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USAID RESOURCES AND REDESIGN

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USAID RESOURCES AND REDESIGN

WEDNESDAY, JUNE 20, 2018

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
WASHINGTON, DC.

The committee met, pursuant to notice, at 10:30 a.m. in Room SD–419, Dirksen Senate Office Building, Hon. Bob Corker, chairman of the committee, presiding.

Present: Senators Corker [presiding], Flake, Gardner, Young, Menendez, Cardin, Coons, Murphy, Kaine, Markey, and Booker.

OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE

The CHAIRMAN. I am going to go ahead and call the meeting to order. Menendez has been held up. So I think he may make a statement when he gets here.

But we welcome you here. We are sorry to be starting a few minutes late. Two votes were called that were unanticipated.

The United States Agency for International Development is the agency that carries out the lion's share of U.S. humanitarian and development foreign assistance.

We have invited USAID Administrator Mark Green here today to review the agency's programs and resources, as well as the proposed redesign of the agency.

Some on the committee will, no doubt, use their time to highlight the President's fiscal year 2019 budget request, but given that Congress decides funding levels, despite the request, really the President's request is not relevant to what we will be doing. And I do not mean that with any disrespect. So I hope that the hearing will focus on more relevant issues, since it will not be part of what Congress takes up.

However, I would like to take this time to applaud the administration for requesting to eliminate funds for the Title II Food for Peace program as authorized in the farm bill in favor of a more efficient emergency food security program, or EFSP. I appreciate the administration acknowledging how absurdly inefficient the Title II of the farm bill is with only 30 cents on the dollar going to food itself, while retaining the EFSP that gives us the flexibility to work in areas that Title II assistance simply cannot reach, areas that are directly tied to U.S. national security.

Finally, I want to thank Administrator Green for the outstanding level of consultation with our committee on USAID's pending transformation plans. It will be helpful to discuss how the plan realigns USAID structure to better focus on core competencies of the agen-

cy, such as our humanitarian programs that aid the unprecedented millions now displaced by ongoing human conflict.

As part of the rollout of the transformation, USAID just released its new metrics for the journey to self-reliance, a promising initiative to reconnect our development programs with the whole point of why we do them, helping countries grow past a reliance on foreign assistance.

There has also been some discussion regarding democracy planning, and given your extensive background directing such programming, we should hear today how the proposed structure and metrics will favor democracy and good governance.

With that, we look forward to your testimony. We thank you for your service. I think on both sides of the aisle people are uplifted and proud that you are our USAID Administrator. With that, if you would not mind going ahead and giving your testimony. Any written documents we would be glad to enter into the record.

STATEMENT OF HON. MARK GREEN, ADMINISTRATOR, UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT, WASHINGTON, DC

Mr. GREEN. Thank you, Mr. Chairman. Thank you for your kind words. Thank you also to Ranking Member Menendez and members of the committee for this opportunity to summarize my written testimony.

I would also like to explicitly thank all of you for the tremendous support that you have shown to USAID and the level of communication and consultation that we have had. My own view is that this has been a very constructive relationship and we have done our best to try to bring your thoughts and counsel to the work that we do.

In particular, although I do not take positions on pending legislation, I am delighted at the passage of the Global Food Security Act, and I especially appreciate the leadership of Senator Isakson and yourself in making that happen. That adds great certainty to our work, and we are appreciative.

Members of the committee, the fiscal year 2019 request for USAID is approximately $16.8 billion. We acknowledge that this request will not provide enough resources to meet every humanitarian need or seize every development opportunity. Indeed, no budget request ever has. Instead it is an effort to balance fiscal needs at home with our leadership role on the world stage.

Turning to our ongoing redesign, I greatly appreciate the thoughts and input that you and your staff have provided. To date, our team has had 53 separate Hill engagements and 145 external stakeholder engagements as we try to shape what the USAID of tomorrow will look like. I remain committed to working closely with you to ensure that your ideas are reflected in this work.

In terms of our overall programming, as you know, the world is confronting humanitarian crises in nearly every corner of the globe. And unfortunately, most of them are manmade. Near famines continue to threaten Nigeria, Yemen, Syria, and Somalia. Again, they are all manmade.

Ebola has reared its ugly head in the Democratic Republic of Congo, killing at least 28 people to date. USAID and other agencies

have been mobilizing to contain the outbreak and the news is promising on that front.

As you may know, I recently returned from a trip to Bangladesh and Burma, a trip that has special relevance on today's World Refugee Day. As the world knows, Burma's Rohingya community has been the victim of an ethnic cleansing campaign. But, Mr. Chairman, I must say that that term does not fully capture what I have seen or the continuing suffering of the Rohingya in Burma and Bangladesh. The world owes Bangladesh a huge debt of gratitude for its willingness to temporarily host hundreds of thousands of refugees who have fled there.

But the monsoons have begun in those host areas. While we are taking whatever steps we can to assist, sadly the first casualties have already been reported. We will continue to do our part to help meet their immediate humanitarian needs, including in preparation for the cyclone season, which we know will be coming.

We are also forging longer-term plans with the State Department and others to try to deal with some of the deeper problems that I have seen.

Of course, Burma is not the only place where religious minorities face deep hardship. Last October, Vice President Pence announced a new policy to expand assistance to religious and ethnic minority communities in the Middle East that have been devastated by ISIS and other terrorist organizations. This policy is in line with America's long tradition of standing with persecuted and vulnerable ethnic and religious minorities. Northern Iraq was once home to large communities of Christians, Yazidis, and other minorities. Many of them have fled their homes or fled their country altogether in the face of violence and threats of violence. We are committed to helping create the condition for those communities to return safely to their ancestral lands. Under the President's leadership, we have already channeled tens of millions of dollars to the region. However, we know the need is far greater and we must do more to meet the urgent needs of these endangered communities.

At the Vice President's request, I will soon return to Iraq to meet with leaders of some of the suffering communities. I will then report back with a plan of action to accelerate aid to those in greatest need. This is a top priority for the administration, and I know it is a top priority for many members of this committee.

The crises that we face, like persecution and threat of famine, are not limited to far-off corners of the land. A deep crisis is unfolding at this moment just hundreds of miles from our own borders. Our fiscal year 2019 budget request includes funding for democracy and governance programs in Venezuela that support civil society, human rights organizations, and the free flow of information. Our focus on Venezuela is more than warranted. The situation there is worsening by the week, and its effects are impacting the entire region. At the Summit of the Americas in Peru, I heard stories suggesting that the effects of the flight of Venezuelans are now being felt as far north as the Caribbean.

Last month, we announced an additional $18.5 million in bilateral funding to Colombia to provide Venezuelans temporarily residing there with urgently needed services like school feeding pro-

grams, mobile health services, and other logistical support. And we know the needs are continuing to grow.

In the midst of all this, USAID is working hard to apply the lessons we have learned from our past experiences. As many of you are aware, we have encountered challenges with the global health supply chain contract, which was awarded just before I joined USAID. Since my earliest days of the agency, we have monitored performance of the contract to ensure that our implementing partners meet the standards and requirements that are set forth in that award. I know my team has briefed your staff on the project, and we pledge to keep you informed.

I am also committed to raising standards of accountability and apply lessons learned across the board, even hard ones. To that end, we have made a concerted effort to address all the audits from GAO and the Office of the Inspector General. Just 6 months ago, we had almost 100 backlogged recommendations. I then set an ambitious goal of closing all of them within 6 months, and I am proud to say that we achieved that goal before the end of May. We are fully committed to staying on track with these audits going forward and we have put in place a number of procedures to help accomplish that goal. We are creating a stronger audit function within our office of the CFO to ensure that everyone involved has the support they need. We are also instituting agency-wide training and performance metrics for our leaders.

Finally, I would like to say a brief word on recent published reports of sexual abuse and misconduct by international aid workers. Needless to say like you, I am deeply troubled by these allegations. Such sexual exploitation and misconduct violates everything that we stand for as an agency. I have met with partner organizations, and I have made it absolutely clear that USAID will not tolerate sexual harassment or misconduct of any kind. We have distributed to your offices and released publicly in the last 24 hours a summary of the aggressive actions that we have taken so far, but please know that this is an issue I am personally tracking and will stay on top of. Again, I have made clear to our partners and fellow donors that we will do whatever it takes to uphold our values in the workplace and through our programs.

Thank you again. And, Mr. Chairman, I welcome this opportunity and welcome your questions.

[The prepared statement of Mr. Green follows:]

PREPARED STATEMENT OF HON. MARK GREEN

INTRODUCTION

Mr. Chairman, Ranking Member, members of the committee, thank you for this opportunity to discuss USAID's FY 2019 Budget Request.

The Fiscal Year (FY) 2019 request for USAID fully and partially managed accounts is approximately $16.8 billion. This represents $1.3 billion more than requested last year. It requests $6.7 billion for global health and $5.1 billion for economic support and development. In terms of USAID's humanitarian assistance, it requests over $1 billion more than last fiscal year's request. In total, it requests approximately $3.6 billion for International Disaster Assistance.

MEETING PRIORITIES

Before I arrived at USAID, I had a chance to meet with many of you. We discussed many of the challenges in the world today, and you shared with me your pri-

orities. Since then, we've been hard at work at USAID to advance our shared those priorities and position the Agency for its crucial role in U.S. foreign policy.

Our work has been informed by many of the travels I have undertaken, meeting our teams and partners around the world. I recently returned from a trip to Bangladesh and Burma.

As the world knows, there has been an ethnic cleansing of the Rohinghya population. I have now seen firsthand some of what that looks like. It is not an experience that can be adequately conveyed by news reports or policy briefings.

The world owes Bangladesh a vast debt of gratitude for its hospitality and forbearance with hundreds of thousands of refugees.

But even there, with the coming of the monsoons, they are one cyclone away from a humanitarian disaster in addition to that which they faced as they fled violence and persecution in Burma.

In FY 2019, we have requested funds to explore and implement more effective approaches to promoting ethnic and religious tolerance in Burma, including in Rakhine and Kachin States, and to help meet the needs of minorities in Iraq ravaged by ISIS, including those targeted because of their faith.

I have also traveled to Ethiopia, Sudan, and South Sudan, where I saw USAID leading the world's response to the continuing humanitarian need in East Africa. In Ethiopia, I saw our efforts to foster resilience to help that country withstand the future crises that very likely will come.

I have traveled to Mexico and India, where I met with our partners from both the public and private sectors. It was there that I saw glimpses of an exciting future for international development, where programs are more private-enterprise driven and our role is increasingly to use our skills, experience, and innovative know-how to help countries chart their own journeys to self-reliance and prosperity.

In Iraq and Syria, I met with some of our military leaders. Together, we toured Raqqa, and I learned more about USAID's joint effort with the State Department and Defense Department to restore essential services to communities newly liberated from ISIS. In Switzerland, the United Kingdom, and Germany, I met with international partners, including a senior leader from Israel's Foreign Ministry, to share some of the new innovations in programing and policy we are applying to our work in development and humanitarian assistance, and to discuss areas of future cooperation. I also took the opportunity to encourage our fellow donors to take on a greater role in helping to meet the world's growing needs.

In Germany, I met with our Mission Directors from the Middle East and Africa—as well as their counterparts from the State Department and DOD—to discuss how we can strengthen interagency cooperation. At the Munich Security Conference, I heard Vitali Klitschko, the Mayor of Kiev, speak about Ukraine's fight for freedom and democracy. I was reminded that we, too, were once a young nation inspired by the hope of a democratic future, but also confronted by numerous challenges as we strived to build our republic. As I listened to Klitschko, I was immensely proud of the work that USAID does to support people, all around the world, like him and the heads of the Euromaidan movement who aspire to freedom and citizen-responsive governance.

