRODUCTION

The Office of Small and Disadvantaged Business Utilization (OSDBU) houses two outreach and advocacy programs. It has oversight authority for the performance of USAID in meeting its U.S. [small business utilization goals](#), as negotiated with the U.S. Small Business Administration (SBA), and it is responsible for advocating on behalf of Minority Serving Institutions (MSIs), which include Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs) and Tribal Colleges and Universities (TCUs). OSDBU is an independent office reporting to the Administrator.

LOOKING BACK

During FY 2006 to 2010, USAID's small business accomplishments averaged approximately 10 percent of its domestic prime contract procurement dollars to small businesses, far less than the Government-wide goal of 23 percent. Since FY 2010, however, USAID [has significantly increased its small business utilization](#), improving the Agency's grade in the SBA Small Business Procurement Scorecard from an "F" for its performance in FY 2009 and prior years to an "A+" for FY 2014 and an "A" for FY 2015.

The keys to the Agency success in small business procurement include: the involvement of OSDBU in important Agency exercises such as internal procurement and policy reforms, mandatory training, internal goal setting at the Bureau level, and the inclusion of commitment to the small business program in the performance evaluations of the Agency's Senior Executive Service. These efforts not only significantly improved USAID's scorecard grade, but also led to notable increases in dollar obligations to U.S. small businesses on domestic contract awards, from \$136 million in FY 2010 to \$551 million in FY 2016.

Congress expresses significant interest in USAID's small business program from both sides of the aisle. In particular, Representatives Barbara Lee and Karen Bass have each consistently followed USAID's work with small and minority-owned businesses.

Over the past several years, the MSI program experienced some success based almost entirely on the achievements of the African Education Initiative (AEI), which operated from 2000 to 2012 and which improved the quality and accessibility of basic education for millions of children in sub-Saharan Africa by tapping into the expertise of HBCUs. The USAID/MSI partnership included six MSIs focused on teacher training and the development and distribution of textbooks in Ethiopia, Ghana, Malawi, Senegal, South Africa, and Tanzania. The project ultimately produced over 30,000,000 textbooks and learning materials representing 500 different titles in 13 languages in primary language arts and secondary history, geography, math, and science. From 2008 to 2014, grant awards to MSIs averaged nine percent of the grants awarded to all institutions of higher education (IHEs). In FY 2015, USAID engagement with MSIs dropped to six percent and is continuing a downward trend in FY 2016. The decrease in dollars to MSIs can be attributed to the conclusion of the AEI program without subsequent MSI participation to replace it. Congress maintains a significant interest in the Agency's MSI program, particularly as it relates to HBCUs. The interest, primarily from members of the Congressional Black Caucus, has expanded from a focus on the President's Emergency Plan for AIDS Relief to other areas of global health to Africa programs in general. The Office of White House Initiatives on HBCUs has also shown a greater interest in working with USAID.

LOOKING FORWARD

The engagement of mission staff in support of the Agency-wide goal is the biggest challenge. In FY 2016, the SBA implemented a new rule to evaluate agencies' small business accomplishments worldwide. The new rule requires USAID, and other Federal agencies and departments, to include contracts performed overseas in their total contracting base for the purposes of assessing performance against the small business goals. Previously, the program had been entirely domestic; the increase in the pool of contracts against which the goal is applied will negatively impact USAID's ability to meet its goals. While this presents a challenge, it also offers the Agency more opportunity to partner with and benefit from the expertise of U.S. small businesses. USAID discussed the impact of this change with the SBA and the other agencies most impacted by this change, the State Department and the Department of Defense. USAID continues to be a leader in framing the impact that this and other upcoming changes will have on goal achievement.

While USAID has made great strides in increasing small business partnerships and achievements, USAID continues to seek improvement. USAID's FY 2016 official small business goals were lowered from 14 to 11 percent in acknowledgement of the challenges presented by the expansion of the program to contracts performed overseas. The FY 2017 goal is still being negotiated with the SBA, but will likely be approximately 12 percent. OSDDBU expects that goal to continue to rise if USAID is able to successfully implement the overseas program. USAID is on track to meet the FY 2016 goal, primarily because of an extremely successful year in Washington. In an effort to more effectively engage the Missions, the Agency hosted its first overseas small business outreach event in South Africa on November 1-2, 2016.

OSDBU also expects **Congress' level of interest** in USAID's small business programs to continue. The Obama Administration established the White House Small Business Procurement Group at the Deputy Administrator level, which met quarterly at the White House and was very successful in increasing the use of small businesses Government-wide. Based on Representative Barbara Lee's recurrent requests for status updates, USAID expects Congressional interest in the MSI program to continue and expects continued interest in the MSI program from the White House Initiatives on HBCUs, a program that has been in place since the Carter Administration. The White House will likely engage USAID following any change to the Executive Orders on MSIs, which has happened under each new Administration since 1980.