In February, we announced USAID's new Mission Statement. It includes an explicit commitment to strengthening democratic governance abroad—a priority that I know from our discussions you share. This commitment has informed USAID's work from our creation; and under my leadership, it will continue to do so. Our FY 2019 Request includes targeted investments in Europe and Eurasia that will support strong, democratic institutions and vibrant civil society, while countering the Kremlin's influence in the region. In Venezuela, we will support those who are working for a free and prosperous future. We have requested robust funding for our democracy and governance programs in Venezuela that support civil society, the democratically elected legislature, and a free flow of information there.

I have also met with people from across these United States. In my first few months, I have been to New York, Texas, Delaware, Iowa, and even my home state of Wisconsin. I have met with the Chamber of Commerce Foundation and spoken with business leaders, CEOs of American firms. All of them are eager to find ways to align with and enhance USAID's work, as well as invest in the rapidly growing markets that are most often the targets of our programing. I have met with researchers from American universities who are helping us tackle devastating challenges like the Fall Armyworm in Africa. I have also met with American implementing partners—contractors and grantees, faith-based organizations and for-profits—to explore ways we can improve our operations.

On top of all that, I have been "traveling" internally, leading a broad agency Redesign effort through which we are re-examining nearly every aspect of our oper-

ations and structures in order to make sure we are as effective, efficient, and accountable to American taxpayers as possible.

OVERVIEW: A FISCALLY RESPONSIBLE BUDGET FOR CHALLENGING TIMES

Mr. Chairman, Ranking Member, and Members, this is the first time I have had the honor of presenting the President's Budget. However, it is not the first time we have met with your offices to review the needs we see in the humanitarian and development sectors. We have also reached out to you and your staff to discuss our growing work in conflict, post-conflict, and otherwise fragile zones. I note that this Request would fund important efforts, such as the urgent work we are undertaking to help communities newly-liberated from ISIS's evil reign by restoring essential services to places like Raqqa.

We acknowledge that this Budget Request will not provide enough resources for us to meet every humanitarian need or seize every international development opportunity. In truth, no federal budget in recent memory would be large enough to do so, and we would not suggest it wise to try to do so. We come to you with a Budget Request that aims to balance fiscal responsibility here at home with our leadership role and national security imperatives on the world stage.

OPTIMIZING RESOURCES AND RESULTS

Mr. Chairman, Ranking Member, and Members, we are committed to taking every prudent step to extend the reach and effectiveness of our taxpayer resources. We are working closely with the Department of State to encourage other donor nations and recipient countries themselves to increase their own contributions to the overall humanitarian and development effort. This includes efforts at strengthening domestic resource mobilization programs so that partners can more effectively finance their own development in the future. We are rethinking and streamlining our humanitarian assistance. We are taking steps to ensure our programs and procedures are more private enterprise-friendly so we can better leverage our resources, bring new ideas and partners to our work, and increase opportunities for American businesses. Through procurement reform, we are striving to become more flexible, and responsive and innovative in meeting humanitarian and development objectives, so our implementing partners can extend and improve the reach of USAID-supported initiatives. We are also striving to more closely align our resources with USG strategic needs, and are focused on measurement and evaluation to support that alignment. Finally, we are using the opportunity of our Redesign to ensure that our programs are of the highest quality and fully reflective of America's key foreign policy priorities.

ENCOURAGING OTHERS TO DO MORE

As the President has said, "America first does not mean America alone." We can and do embrace opportunities to partner with others and we expect others to do their part in tackling challenges that affect us all. Working with the State Department, we are using every opportunity to push our donor partners to do more in helping to mobilize resources—including increasing their financial contributions.

To put things in context, in 2016, the U.S. provided nearly $34.5 billion in Official Development Assistance (ODA), almost one quarter of all ODA. In terms of humanitarian assistance, the U.S. continues to be the largest single donor. Our leadership role as a donor is a point of pride. It is part of our national character—our readiness to stand with other countries and peoples when crisis strikes. But leadership also means leading others to do more and setting the expectation that other donors will do their fair share to advance shared priorities, while also expecting improved performance by implementing partners, including the U.N., to maximize the benefit for recipients of assistance.

We've recently seen a number of key allies increase their ODA contributions. For example, the Republic of Korea has contributed significant amounts to shared priorities like Power Africa, global health security, and humanitarian assistance to Syria. It has increased its aid budget by 30 percent, a feat recently matched by the United Kingdom. Germany has become one of the world's leading humanitarian assistance donors, providing a record $2 billion in 2017 to assist people from places like Syria, Yemen, the Sahel, and Burma. And India, which not so long ago was itself a major recipient of traditional assistance like food aid, is boosting its contributions to key initiatives. Under Prime Minister Modi, India has become the fifth-largest donor to development and reconstruction in Afghanistan.

DOMESTIC RESOURCE-MOBILIZATION

Another way in which we are working to make our resources go further is through our support for domestic resource-mobilization ("DRM") projects. Through DRM, we help strengthen the capacity of our partner nations to finance and lead their own development programs. The Budget requests $75 million for strategically-managed DRM assistance. From the date of my nomination hearing just over a year ago, and nearly every day since, I have said I believe the purpose of foreign assistance must be ending its need to exist. Our assistance should be designed to empower people, communities, and government leaders on their journey to self-reliance and prosperity. These initiatives can help our partners to cut down on fraud, corruption, and abuse. They will also ensure that our investments produce sustainable results; they will ensure that our partners' ability to respond to the needs of their citizens will not fade away as our formal government support recedes gradually.

Our DRM assistance in the nation of Georgia is a good example of what can be achieved. USAID provided DRM assistance of $12 million to Georgia over five years. The result was an additional $3 billion in tax revenue since 2004. By 2017, revenue had increased by 900 percent. As part of this effort, we helped streamline Georgia's customs process and made it easier for new businesses to register. We supported efforts that created an electronic tax-filing system and fixed crippling flaws in the Georgian tax refund process. We also took steps to help them cut down on corruption—encouraging "zero tolerance" policies, harsher punishments for violators, and new training programs.

Georgia's investment in their own development also grew. Social-welfare spending increased by 550 percent. Education investment grew by 1,700 percent. In other words, through our DRM assistance, we helped an important partner accelerate its own journey to self-reliance and prosperity.

1STRENGTHENING HUMANITARIAN ASSISTANCE

In Yemen, 17.8 million people—the largest number in the world—are facing severe food insecurity. We remain deeply concerned about the humanitarian situation in Yemen and the risk of an even worse crisis at the port of Hudeidah. We the Department continue to call on all parties to de-escalate and ensure unfettered humanitarian access to the Yemeni people. While this access has been a challenge, U.S. Government humanitarian partners are working to reach as many people as possible. U.S. partner, the U.N. World Food Program (WFP), distributed emergency food assistance to just under 7 million people in April with USAID funds-representing more than 99 percent of the agency's targeted beneficiary caseload. Providing humanitarian assistance in places like Yemen is central to our Agency's Mission, and a clear display of American generosity. It is also dangerous work, as witnessed by the January terrorist attack on Save the Children's offices in Afghanistan, in which four of our partners were brutally murdered, or the 28 aid workers who were killed in South Sudan during 2017. Our commitment to this work is reflected by the inclusion of our international disaster assistance to help alleviate humanitarian crises in our new Mission Statement. For years, the responsibilities of the two offices leading the bulk of USAID's humanitarian assistance—Food for Peace and the Office of U.S. Foreign Disaster Assistance (OFDA)—have sharply increased. While they have often coordinated, they have worked in parallel, with separate budgets, separate oversight, and different strategies. When you would visit a camp in the field, they would be together on the ground, serving the same community shoulder-to-shoulder—one providing food, and the other tarps and blankets, often using the same partners.

Before I arrived at USAID, the Agency commissioned an assessment of our humanitarian programming, conducted by an outside firm, but led by career staff, which concluded, not surprisingly, there were better ways to ensure the nimble, effective, and efficient delivery of our humanitarian assistance. The Request before you proposes to fund all of USAID's humanitarian assistance from one account, and imagines a day when USAID's humanitarian food and non-food functions are consolidated into a single entity within the Agency. This will ensure a seamless blend of food and non-food humanitarian USAID assistance, better serving our foreign-policy interests and people in need. In the end, we will have a shared strategy, integrated programs, and joint monitoring-and-evaluation systems that will provide greater efficiency and accountability for the American people. As part of our effort to consolidate USAID's humanitarian functions, we will also consolidate our whole-of-Agency efforts to strengthen partner resilience for improved food security. This will help break the cycle of recurrent and protracted crises, and reduce our own future humanitarian liabilities.

STRENGTHENING OUR PRIVATE-SECTOR ENGAGEMENT

Fulfilling our responsibility to taxpayers is about much more than asking other donors to increase their contributions, helping countries to finance their own development, or streamlining our humanitarian assistance. In our case, it also means strengthening private-sector engagement through true collaborations. At USAID, we are reaching beyond contracting and grant-making. We are exploring the possibilities for co-creating and co-financing programs, tools, and initiatives with private-sector partners. We're embracing the ingenuity and the entrepreneurship that private-enterprise offers, and harnessing the efficiencies and effectiveness that private-sector competition and market forces can unlock. And this is something private-enterprise is eager to do alongside us. Additionally, we will partner closely with the proposed new U.S. Development Finance Institution, which will only succeed through strong institutional linkages with USAID, to further these efforts with financing tools, and have a whole of government approach to private sector engagement.

For example, I recently met with the CEO of a large multinational company, and he expressed his eagerness to work with us in countries like South Africa, which, in part because of our work, are becoming more suitable for American companies to invest. This firm and others are eager to invest corporate funds in USAID-led initiatives, as well as apply entrepreneurship and enterprise-driven techniques, such as impact investing and blended-finance mechanisms, to development challenges.

Another example is the new "Smart Communities Coalition" that we helped create alongside MasterCard to modernize assistance to refugees and internally displaced persons. Traditionally, when a displaced family first arrives at a camp or settlement, humanitarian workers do their best to see that they are immediately registered and provided modest food, water, and medical attention. Residents receive Residents receive services from twenty or more different humanitarian aid groups, each of which uses their own unique method of tracking who received what service when. As you can imagine, this is a recipe for potential corruption and abuse.

Our partnership with the Smart Communities Coalition will transform this process for more than 600,000 people. Our implementing partners at the camps will harness the Internet and smart-card technology to do their jobs more efficiently, and at a lower cost. Displaced families will have better access to essential services, such as power. Just as important, in these "smart communities," we will be better able to track our assistance, decrease fraud and abuse, and provide services more quickly and cheaply. This is the power of private-enterprise making us better at meeting our core mission.

PROCUREMENT REFORM: ENCOURAGING NEW PARTNERS AND NEW PARTNERSHIPS

Yet another way in which we aim to make our precious funding go further is by using innovative procurement tools to increase competition among potential partners. In FY 2017, around 60 percent of USAID funding went to just 25 organizations. We are exploring new ways to harness new partners and ideas, and lower the "cost" and barriers to entry for potential partners as they come forward. We are encouraging entrepreneurship and ingenuity in program design, building out technical expertise in areas such as small grants, and embracing approaches that allow us to move more quickly in crafting initiatives and considering submissions.

For example, last Fall, when the Vice President announced the U.S. government's intent to support persecuted religious minorities and other communities in Iraq, USAID was able to move from "ideas to action" by using a Broad Agency Announcement (BAA)—a tool you have supported—that can reduce lead times. This tool allows us to launch a competitive process that builds on collaborative research and development to address a specific challenge.

USAID mobilized quickly to respond to this important call from the Vice President and members of Congress from both sides and both houses. We know that protecting freedom of religion and—as in this case, religious pluralism—is of paramount importance. We also know that the displaced religious and ethnic minorities will need support as they return to their ancestral homelands.

To do this, USAID has taken a short-, medium-, and long-term approach: First, in December 2017, through our Office of Foreign Disaster Assistance, we directed $6.6 million to provide internally displaced persons (IDPs) in the Ninewa Plains and Sinjar with essentials such as shelter, water, and hygiene services. Second, in January of this year, we worked with the United Nations Development Programme (UNDP) to focus $55 million (of our $75 million overall FY 2017 contribution) on 11 of the hardest-hit minority communities in the Ninewa Plains and Sinjar. We also imposed strict oversight of these funds, to ensure that the assistance reaches these communities. At the same time, we directed $4 million in health-related programming to the same regions.

We are still working through the procurement process for additional funds to support these communities, but I expect to be making an announcement by the end of the month naming our partners and projects. We're also already planning our future funding, including in fiscal years 18 and 19, to continue to support these endangered communities.

We acknowledge that for victims of genocide, no assistance can come fast enough. But we will continue to assist victims of persecution in Iraq until it's no longer needed. I give you my word on that.

As another example, last Fall, I announced the world's first Development Impact Bond (DIB) for maternal and child health—USAID's second overall DIB, and one of the world's largest. Under this new model, private capital funds the initial investment, and USAID pays if, and only if, the carefully defined development goal is achieved.

In this case, we are working to strengthen maternal and newborn health care facilities in Northern India. Our partners at the UBS Optimus Foundation are raising capital from private investors to finance improvements to over 400 private health facilities. Teams at these 400 facilities will help appropriately train staff, and make life-saving equipment and medicines available. Each facility will then undergo a rigorous review process to ensure it has met the appropriate accreditation standards. If the facilities meet those standards, USAID and our matching partner, Merck for Mothers, will pay the UBS Optimus Foundation. The DIB allows us to incentivize results, and lessen taxpayer risk.

I am also working to ensure that our partners operate with the highest level of integrity and accountability. We are learning from our past experiences. As many of you are aware, we have encountered challenges with the Global Health Supply Chain contract and I am committed to raising the standards of accountability and apply lessons, even hard ones, in the future. And on

March 9, I met with representatives from InterAction, the Professional Services Council, and United Nations agencies to make clear to our partners that USAID will not tolerate sexual harassment or misconduct of any kind. In addition, our Executive Diversity Council recently met to take up this important topic. Coming out of that meeting, I directed the Agency's senior leadership team to take mandatory sexual harassment training, and asked them to communicate to our partners the seriousness with which we take this issue. I also formed a new Action Alliance for Preventing Sexual Misconduct, chaired by General Counsel David Moore, which will undertake a thorough review of our existing policies and procedures to identify and close any potential gaps, while strengthening accountability and compliance, in consultation with our external partners.

REDESIGN: BUILDING TOMORROW'S USAID

Being good stewards of taxpayer resources cannot be a one-time thing, or merely a set of steps aimed at a single budget. We need to undertake experience-informed, innovation-driven reforms to optimize our structures and procedures and maximize our effectiveness.

Over the last few months, we have been working to roll out Agency-wide projects through the Redesign that will help to institutionalize some of these ideas. This effort began in response to an Executive Order from the President, but, even if that had never happened, I would still have argued for the reforms we are planning. Over the last six months, I and others at USAID have met with Congressional committees and personal offices more than 40 times to discuss our plans. Your input, and that of your staff, has been invaluable to our process, and I am deeply appreciative of your engagement and support.

The Redesign includes many of the proposals I have shared today, including procurement reform, as well as streamlining our humanitarian assistance programing. It also includes working with the administration on cross-cutting government reorganization proposals, such as the new U.S. Development Finance Institution and the consolidation of small grants functions and expertise into USAID.

We have also made a concerted effort to address all Government Accountability Office (GAO) and Office of the Inspector General (OIG) audits. Just six months ago, we had almost 100 backlogged recommendations. I set an ambitious goal of closing all of them within six months. I'm proud to say that by May 28, we achieved that goal. With this backlog under control, USAID is fully committed to staying on top of these audits. We have put in place processes and procedures to ensure we are addressing and implementing new recommendations in a timely manner.

Another example of efforts we are undertaking through the Redesign are the metrics that we have developed. If the goal of our development assistance is to help partner countries create the commitment and capacity needed to take on their own

development journey, we should focus our assistance on interventions that will best help them get there. We have developed metrics that will serve as mileposts to help us understand where our partners are going, and what role we might play in their journey.

We will continue to consult with you on all of the work that is taking place through the Redesign effort. All of this is in service of helping our partners help themselves. All of it is to provide the proverbial "hand-up." And all of it points towards a world where foreign assistance is no longer needed—a world where people are self-reliant, prosperous, and capable of crafting their own bright future.

CONCLUSION

Mr. Chairman, Ranking Member, and Members of the committee, I believe we are shaping an Agency that is capable of leveraging our influence, authority, and available resources to advance U.S. interests, transform the way we provide humanitarian and development assistance, and, alongside the rest of the world, help meet the daunting challenges we all see today. With your support and guidance, we will ensure USAID remains the world's premier international development Agency and continues the important work we do, each day, to protect America's future security and prosperity. Thank you for allowing me to speak with you today, and I welcome your questions.

The CHAIRMAN. Thank you very much. I appreciate your testimony and service.

With that, I am going to reserve my time, as I normally do, and turn to Senator Coons.

Senator COONS. Thank you, Chairman Corker.

And as you may well know, Administrator Green, we are in between two votes. So I would expect many other members, including the ranking member, will be here at some point when those votes conclude. But I am grateful for the opportunity to proceed directly to questioning much more quickly than I thought I might otherwise.

It is always good to see you. I am grateful for your lengthy service to our country, both as a Member of Congress, as an Ambassador to Tanzania, now as USAID Administrator.

And I want to specifically thank you for your clear voice on the human rights crisis of the Rohingya. Later today, on a bipartisan basis, the Senate Human Rights Caucus that I co-chair with Senator Tillis is hosting an event about the Rohingya and continuing our effort to try and elevate the focus on that.

And the clarity of your responsiveness on concerns about sexual abuse and what is going to be done within USAID, within the agency you are charged with leading around that I just want to celebrate.

Let me just say broadly not directed at you, Mr. Administrator, that it is very frustrating to me as an appropriator responsible for the State Department and USAID that the Trump administration once again ignored the will of Congress and submitted a budget request nearly identical to the previous year, which was last year rejected on a bipartisan, bicameral basis. And the budget request—I am concerned about the message it sends about the value of democracy because it significantly under-invests in democracy, and I think that sends a bad message about our values around the world.

I am going to work with my colleagues on the State and Foreign Ops Subcommittee to reject some of these cuts to development and diplomacy, and I look forward to working with you to make sure that what we do can be well and appropriately spent.

Let me focus my few questions on the Sahel and challenges I think we see in a number of places on the continent.

Last year, the administration pledged up to $60 million in support the Sahel G–5 Joint Force initiative on top of other security assistance. And in April, I led a bipartisan delegation that visited Niger and Burkina Faso, along with Senators Flake and Booker, chair and ranking of the Africa Subcommittee. And I came away convinced gains made by the G–5 Sahel Joint Force will not be sustained without comparably strong investments in development and democracy.

Do you plan to increase funding for democracy and development programs in the Sahel to address the underlying sources of instability and fragility in these five states? And have you been consulted in the interagency process regarding the development of a comprehensive approach to stability in the Sahel that would partner development and democracy programming with security programming?

Mr. GREEN. Thank you for that question. I share your interest and concern for the Sahel. I am planning on making my own trip, and Niger is the current country that we are planning to visit in coming weeks.

What we have tried to do so far is to, first off, map all of the projects that we have going on in the region—and there are many in different sectors—and then try to do a better job of pulling them together.

But you are right on how you characterize the challenges that the region faces. It is vulnerable to chronic shocks that very quickly bring about humanitarian crisis. We are certainly supporting the region through our humanitarian programming. But part of this is we all want to get in front of it. So in our redesign, as you know, we are trying to strengthen the resilience portion of our humanitarian work, and I can think of no better place to focus that resilience work than in this region. We currently have some important promising programs underway. This is a President's Malaria Initiative country, and I am looking forward to going to see that in action, as well as a Feed the Future country. We are working on strengthening democracy and civil society. It is a big battle. There is a lot of work to do and a lot of threads to pull together, but it is something that is very important.

I recently met with the Ambassador to Niger. We had some conversations. I learned more about the work that is being done by the G–5. A lot of the work that they have been doing has been security-led, and security is awfully important. But long-term security requires strength of governing institutions. And so that I think is the piece that is important for us to be working on.

I have also heard that a number of countries from the EU are strengthening now their development side of work, which is good news. So as I head to the region, I plan on working closely reaching out to our partners and looking for ways to coordinate and leverage each other's investments. Interestingly, Brussels is opening a stronger development presence there and so is Luxembourg and the Netherlands. So I think there are some real possibilities, but as you point out, these are in many cases largely ungoverned spaces and there is a lot of work that we need to do.

Senator COONS. Well, I had some lengthy conversations just yesterday with Senator Graham and with your immediate predecessor, and I have talked to a number of members of this committee. I think we should be making an effort towards an authorizing structure for a fragile state partnership with some of our European allies, hopefully with a strengthened DFI that can help crowd in private capital, but frankly led by the development mission you are responsible for.

Let me make two more brief comments, Mr. Chairman, if I might. I see the press of other questioners.

The CHAIRMAN. The meeting may end very shortly.

Senator COONS. Just briefly on Niger, the population is 70 percent illiterate. 40 percent of female primary school students do not reach 6th grade. I hope you will consider more dedicated education funding in Niger.

I also had some questions about opening a USAID permanent mission in Niamey because I think it is difficult for staff located in Ghana or Senegal to really grasp and engage in terms of what is on the ground. And I hope through appropriations to give you the tools to do that.

Let me just ask about rescissions to the Complex Crisis Fund because that may be a live issue this week here in the Senate. USAID has used the Complex Crisis Fund for 8 years to respond to emerging or unforeseen crises in more than 25 countries. I think it is a valuable prevention tool. The pipeline is very small because it gets spent. And as part of your transformation efforts, you have proposed creating a bureau for conflict prevention and stabilization. But the administration proposed rescinding $30 million from the Complex Crisis Fund, a proposal we may well vote on shortly.

Are you concerned about the proposed rescission to this fund, and are you concerned that you're prioritizing conflict prevention and this new bureau creation at exactly the same time we may be zeroing out the primary account USAID uses to deal with conflict prevention?

Mr. GREEN. Thank you for the question.

First, as a general matter, obviously we will implement any rescissions that are passed by Congress applicable with law.

Look, we will never have all the resources that we need to take on every challenge and seize every opportunity. We will work, as best we can, to make the resources that we have go as far as they possibly can to deal not only in the immediate region of the Sahel but more broadly with a number of challenges that we see.

Senator COONS. Well, thank you. I appreciate your professionalism, and you are in an awkward spot in terms of the priorities. You know, I will just close by saying, as I mentioned in my opening, that I think the President's budget request, which proposes a nearly 40 percent cut to democracy and governance funding globally and nearly 60 percent to the democracy and governance funding in Africa is a profound misreading of where we should be prioritizing our investment. And I have confidence and optimism that we will both be able to provide the resources you need and that you and USAID will do an excellent job of leading on this issue. Thank you, Mr. Administrator.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

I know Senator Coons and myself both were involved in Power Africa, and we have had the person who is in charge of that on your behalf into the office on a couple of occasions.

I know there are goals to have 50 million beneficiaries by 2020, installed generation capacity of 20,000 megawatts. More than half of the connections are from solar lanterns, and it is projected that about 40 percent of the required target will be done by solar lanterns.

I know that the thrust had been to have power generation that was tariffed and sustainable. How do you feel about where we are going with Power Africa today? And is the solar lantern component something that we feel like is what we are really striving to achieve?

Mr. GREEN. Thank you, Senator.

Power Africa is one of those great tools that I did not really appreciate until I arrived at USAID. It has helped to produce more than $14 million in leveraged investments, 12 million electrical connections on the African continent, and closed 95 projects. So it is a great tool that we have. We have recently expanded its reach through MOUs with the Government of Israel and the Government of South Korea.

In terms of the approach to technologies, it is all the above. We are technology neutral. So so much of the work that we do is private sector-driven. It is the investments that come towards us. We work with whatever means we can to close deals that will rapidly expand access to reliable, affordable energy for African citizens.

The CHAIRMAN. Yes, but are we doing what we set out to do? I mean, this was to be something that drove economic development, people's ability to have health care, education. Or are we just hitting numbers and really not driving exactly what we set out to do on the front end?

Mr. GREEN. I think we are having enormous success with Power Africa. We are looking to ramp it up and expand it even more. We have Power Africa 2.0 that we recently unveiled, and quite frankly, we are trying to take the lessons learned and bring them to other regions' power needs in places like Southeast Asia and Asia. So I think it works because it harnesses the power of the private sector, but we certainly can be more aggressive in how we push things forward. But I do think it is making a difference. It is certainly a tool that is popular with our partners and leaders on the continent.

The CHAIRMAN. I think it is an incredible effort. I just want to make sure we are not just hitting numbers, but we are driving what it is we want to really see with so many people in Africa not having power.

Mr. GREEN. If I can, Senator. Something that is important I think to bring up at this point too. Another importance of Power Africa is the model that we use in driving it. So as everyone on the committee knows, there are a couple of different development models that are out there. There is the model that we put forward, the model to self-reliance, in which we incentivize capacity building and reform in our partners so they take on those conditions that block private investment and stop them from rising. There is a competitor out there, the Chinese model, in which they mobilize

lots of resources up front oftentimes with unsustainable debt at the back end. And the competition is oftentimes China offers easy money, and that easy money is alluring many times to countries under economic and political pressure.

And so one of the things that I think we need to do a better job of is making clear what the differences are, why it makes sense to go with the Power Africa model. It does involve institutional reform and change and sometimes tough choices, but in the long run, we all know that it brings about sustainable development and independence. And we need to make clear what the other side offers and the consequences over the long haul.

The CHAIRMAN. I know you have been working some with DOD and I understand you all have a very good collaboration underway. And just for the record, I would love for you to have the opportunity to talk a little bit about that and how you see that evolving.

Mr. GREEN. Thank you. It is another lesson in realization since I have arrived at the agency. Our working relationship with DOD is tremendous. It is very close. We are in constant consultation. From the stabilization assistance review, we do stabilization work—we are collocated in parts of the world—to the work that we do back here. We have 23 staff who are embedded development advisors in the combatant commands. And so DOD turns to us all the time for development ideas and counsel. In disaster relief, they are the ones who make possible so much of what we do.

Last year, a highlight during a moment of crisis for me was the fact that when that second earthquake hit Mexico City, I was asked by the White House to be able to mobilize a search and rescue team immediately, and thanks to the work that we do, our foreign disaster assistance team with DOD, we are able to get a search and rescue crew in Mexico City before breakfast the next morning, a sign of how closely we work both in the humanitarian field and in the stabilization field as well.

The CHAIRMAN. And then again, because I know this is a major focus, your transformation efforts. I know you referred to that a little bit in your opening comments, but would you like—since we have time for you to do so, would you like to expand a little bit on what is happening in that regard?

Mr. GREEN. Thank you. I certainly would.

Since the day I arrived at USAID, my top purpose, if you will, is to turn to our staff, solicit their ideas, new ideas, ideas that have been around for a while, and look for ways to essentially build the USAID of tomorrow. We believe that we are the world's premier development agency. And the question that I posed to my staff is what do we have to do to be the world's premier development agency 20 years from now. And that is really what we are trying to do.

We have undertaken 27 projects or identified 27 projects into five outcome streams, all led by career staff. And we are working to reshape ourselves in line with the challenges that we see and also reshape ourselves in our programming in line with the tools that we have and the opportunities that we see. And so while we are still in the process—we are in the phase that we call "transformation," which is really moving from whiteboard to implementation—I am very excited about the work that the team has done. I am grateful for the input that we have received from you and your

staff and the staff of this committee. We have lots of work to do, but I do believe that we are getting to a place that will really extend our reach and make us more nimble and really help us apply development tools in a more effective, more efficient manner.

The CHAIRMAN. Well, thank you.

And I will turn to Senator Menendez.

STATEMENT OF HON. ROBERT MENENDEZ U.S. SENATOR FROM NEW JERSEY

Senator MENENDEZ. Thank you, Mr. Chairman. In the interest of time, I ask unanimous consent that my opening statement be included in the record.

[The prepared statement of Senator Menendez follows:]

PREPARED STATEMENT OF SENATOR ROBERT MENENDEZ

Thank you, Mr. Chairman for holding this hearing. It is critical that this committee conduct oversight in our jurisdiction. Again, Mr. Chairman, I reiterate that I believe this committee should be holding more hearings on any number of pressing topics with witnesses from the administration. From North Korea to Russia to a crisis on our very own border that is tearing families apart and damaging our moral leadership and credibility on the global stage, this committee must do its job.

Today we will focus on the President's budget—or lack thereof, for the United States Agency for International Development as well as other development issues.

Before I delve more into that, however, it would be irresponsible in this context not to highlight President Trump's irresponsible and uninformed declaration on foreign aid yesterday. He said quote: "when countries abuse us by sending people up—not their best—we're not going to give any more aid to those countries. Why should we?"

I'd like this committee to let that sink in. As if these countries were "sending" these children, these families, who are in fact fleeing for their lives. Why should we send them aid? Why? To support their own efforts to lift themselves out of poverty. To support efforts to improve security and rule of law so these very people won't be fleeing in the first place. I will get more into that during my questions.

Now, I greatly appreciate the Administrator's interest and willingness to testify. I know that you, like me, fundamentally believe in the core mission of USAID and the power of development, good governance, and democracy to lift people out of poverty and ultimately promote resilience, prosperity, and security throughout the world. Which is why I assess that the proposed FY 2019 budget is, frankly, an absolute joke and one that does not even come close to fulfilling the objectives of this administration's own national security strategy.

Adequately funding an independently functioning USAID is essential to promoting our foreign policy objectives, delivering emergency assistance and ensuring sustainable long-term development to put countries on the path to self-reliance.

I am fundamentally disappointed at the administration's proposal to consolidate international development accounts; abruptly close more than 20 USAID missions; slow-walk the allocation of congressionally directed funding.

I am also eager to gain a better understanding of your vision of redesigning USAID. While the bar of the State Department redesign was low, I understand that the process you have undertaken reflects more input from career public servants, stakeholders and advocates and I appreciate the proactive engagement you personally have had with Members and staff.

However, I still have remaining questions. I worry this redesign reflects a shift in the construction of the core competencies of USAID, which have historically been—and I believe must remain—building institutional capacity, improving good governance, and investing in long-term development.

That said, I am generally supportive of your efforts to support countries on their "journeys to self-reliance." Specifically, I have long advocated for a full set of tools to advance our country's economic statecraft, which is why my staff and I have been so engaged with the Chairman and Senator Coons' in their efforts to reform our Development Finance Institutions through the BUILD Act. As you know, I was disappointed you were not available for our hearing on the bill last month and look forward to your thoughts on the impact this will have on USAID.

Finally, I appreciate that in your testimony you note the importance U.S. global leadership. Our global leadership stems from our values, which should drive our foreign policy efforts, much as they should drive our domestic agenda. Furthermore, our development agenda must be in concert with broader foreign policy and national security goals.

Our military is the strongest in the world, but history proves and its own leaders acknowledge it cannot be the only face of the United States abroad. For example, we cannot consolidate military gains against ISIS or other foreign terrorist organizations if we are not also supporting communities develop sustainable, accessible, economic livelihoods, particularly for youth and marginalized communities that will ultimately make them prosperous, secure, and resilient.

We must promote programs that make education and economic enterprises more accessible to women and girls. We must utilize our incomparable scientific and technological capabilities to partner with private investment and local organizations to improve access to electricity, water, and vital health therapies.

Finally, as we appropriately respond to natural disasters with humanitarian and food relief, we must invest in addressing the manmade causes of forced migration including poverty, violence, and weak systems of governance. Tragically, around the world and at our very own border we see what can happen when we do not.

I want to thank you again for coming before the committee and generously extending your time, and your staff's time, over the course of the past year. As we move forward, I look forward to working with you, the administration and critical voices across the international development community to diligently ensure USAID has what it needs to be successful.

Senator MENENDEZ. Mr. Chairman, for now, I am going to ask the Democratic Leader to object, while hearings are taking place, to votes on the floor. Some of us have to cast votes, and the reality is that it is unfair to Members to have hearings going on while votes are going on on the floor. So that will solve hopefully the problem.

Administrator, I understand that you and other members of the cabinet are often playing catch-up to policies announced via tweet. But as I mentioned in my opening statement—well, the opening statement you did not get to hear—the President said he would seek authorization that would cut off aid to countries who send asylum seekers to the United States. Do you believe the countries in the Northern Triangle are sending people to the United States?

Mr. GREEN. Senator, I have had no communications from the White House on this subject. So I would certainly refer you——

Senator MENENDEZ. I am asking from your experience. Do you believe that countries in the Northern Triangle are sending people to the United States?

Mr. GREEN. Well, so I would refer you to them with specific reference to that statement.

What I will say is that since the day I arrived and before, we have been working to address those challenges in the Northern Triangle and in the region which we think may be drivers for those especially unaccompanied minors——

Senator MENENDEZ. I am sorry to interrupt to you because I only have limited time, and I do not have a good disposition this morning.

Do you believe that the countries of the Northern Triangle, the governments of the Northern Triangle, are sending people to the United States, that they are formally sending people to the United States? Yes or no.

Mr. GREEN. Senator, I believe that there are governing challenges in these countries that we can partner with them to take on, which will create the conditions——

Senator MENENDEZ. Do you believe that cutting off aid to countries in the Northern Triangle would ultimately benefit the United States?

Mr. GREEN. I believe that all of our assistance programs should serve our national interests. I believe that they do. I am certainly open to reviews of our assistance, which we do continuously all the time. Again, we work hard to make sure that our assistance programs are deployed in ways that serve our national interests as well as——

Senator MENENDEZ. One of the things I have always appreciated about you in the past is that you have been a pretty straight shooter. One of the things I do not appreciate about your answers right now—it sounds like you have been engrained with the State Department speak, which is to say a lot but say nothing. I asked you a very specific question. Do you believe that cutting off aid to countries in the Northern Triangle would ultimately benefit the United States?

Mr. GREEN. Again, Senator, I believe that all of our aid programs need to be focused on challenges that we see and serve the best interests of the U.S.

Senator MENENDEZ. Do you believe that what we are doing in the Northern Triangle serves the interests of the United States?

Mr. GREEN. Our assistance programs?

Senator MENENDEZ. Yes.

Mr. GREEN. At this point I do, yes.

Senator MENENDEZ. Well, then if you believe that, cutting off aid to them would not be a good thing.

Mr. GREEN. Well, the particular programs that I am aware of that USAID is responsible for—we are obviously not responsible for all the programs, but we believe that they are making progress and helping to create the conditions——

Senator MENENDEZ. Do you believe that cutting off programs that support economic development and the rule of law reform is in the national security interests of the United States?

Mr. GREEN. You know, I will defer to the State Department and the National Security Council for statements on national security interests. What I will say is that the programs that we do, we work very hard to make sure that they serve our interests.

Senator MENENDEZ. Let me turn to another. All of those answers are unsatisfactory to me.

Administrator, the committee is soon going to mark up the BUILD Act, a bill to reform and modernize U.S. development institutions. I am deeply disappointed you were not available to testify on something that is so critical to development assistance in our country.

In March, you and I discussed the importance of ensuring the new Development Finance Corporation has a strong development mandate and that achieving development outcomes that improve the stability and sustainable growth of host countries where projects are conducted is what guides the mission of this agency.

If the development credit authority is moved from USAID into the new DFC, do you believe that the DFC's financial tools will still be available to USAID's mission and staff so that they can successfully leverage necessary tools in the field?

Mr. GREEN. Thank you for the question.

You are touching upon an extraordinarily important point. It is not simply money that flows into a country. It is what it goes to and what it is that it funds. And DCA is obviously a very important tool. In our structure, it is owned by our missions and staff overseas. So what we have said consistently is that it is important that tool continue to be available to the development experts that we have at USAID out in the field. And so what we have done is urge those who are involved in the legislation to reinforce the linkages that will enable that to happen. So that is how I view this.

I do believe as a general matter that the concept of a DFI is a constructive one, is a good one. I have written in favor of it over the years. It is making sure that it is closely linked to development that I think will determine its success.

Senator MENENDEZ. So do you believe that the financial tools, as it is structured under the bill, will still be available to USAID's missions and staff so that they can successfully leverage necessary tools in the field? Yes or no.

Mr. GREEN. First off, I know the legislation is being considered right now, and I know that there are efforts to create——

Senator MENENDEZ. As written, Administrator. As written. Yes or no.

Mr. GREEN. Senator, as I understand, the legislation is evolving and moving. What we have simply suggested and urged is that the linkages are enshrined, institutionalized the best they can.

Senator MENENDEZ. That is the most unresponsive set of answers that I have had from someone before this committee. I do not know whether you are purposely choosing to be unresponsive, but it is out of character for you and is really disappointing to me.

Who is next here? Senator Kaine?

Senator KAINE. Administrator Green, I want to just continue on the Central America theme. As you know, I lived in Honduras back in 1980–1981 and with many colleagues on this committee am really concerned about the situation on the border now. Today is World Refugee Day. June 20 every year, we think about the needs of refugees around the world. So it is particularly timely with the situation on the border.

USAID is a key implementer of programs under the U.S. strategy for engagement in Central America. And those programs in the Northern Triangle include a focus on judicial reform, job creation, and violence prevention efforts. I think you testified in response to Senator Menendez's questions that you believe that USAID's focus on those areas is not only in the interest of those countries but also in the interest of American policy. Would you agree?

Mr. GREEN. Yes.

Senator KAINE. How do investments in job creation, judicial reform, and violence prevention help the U.S.?

Mr. GREEN. Thanks for the question.

In a number of ways. First off, creating economic vibrancy and opportunity in those countries is good for commerce. So it is good for U.S. commercial and trade interests.

Secondly, it addresses some of the drivers that we believe contribute to irregular migration by creating opportunities back home and, related to that, taking on some of the challenges like

transnational crime and lack of safe areas, safe spaces that families often encounter in some of these countries. So we think that they are not only in the interest of these countries but, again, we think good for the U.S.

Senator KAINE. So the USAID investments in job creation, judicial reform, violence prevention help the stability of these countries, El Salvador, Guatemala, and Honduras. But they also reduce the pressure to migrate and leave and go elsewhere. So they are good for those countries, and they are good for the United States, too.

Mr. GREEN. I believe so, yes.

Senator KAINE. And I echo—and it would sound like you would as well—the concern that Senator Menendez has. The fiscal year 2019 budget proposes 30 percent cuts to these funds, a significant reduction in funds that are going to the worthy USAID programs that you indicate. And if those programs are reducing the pressure for forced migration and increasing local stability and economic development, the cuts of those funds—I mean, it is just sort of a tautology. Reducing those funds are going to hurt these nations and also hurt American objectives, including the immigration issue. Correct?

Mr. GREEN. Senator, we recognize that tough decisions have to be made and that there is a tough balance, needs at home versus American leadership overseas.

Senator KAINE. And so let us talk about balance. I mean, if the issue is this challenge of kids coming to the border and this is now blowing up to be like the Birmingham children's crusade, children who in 1963 were attacked by guard dogs and fire hoses, and that grabbed the globe's attention—this is achieving that same kind of torque. And if we can slow that problem down by investing in these regions so that they can reduce violence and grow jobs, why would we want to cut the funds that do that, thereby exacerbating the very problem that the administration has created by its self-announced policy?

Mr. GREEN. First off, as much as I believe in our programs, I am not going to tell you that they are the answer, obviously, to the challenges that are there. But in terms of the effectiveness of those programs, I do believe in them, and I do think the programs are producing good results. And we have seen it in places like Honduras in terms of the violent crime rate. Again, I recognize that in the current budget environment, tough choices are being made.

Senator KAINE. So let me ask you this. Here is a worry that I have. If the administration low balls an ask and then Congress comes in and puts more in because we think it is important, bluntly in some agencies I worry if we put more money in, I am not sure that the agency will embrace and carry out the mission as Congress desires with respect to funding.

If we are able to provide more money into these programs in Central America to do these worthy things than the administration has asked, will you commit to us that you will vigorously invest those dollars for those worthy purposes that you have described and thereby help us try to deal with the root causes of these problems?

Mr. GREEN. I will do everything I can to mobilize those dollars because I do believe in the programs.

Senator KAINE. Thank you, Mr. Chair.

Senator MENENDEZ. Senator Murphy?

Senator MURPHY. Thank you very much, Mr. Chairman.

In your answer to Senator Kaine, you referenced this budget tension between U.S. global leadership and domestic demands, but that is actually not the story behind the administration's budget because the budget actually calls for a fairly robust and impressive increase in military spending, one that this Congress has supported. So it is not as if this administration is downsizing America's footprint around the world. It is simply that they are proposing to downsize your footprint in the world and the footprint of the State Department while dramatically upscaling the amount of money that we put into the Department of Defense's footprint overseas.

That is something that I simply do not understand because as I read the challenges presented to the United States, I get that there are certainly conventional military challenges that are different today than might have existed 10 years ago. But I frankly do not read there to be a larger number of conventional military challenges and a smaller number of non-military challenges.

So explain the budget through that prism. I mean, do you support the idea that we need to dramatically plus up military spending and, in order to pay for it, dramatically reduce the spending that is available to you? That just does not seem to meet the world that I see, and I do not think it meets the world that you see.

Mr. GREEN. Senator, I support the President's budget. I believe that tough choices are being made. I readily admit that we are not able to address every need or opportunity that we see out there. Obviously, our nation's national security interests, including our hard power needs, are significant. I think we all recognize that. And as you would imagine, I also believe strongly that the tools that we have and the State Department has are important as well.

And so our job will be for the resources that you generously provide, I will make them go as far as they possibly can. I will leverage other investments working closely with other countries. I will work with the private sector to maximize enterprise-driven solutions. I will look to ramp up domestic resource mobilization. So I think my responsibility is and will continue to be to make these dollars——

Senator MURPHY. I think it is unfair for you to leave this committee or the Congress with the impression that this is about balancing domestic needs with international leadership because it is not that we are spending less money globally, it is that the administration is specifically targeting the State Department and USAID while proposing massive new amounts of money for the Department of Defense.

I want to talk to you about one specific part of the world and that is Yemen. This is now officially the world's worst humanitarian crisis. More than 22 million people, 75 percent of the population, are living in desperate need of aid and protection.

From testimony given to this committee by the State Department, the United States has opposed for a very long time the

Saudi-UAE coalition's plans to attack Hodeidah, which is the site through which most of the humanitarian aid flows. Our coalition partners ignored our requests and are presently in the midst of launching an attack on that port city which could result in the complete cutoff of aid over the course of the duration of this campaign, which could last weeks but it could last months, leading to the death and destruction of massive amounts of that country.

So what have you recommended to the White House regarding the U.S. position on the assault on Hodeidah? And would you recommend that the UAE halt its operations—this is primarily a UAE operation—to give negotiations a chance?

Mr. GREEN. So we have been in constant contact with our implementing partners both back here and out in the field. I can tell you that as of last night, the World Food Program, which is our principal partner there, is still able to deliver food through the port of Hodeidah. As you know, earlier this year, we funded the four cranes that are expanding the capacity of that port. We are watching very, very closely. What we have done is the State Department has urged all parties to respect the work of the special envoy and also to continue to——

Senator MURPHY. Well, you cannot respect the work of the special envoy in the middle of an assault on Hodeidah. There is no work being done by the special envoy right now because there is an active military campaign. So are you advising the UAE to stand down to give the special envoy a chance or are you supportive of the assault on Hodeidah?

Mr. GREEN. So that is a question for the Secretary of State and the Department of State——

Senator MURPHY. Are you concerned about the humanitarian consequences?

Mr. GREEN. Oh, sure, of course, absolutely. We are concerned. In fact, tomorrow I will be meeting with our NGO partners again. We are meeting with them all the time doing everything that we can to make sure that the State Department, the White House, and everybody involved is aware of the humanitarian challenges that are there and doing everything we can to make sure that those needs are met under extraordinarily difficult circumstances.

But also, I will say the way that you characterized this is accurate. I mean, this is a profound humanitarian challenge that we are working on right now. We are, I believe, the largest humanitarian donor towards Yemen, but this is something that we worry about all the time.

Senator MURPHY. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. And Senator Murphy and Young and others, thanks for your leadership. I know we have all been pressing, and I thank you for taking the lead on a letter recently.

Look, in fairness, this is my observation. The leader of USAID has no impact whatsoever on military operations. And obviously, these folks have to, quote, support the President's budget knowing that it has no relevance to what we are going to do. And I understand that. I think we have a USAID Administrator that really is seeking to do the things that people on both sides of the aisle want to see happen in our aid programs, and I thank him for that. And I am glad we are not focused much on the budget today.

Senator Young?

Senator YOUNG. Thank you, Chairman.

Administrator Green, it is great to have you here. Thanks so much for your service.

I will just pick up on Senator Murphy's line of questioning on Yemen. And I agree with the chairman that you really do not have any impact on the military effort there in your current capacity.

But you did mention Yemen in your opening statement, and you know that the Saudi and Emirati-led military operations have led to the seizure of the airport by the coalition. You also know, as anyone who is following this issue knows, the importance of keeping open the port of Hodeidah for humanitarian shipment to continue.

From a USAID perspective, what is the key message you would like to convey to the combatants with respect to humanitarian access and most especially access that is required through the port of Hodeidah?

Mr. GREEN. Thank you, Senator.

First off, there really is no replacement or substitute for the port of Hodeidah, at least not an effective and economic one. So we urge all parties to preserve the free flow of lifesaving humanitarian and commercial goods through that port, and we think it is key. As I said as you were coming in, our best information from last night is that the World Food Program is still able to operate in the port and offload food and vital supplies, medical relief supplies, and obviously that is terrifically important. But we are in touch with our partners all the time.

Also, I know that there has been some prepositioning of supplies, again not a substitute, but at least some step to try to ameliorate some of the potential fallout.

Senator YOUNG. This is by the Emiratis. Right? They are characterizing this military operation as at once a military operation and also it is their belief that they can better facilitate humanitarian delivery than the current situation. Or is it the World Food Program?

Mr. GREEN. Well, again, regardless. We want to see unfettered access by humanitarian actors. So right now, the ships that I am referring to are World Food Program ships, but again, we urge all the combatants to respect humanitarian law and maintain that access.

Senator YOUNG. The last thing on this. You agree, as Deputy Assistant Administrator Jenkins testified to us last April, that the temporary closure would be catastrophic. To build on that, would an extended closure of Hodeidah in your mind lead to catastrophic humanitarian consequences in Yemen?

Mr. GREEN. It would have humanitarian fallout on a very large scale.

Senator YOUNG. All right. Thank you, sir.

Back to the issue of U.S. assistance through USAID and how we take a different approach than the Chinese are seeming to take. In your prepared statement, you talk about assistance as empowering people. The focus is on self-reliance and prosperity, on developing partnerships so that people can finance their own development in the future. The U.S. is clearly focused on building longer-term stra-

tegic and economic relationships with countries, I would say, in contrast to the Chinese approach that seems more focused on resource extraction and the creation of dependence. Is that a fair characterization?

Mr. GREEN. Yes.

Senator YOUNG. If the U.S. is going to compete with China when it comes to development, would you also agree that we have to do better in catalyzing and facilitating private investment?

Mr. GREEN. Yes. I will say in some places they are a ways off from getting there and having the environment. But absolutely, that is part of the journey of self-reliance.

Senator YOUNG. Yes. I think that has been a real point of emphasis from day one of you assuming this role.

So in addition to efforts like the BUILD Act, of which I am original cosponsor, should we be doing more and what should we be doing, if the answer is, yes, we should be doing more, to catalyze this private investment?

Mr. GREEN. So, yes, we should be doing more.

There are a number of innovative financing tools that we use, everything from development impact funds to co-creation with the private sector through what we call a grand challenge mechanism or a broad agency announcement. The biggest thing what we can do is I think identify for our partner countries the capacity needs that they have and the commitment shortfalls that they are showing and help to incentivize the kinds of policy reforms that you and I would agree and experience shows us are necessary for the private sector to invest in a real meaningful way. And sometimes that means tough choices for them. And so I think that we need to be there helping them. Oftentimes it is technical assistance. But really tackling those policy barriers is oftentimes the most important thing that we can do. And then the private sector enterprise-driven solutions are much easier to catalyze.

Senator YOUNG. Just one quick follow-up. The United States is the largest shareholder in the World Bank more than any other country. Are we doing enough to leverage that status and USAID objectives on the other hand so that we can make sure that everything that USAID is doing is being multiplied by, supported by the World Bank?

Mr. GREEN. So we can always do more and we can always do better. But we do have a close working relationship. At the USG level, much of it is with Treasury. Treasury essentially has the axis point in the relationship. But I have met with Jim Kim and we do talk about broad development challenges and opportunities and even humanitarian response. We can always do more, but I think we have a good productive relationship.

Senator YOUNG. Thank you.

The CHAIRMAN. Thank you.

Senator Kaine?

Senator KAINE. I have already gone.

The CHAIRMAN. Senator Booker?

Senator BOOKER. Thank you very much.

I am grateful you are here, Administrator.

Just real quick. I just came back from Afghanistan a few weeks ago, and it came out in one of our hearings here that we are spend-

ing about $45 billion a year in military operations there. The USAID was supposed to receive about $650 million. It is only going to receive about $500 million as we look ahead. I guess I was surprised by what I was hearing on the ground by military leaders telling me there is only so much that they can do, almost talking about a bit of a stalemate, but how important it is to build institutions there, how important it is to build self-reliance there, the kind of things that the military is not doing, which makes me think that USAID's role there is really pivotal. But it seems like, again, this is a theme in lots of the areas I have been visiting and looking at where we are ratcheting up our military expenditures but really ratcheting down our investments in helping these places like Afghanistan build to the point where they can be self-reliant.

Can you tell me your thoughts on that?

Mr. GREEN. Sure. First of all, my office will get back to you with more granular information just to respond particularly on the numbers side. But you are right on the importance of the work that we do there.

So our strategy in Afghanistan, which is part of the larger South Asia strategy, is to help foster energy independence, which is terribly important to Afghanistan and its future, also strengthening inclusive growth so that the economic growth is not just for the powerful few but the benefits are spread more broadly, and in particular, investing in women and girls who have oftentimes been marginalized from the workplace and the boardroom, as well as politically.

Most immediately it is the elections and the conduct of credible elections is awfully important there I think to give a renewed sense of mandate to the government. It is a hardworking environment, but obviously a successful, forward-leaning, forward-looking Afghanistan is in our interests.

Senator BOOKER. And I appreciate that and got to see firsthand the impact of the work that you are doing. I guess what I do not understand is why are we ratcheting down investments there, ratcheting up investments on the people that are telling me that this is, for lack of a better word, a military stalemate. But that is the policy that I am concerned with and have great problems with. My time is running out.

Mr. GREEN. I take your concerns and we will make sure that we get back to you.

Senator BOOKER. Thank you, sir.

And I want to shift—it is really the same concern. You know, Senators Kaine and Cardin joined me in a letter to President Trump expressing our concerns about the freeze on funding when it comes to Syria, when it comes to investing in things that provide very basic services to folks.

And I think the most stunning experience I had again was on the same trip to Afghanistan. I stopped in Turkey and I met with our Start Forward team that is there. They are the folks that implement the Syrian humanitarian programs and incredibly important work, I mean, when they are describing in rich detail about really keeping people alive, not to mention avoiding the impact of radicalization on populations that are now particularly vulnerable to that. But they sort of surprised me that literally they are going

to have to start shuttering their operations. And when you talk to the folks who folks are on the ground there, you could see that they are stunned that they are going to have to basically leave folks to fend for themselves, dangerous, hostile, not having the resources they need.

So I left there very angry. How can my country again be ratcheting up our military investments but the basic humanitarian investments potentially could stop us from having to deal with extremism in that region in the future? How can we be ratcheting down on those expenditures?

Mr. GREEN. So there are two different pieces to our work in Syria. There is the stabilization work that we do, which has currently been frozen pending review by the White House, although we learned yesterday or the day before, $6.25 million was recently released to the White Helmets for the work that they do in Syria.

Then there is the larger portion, the humanitarian side, which is not frozen. And we are the largest donor of humanitarian assistance in Syria, are doing it in nearly every part of the country.

Senator BOOKER. You are familiar with the Start Forward efforts.

Mr. GREEN. That is the stabilization side. At this point, it is being held pending review by the White House.

Senator BOOKER. I just do want to say in my last seconds here I am really pleased that you went to South Sudan. I have a lot of great concerns, as I am sure you do, about what is happening there, the violence against women, the sheer humanitarian crisis that we are having. It is not getting the attention and focus I think. But I understand there is a review underway regarding the assistance in South Sudan. And just maybe you can conclude by letting me know what is your role within that review in hopefully informing the kind of investments that we are making and stop what I see happening again from Syria to Niger, which is a ratcheting down of critical investments that are going to really prevent us from having military investments in the long run.

Mr. GREEN. Senator, I really appreciate your concern. Not enough people, quite frankly, pay attention to South Sudan and the challenges that we face there. So the review that is beginning—we do not have a specific timeline for it yet—is very different than the case in Syria. So it is not slowing down our assistance. We are continuing to operate. But I think the review is appropriate. I worry. We want to make sure that our assistance there in no way, shape, or form is reinforcing either corrupt behavior or the kinds of behavior and policies that you and I both believe cannot continue and go on.

But the suffering in South Sudan, the need, the near famine that we see in many places is horrendous. My conversation with President Kir when I was there was entirely unsatisfactory. I know a number of members of this committee have also tried to push for the peace process. We have heard in the last couple of days that there are signs that the two sides may be talking. I am skeptical, shall I say. But I do think it is appropriate for us to be undertaking a thorough review and make sure that we are in the right place in this. And we will make sure and keep your office briefed because this is important to you I know.

Senator BOOKER. All right. Thank you.

The CHAIRMAN. Senator Flake?

Senator FLAKE. Thank you, Mr. Chairman.

I am glad that that question was asked.

Welcome, here. I remember traveling to Africa 18 years ago, Lesotho and South Africa and Namibia, with you.

Let me just pick up on some of the Africa issues. We are having a transition in Zimbabwe right now. Elections will be held July 30th. AID has done good work even in very difficult circumstances in Zimbabwe, not being able to work with the government in a way that is helpful to the people there.

Can you talk about some of the opportunities that will exist to do more work in Zimbabwe?

Mr. GREEN. Thank you, Senator. It is fun to think back on those trips we did together.

So in Zimbabwe, so much of it comes down to these elections and whether or not they are credible elections. That will certainly shape our relationship a great deal.

I am like you. I am very hopeful. This is a country of enormous capacity and tremendous needs. And with the right leadership, willing to take on some of those legacy policy problems, I think there is real possibility there. But I think until these elections occur and our credible reflection of the people, it is hard for us to be able to seize these opportunities.

We have been working there for a while, continue to, but we have not been able to do it on the scale that we would like largely because of the governing partner that we have had in the past.

Senator FLAKE. Well, thank you. And I appreciate the chairman's help and others' on making sure we get our Zimbabwe ambassador there prior to the elections. It is extremely important to be represented fully.

Can you give a little status update? You mentioned in your testimony Kenya's partnership and their work on the Power Africa initiative. Can you talk about some of the other countries that we are working in and give us a status update on Power Africa?

Mr. GREEN. So Power Africa continues to be successful in catalyzing and closing private investments. One of the areas that I am looking at as we go into what we are calling Power Africa 2.0 is making sure that we are incentivizing the necessary policy reforms in each country. It is not about just closing deals that are available. It is also about incentivizing and reinforcing the policy environment in countries such that the private sector can take over, so that there are bankable deals. Sometimes these involve tough choices. Reliable energy at market rates. Oftentimes countries especially with populist leaders are loathe to allow rates to float. And yet, what American company is going to make an investment over the long haul if they are going to see rates that are frozen?

Our challenge is often that China offers a very different model with lots of money up front, with fine print that lead to unsustainable debt, and lines on extractives that we think—you and I think—rob these countries' citizens of their birth right of their natural resources. It is a model we are competing with. We need to do a better job I think of making clear the difference and what it will mean for the young people of Africa.

Senator FLAKE. Do you have the tools that you need in your position to bring this about?

Mr. GREEN. You know, I cannot answer that. I like the tools I have, but I think until I spend more time on the ground in Africa seeing what other things may be available I am heading into the region. I am heading to Niger in coming weeks, which is I think a country of enormous promise, and so taking a look there.

Again, I think for the dollars we invest, Power Africa continues to produce a remarkable return, and it is I think very, very helpful. But I would like to ramp it up because I think it is important as we have this competing model coming from China. I think it is important that we show what American private enterprise and investment can bring.

Senator FLAKE. It has been my experience in these countries that they would prefer to do business with us, and they would prefer to have a closer relationship if possible. But China is certainly aggressive in these countries and the model does not do much for the people of those countries in the long term.

So thank you, Mr. Chairman.

The CHAIRMAN. Senator Menendez?

Senator MENENDEZ. Administrator, let me try aspirationally to see if you can be more responsive in this round of questions.

Do you believe USAID and your position are adequately written into the corporate structure of the new Development Finance Corporation?

Mr. GREEN. So we have argued for strong linkages. Whether those are done in legislation or done in the implementation rules, to us the key is having those linkages as far out into the field, which is where I think the best development comes from. In the interagency, we have been assured that those linkages will be there, and that is what is important to us. We want to make sure that our professionals in the field who right now own DCA from our perspective continue to have that ability to be the pipeline for projects, good, sound development projects, and however that is crafted, that is what is important to us.

Senator MENENDEZ. So I understand your aspiration, but it doesn't speak to me whether or not you think it is written into the corporate structure. I either would say yes, it is, no, it is not, or it is not sufficiently written. I think that would be the answer.

Let me ask you then, what assurances do you have or need so that USAID's on-the-ground expertise, which is I think what you were just referring to, informs the development objectives incorporated into each project proposal the DFC board considers?

Mr. GREEN. So I understand that as the legislation has been moving, there has been the addition of a chief development officer, as I understand. We think that is great. We think that is a useful innovation in the legislation. We would encourage that to be a USAID employee, someone that comes from USAID, so that we have a direct linkage that allows us to help create that pipeline and bring that knowledge to bear. So that is what I would urge I guess.

Senator MENENDEZ. Let me turn to a different topic. It has come to my attention that the State Department's Office of Foreign Assistance Resources, otherwise known as the F Bureau, is with-

holding the approval of fiscal year 2017 operation plans and spend plans for several USAID programs. These are programs that Congress has appropriated funds for fiscal year 2017, and the F Bureau delayed obligating to USAID, only later to offer some of the funds in the administration's rescission package.

Can you explain to the committee the extent to which the State Department's Foreign Assistance Bureau delayed the obligation of fiscal year 2017 funds and how that has affected your ability to lead USAID?

Mr. GREEN. Senator, the F process is one that I believe has been pointed to across numerous administrations. We would like to find ways, as I believe State would as well, to streamline the process and make it more efficient. It certainly is in need of strengthening and streamlining.

Senator MENENDEZ. So, in other words, I would take that answer to suggest that you did not get the monies that were appropriated by Congress in a timely fashion that would have allowed you to pursue the specific missions that Congress intended you to pursue by virtue of those appropriations.

Mr. GREEN. We are constantly talking with F Bureau, as well as OMB, to help move things along. We will mobilize resources as quickly as we get them.

Senator MENENDEZ. Do you believe any of these delays may be related to policy or political disagreements with congressionally mandated programs?

Mr. GREEN. I have seen no evidence of that, Senator.

Senator MENENDEZ. What are you doing as Administrator to ensure that the funds appropriated by Congress are moving quickly to the missions in order that we can make lives better, which is what our focus here is?

Mr. GREEN. We engage all the time with our counterparts at OMB and at State and are in constant touch every other week I am—with our mission directors around the world to try to provide predictability and to move those resources along.

Senator MENENDEZ. We understand that USAID and OMB support a consolidation of the State Department's humanitarian component into USAID. Is that true?

Mr. GREEN. I would say that is an overstatement.

Senator MENENDEZ. That is an appropriate statement.

Mr. GREEN. At this point, I believe that State, OMB, and USAID are reexamining ways to strengthen our humanitarian response given that so many of our humanitarian challenges these days are cross-border. Burma and Bangladesh is a prime example. The Rohingya in Burma are IDPs and therefore in theory part of our portfolio. When they cross the border into Bangladesh, they are refugees, therefore State programs, although we provide humanitarian support in some ways. So it is looking to strengthen and make more seamless those operations. That is what we are talking about.

Senator MENENDEZ. Last question. Do you believe it would serve our broader foreign policy objectives to move refugee operations into USAID?

Mr. GREEN. I think there are a number of choices that we should look at in making seamless the relationship between our refugee

operations and our IDP operations. I think there are a range of options that are there that we are looking at and talking to State about.

Senator MENENDEZ. I am going to follow up with a series of detailed questions. I hope you will give some responsive answers to it. And if I do not get them, then what we do moving forward is going to be affected by what type of answers I get.

The CHAIRMAN. Thank you.

Senator Cardin?

And I am glad to have some more questions. We did not anticipate a second round. We, I know, waited for a while for people to come. And I do not think we ought to have votes during hearings. I agree. And I am going to object to that in the future. But I am going to probably call the meeting about 5 till 12:00, and I am glad to have some more questions.

Senator Cardin?

Senator CARDIN. Thank you, Mr. Chairman.

Administrator Green, thank you. I very much appreciate your leadership.

I just want to make a point about how desperately needed your leadership is to counter the budgetary anemia of the administration as it relates to these programs and the message being sent to the international community on so many issues.

Today is World Refugee Day. The United Nations has released its numbers. They are record numbers. 65 million people are displaced. Over 22 million refugees. Almost 2 million asylum seekers. And then the President of the United States reduces the cap on the United States accepting refugees and does not even hit those cap numbers. And we are about 83 percent below where we were just 2 years ago. So we are not taking in the refugees. The administration's budget would cut humanitarian assistance. You mentioned the Rohingya, which are in desperate need during the monsoon season, of help, and if the United States is not in the leadership, the world will not respond. Are we responding too slowly?

So I want to hear your game plan as our number one advocate for U.S. humanitarian needs globally and our responsibility as it relates to these vulnerable populations within country and those that have been forced to leave the country. What is your game plan here? How is the United States going to respond to this international crisis?

Mr. GREEN. Thank you, Senator.

And you know from our discussions, I share many of the concerns that you have raised.

So important to remind everyone we are, far and away, the largest donor on humanitarian assistance and refugees in the world. Far and away.

Senator CARDIN. So as you know, there have been suggestions made by this administration to take some of those monies and put it into law.

Mr. GREEN. We are currently providing 49 percent of all the humanitarian assistance in the world. On the global health side, we are 60 percent of all the funding in the world. And so we are, I think, providing significant leadership.

Senator CARDIN. And I acknowledge that. I said the administration is trying to change that. But when you look at the impact of refugees to countries, we have a minimal impact here compared to what is happening in the countries that border Syria. Jordan, 750 refugees they have taken in. Lebanon, 1 million. 750,000. Excuse me. And Lebanon taking in a million.

So, yes, we have written a check, which is important, and the total pie is not adequate enough. So we do not have enough global money to deal with this. We have written a fair check. I do not deny that. We have not taken in our fair number. I do not think anyone could dispute that that looks at these numbers globally and see how much the United States of America, the most capable country of receiving refugees—how many we are taking in.

So continue.

Mr. GREEN. Again, I do not disagree with your numbers.

I would also point out, as I indicated in my opening testimony, that these same challenges are close to home. In Venezuela, the last numbers I saw, 5,000 Venezuelans per day fleeing the country. We have been providing bilateral assistance in Colombia and Brazil to help support the Venezuelans who have gone there, as well as to support the communities around them. We are starting to hear that the flight of Venezuelans is being felt in the Caribbean, concerns that I heard when I was down at the summit. These are significant challenges, absolutely.

We will make the money go as far as we possibly can. I cannot tell you it is all the money that anyone needs to take on all of these challenges.

Senator CARDIN. Again, my comments are not directed at you, but my frustration about the Trump administration and where we are globally today and the just absolute need for U.S. leadership here. And I just want you to know you have friends on both sides of the aisle that are with you, and we will do everything we can that you have the tools you need in order to be able to adequately respond to the challenges imposed globally and by the Trump administration's policies.

The CHAIRMAN. Thank you.

Senator Coons?

Senator COONS. Thank you, Chairman Corker, Ranking Member Menendez.

Administrator Green, I just wanted to speak just a little bit further, if I could, to the BUILD Act. I think the ranking member has raised real and legitimate concerns and questions. You have raised real, legitimate questions about how do we ensure that this new development finance institution, if it is stood up, is focused on development.

And so, first, the Obama Global Development Council actually recommended that the development credit authority be folded into OPIC in order to give it access to resources. Your concern that it be led by USAID on the ground, that it be connected to development I think is not just a legitimate concern but one that I embrace. So to the extent I have anything to do with this going forward—the fact that the USAID Administrator will be the vice chair of the board, the fact that the legislation now has an outside development advisory board, I think a needed improvement to it, and

the fact that the language now provides for a forward transfer of policies from OPIC, which will address a number of concerns about human rights, environmental labor, small business concerns, I think have all improve the bill.

To the extent as an appropriator and authorizer I have anything to do with this issue going forward, I will pledge to you both that I will continue to work tirelessly to ensure that in its implementation, should this become law, USAID will not just be occasionally consulted but be driving the development focus of its work and take action, if appropriate, if it is not being implemented appropriately. And I just wanted to say that because I think the ranking member has raised good and legitimate points, and I know you too, not to speak for you, have had similar concerns and I think they are legitimate. And I think we should work together to make sure that this is carried forward as a development finance institution.

Mr. GREEN. Senator, I look forward to working with you. Your passion for development is clear and longstanding. And I am a big supporter of the concept of the DFI. I think it is good for us to get additional resources into the system, and anything that helps us to catalyze investments for a development outcome is a good thing. And it is not the answer to all of the challenges we see from the alternative model to development, but it does not hurt either. It is certainly a step in the right direction. So I look forward to continuing our conversation. I really appreciate it.

Senator COONS. Thank you.

At the risk of saying one more thing I do not need to, but in my questioning of you, in my public statements, in my actions on appropriations, I reject the current administration's approach to deeply cutting USAID funding and think that sustained, broad bipartisan investments in development are the best path forward. And I think in combination, a robust DFI and a strong and capable USAID is our best path. And I hope to contribute to that in some small way.

The CHAIRMAN. Thank you. Look, I think we all understand the reason cuts are made, as shown, that the real drivers of our deficit are not willing to be dealt with, and we know that. And they do not expect any of this to become law. It is just a way of acting like we are doing things fiscally responsible.

Senator Kaine?

Senator KAINE. Thank you.

Administrator Green, just a comment. I am on the Armed Services Committee, and one of the things I do on that committee is listen to our defense leaders as they advocate for you. The Sec Def and others 2 years ago, in the fiscal year 2017 NDAA, supported an effort that was successful to include in the NDAA the ability of the DOD to transfer funds to USAID and State for sort of post-conflict stabilization activities and countering violent extremism activities if the DOD determines that the best folks to do it are not the military but State or USAID. And we were able to get that authority at the request of the Sec Def. My understanding is that has not yet been used, but it is there to be used. And I would encourage you to dialogue with the Secretary about that.

The NDAA that we passed off the Senate floor last night, which is in conference with the House, has an additional authority. It

would allow the DOD to provide logistical support for USAID or State Department operations in Afghanistan, Syria, and Iraq. Again, in the aftermath of, say, the defeat of ISIS on the battlefield or the defeat of the Taliban in some part of Afghanistan if there is a need for post-conflict stabilization activities, we know and the DOD will acknowledge that they are sometimes not the best at doing that and that you all have the expertise and are able to do it. But they may need to provide logistical support to allow that to be done. That authority was included in the NDAA version that we passed off the Senate floor last night, and I think it will survive the conference because I believe there is something similar on the House side.

But just to let you know that there are these two authorities within the DOD budget that would enable them to provide support to your efforts, especially in former war zones that we are trying to restabilize, and I would just encourage you to be in dialogue with the Sec Def's office about that.

Thank you, Mr. Chair.

The CHAIRMAN. Well, listen, we thank you for being here. I know it has been a little unorthodox, but I think you can tell by the questions, people care deeply about what you do and what we do as a nation in this regard. So we thank you for service.

We are going to keep the record open until the close of business on Friday. If you could respond to questions fairly promptly, we would appreciate that.

Again, thank you for your service.

Without further questions, the meeting is adjourned.

[Whereupon, at 11:50 a.m., the hearing was adjourned.]

Additional Material Submitted for the Record

RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD
SUBMITTED TO HON. MARK GREEN BY SENATOR MARCO RUBIO

For many years, the Iraqi diaspora community, Members of Congress, and faith organizations have been concerned that U.S. foreign assistance to vulnerable minority groups in Iraq was not reaching its intended recipients. The administration has attempted to rectify this. You recently authored an important op-ed indicating that you were directing USAID to redouble its efforts on this issue. You wrote: "A more flexible budget and eased regulations would make USAID more effective in fulfilling its mission."

Question. Would you provide me with an update on this issue? What specifically does USAID need from Congress?

Answer. Consistent with administration priorities, the U.S. Agency for International Development (USAID) is deeply committed to assisting the world's most-vulnerable people, including members of ethnic and religious minorities, such as Iraq's endangered Christian and Yazidi communities. USAID responded to Vice President Mike Pence's October 2017 directive to expand assistance to help endangered, displaced, and persecuted religious minorities in Northern Iraq return home and restore their communities. USAID is managing $239 million of the nearly $300 million that the U.S. Government has directed specifically to assist the persecuted ethnic and religious minorities of the Ninewa Plains.

In January 2018, USAID renegotiated the terms of its agreement to contribute to the Funding Facility for Stabilization (FFS) managed by the United Nations Development Programme (UNDP) so that $55 million (out of a tranche of $75 million) would help religious and ethnic minority communities in Ninewa Province restore basic services like water, electricity, sewage, health, and education. In June 2018,

USAID began the processes necessary to contribute $5 million in new Transition Initiative assistance to fund local partners across Iraq's diverse ethnic and religious landscape to promote long-term stability in areas liberated from the Islamic State in Iraq and Syria (ISIS).

USAID also provided $7 million in humanitarian assistance and $4 million in global health funding to address the immediate needs of persecuted ethnic and religious minority communities in the Ninewa Plains, including providing emergency shelter and health care, and improving access to clean water.

Additionally, the Agency opened a $35 million Broad Agency Announcement (BAA) to support persecuted ethnic and religious minority communities in Iraq. The BAA process allows local groups with more-intimate knowledge of the challenges faced by minority communities to influence the design and implementation of projects directly. The promotion of the safe return and reintegration of minority communities to their ancestral homelands in the Ninewa Plains is a central objective of this BAA.

Of that $35 million, we have to date announced two BAA awards that total $10 million: one to a coalition led by Catholic Relief Services (CRS), the other to a coalition led by the Heartland Alliance. Through these awards, USAID will address some of the critical long-term barriers that have been preventing displaced persons from returning home, such as access to livelihoods and ensuring conditions exist to support social cohesion. CRS and the Heartland Alliance will each work with coalitions of local Iraqi groups and faith-based organizations that are already active in the Ninewa Plains and Sinjar. In the near future, USAID expects to announce more awards from this BAA process.

USAID and the U.S. Department of State continue planning to award additional assistance in the coming months. USAID appreciates, and relies on, the continued support from Congress on issues such as budget-flexibility and eased regulations, both for the Iraq portfolio and across the globe. We look forward to continued engagement with you and your colleagues on these issues.

As you are aware, recent events in Nicaragua have been devastating. Dozens of people have been killed by the Government, lawlessness reigns in many parts of the country, and what's left of democracy is quickly deteriorating.

Question. Is USAID currently working in Nicaragua on democracy and good governance?

Answer. Yes, the U.S. Agency for International Development (USAID) is funding programming to support democracy and citizen-responsive governance in the Republic of Nicaragua meant to mitigate the continued erosion of freedom of expression and freedom of the press and the closing of space for civil society in the country. USAID's investments in democracy, human rights, and governance seek to accomplish the following: help civil society advocate for democratic change, build an engaged citizenry, and support independent media. This includes programs that support civil-society organizations as they advocate for their rights, train independent media outlets to provide high-quality reporting, provide democratic leadership, and advance community-based advocacy at the municipal level.

Question. Are you considering allocating or re-allocating funding for democracy promotion in Nicaragua?

Answer. According to the Inter-American Commission on Human Rights, state-sponsored violence in the Republic of Nicaragua has left more than 212 people dead, 1,337 injured, and 507 deprived of their freedom as of June 19. In response, the U.S. Agency for International Development (USAID) is providing emergency support and assistance to civil-society groups, human-rights organizations, independent media outlets, and others involved in peaceful protest.

To ensure the dissemination of independent and accurate information, including regarding abuses and violations of human rights, USAID provided immediate funding to journalists from 14 independent media outlets—many of which the Ortega-Murillo regime has brutally attacked—to permit accurate documentation of the crisis. The USAID Mission in Managua also moved quickly to ensure civil-society partners could continue their advocacy, by providing emergency assistance through an existing project.

USAID has also provided an additional $3.326 million in Fiscal Year (FY) 2017 funding to provide small grants to Nicaraguan human-rights organizations, strengthen the cyber and information security of civil society and independent media, facilitate the participation of indigenous and other traditionally marginalized communities in the democratic process, support investigative journalism, and enable civil society to respond effectively to the crisis. USAID will continue to monitor the

situation in Nicaragua, and is actively assessing how any additional funding or reprogramming of funding could help us respond to the ongoing political crisis.

Question. With adequate funding, what can USAID do in the short-, medium-, and long-term to support democracy, human rights, and good governance in Nicaragua?

Answer. In the short term, I agree with you the U.S. Government must respond to the rapidly evolving security situation and changing political environment in the Republic of Nicaragua. Using existing programs and resources, the U.S. Agency for International Development (USAID) will help Nicaraguan civil society, independent media, and human-rights organizations to continue to operate freely during the crisis, with an increased focus on assistance with physical and digital security. We have seen a growing demand from independent media for support and training on content, from human-rights organizations to document and report on human-rights violations, and from civil society to advocate for change. USAID also launched additional programs through its Office of Transition Initiatives.

In the longer term, the profile of USAID's assistance might need to shift, pending the outcome of the current political crisis. We continue to assess the appropriate balance of investments in the current environment—including our programs to promote democracy, human rights, and citizen-responsive governance. USAID's response could rage from humanitarian assistance, should the crisis and violence accelerate, to supporting a credible electoral process.

Central America

> *The U.S. Government has sought to cooperate with the Governments of Honduras, El Salvador, and Guatemala—the Northern Triangle of Central America—in order to address the underlying factors driving irregular migration in the region. Through foreign assistance and diplomatic engagement, the U.S. has made significant investments toee support security and stability there. While some progress has been made, the reality remains that there is much more to do. Honduras and El Salvador continue to be among the most violent countries in the world, the rule of law remains weak and levels of impunity remain extremely high.*

Question. Do you believe, as the President suggested on June 19 when he said, "when countries abuse us by sending people up—not their best—we're not going to give any more aid to those countries. Why should we." that countries in the Northern Triangle are "sending" people to the United States? Do you believe it is policy in these countries to send migrants to the United States?

Answer. I have not seen any evidence to suggest the Governments of the Northern Triangle countries have policies to send migrants to the United States. The programming funded by the U.S. Agency for International Development (USAID) in Central America advances the U.S. Strategy for Central America (Strategy), which addresses the economic, security, and governance drivers of illegal migration. Under current law, the Secretary of State must certify, prior to the obligation of 25 percent of assistance for the central Governments of El Salvador, Honduras, and Guatemala, that they are taking effective steps to inform their citizens of the dangers of the journey to the Southwest border of the United States. Former Secretary of State Tillerson made this certification most recently for Fiscal Year (FY) 2017 funding for each of the three Northern Triangle Countries.

Question. What do you believe are the issues motivating desperate migrants from Northern Triangle countries to seek asylum in the United States? Do you believe that extreme poverty and the lack of economic opportunity for underserved communities, whom also tend to be indigenous peoples, is a leading cause for desperate Central American migrants to make the harrowing trek to the United States? Do you believe that the threat of gang violence and exploitation against many of these same marginalized people, who internally migrate to major cities within their home countries, is a leading cause for individuals to seek asylum in the United States?

Answer. Yes, I believe extreme poverty, violence, the lack of economic opportunity and the threat of gang violence are drivers of migration from Central America. This is why the programming funded by the U.S. Agency for International Development (USAID) in Central America focuses on addressing those drivers. In 2017, using apprehension data from the U.S. Department of Homeland Security (DHS), USAID sponsored a study that compared municipal homicide and poverty rates to the number of apprehensions of unaccompanied Central American children in the United States to assess the impact of violence on migration. The study found that a sustained increase in homicides in the Northern Triangle did lead to a proportionate increase in apprehensions of unaccompanied children at our border, and that the effect was greatest in Central American municipalities with the highest homicide

rates. The study also found that systemic poverty is a greater driver of out-migration than short-term economic downturns. USAID's work has an impact of these drivers. For example, USAID's work to prevent crime and violence, carried out in concert with the INL Bureau at the State Department and in collaboration with the Government of Honduras, has resulted in a 90-percent decrease in homicides between 2013 and 2017 in the Rivera Hernμndez neighborhood of San Pedro Sula.

I cannot speak to whether or not the threat of violence and exploitation is a leading cause for individuals to seek asylum, as USAID does not collect data on asylum applications. I would refer your questions about asylum to DHS.

Question. Do you believe the real threat of violence and exploitation these individuals are fleeing is legitimate cause for asylum?

Answer. I would defer to the U.S. Department of Homeland Security as the U.S. Government lead on adjudicating asylum cases. However, I do believe the threat of violence is a driver of migration from Central America. A study funded by the U.S. Agency for International Development in 2017 found that a sustained increase in homicides led to a proportionate increase in apprehensions of unaccompanied Central American children in the United States, and that the effect was greatest in municipalities in the Northern Triangle countries with the highest homicide rates.

Question. How is USAID supporting U.S. efforts to address the security, stability, and prosperity of the Northern Triangle in Central America?

Answer. Programming in Central America funded by the U.S. Agency for International Development (USAID) advances the U.S. Strategy for Central America (Strategy), which addresses the economic, security, and governance drivers of illegal migration. Below is an illustrative set of some examples, by country, of USAID's impact in the Northern Triangle. Additionally, USAID has a Memorandum of Understanding (MOU) with the Mexican Development Agency to work together on these critical issues, and we are exploring other trilateral opportunities.

Republic of El Salvador

USAID's community-based work to prevent crime and violence, carried out in partnership with the Bureau for International Narcotics and Law Enforcement (INL) of the U.S. Department of State through a place-based strategy, has contributed to historic decreases in homicides within El Salvador's most-violent communities. Between 2015 and 2016, El Salvador saw a 61-percent reduction in the municipalities in which USAID operates, compared to a 21-percent reduction nationwide.

USAID assistance to the private sector is helping create greater economic opportunities for Salvadorans. Activities target small and medium-sized enterprises (SMEs), which account for 60 percent of El Salvador's economy and 35 percent of its Gross Domestic Product. Between 2011 and 2016, USAID assistance to 11,000 Salvadoran SMEs generated more than $147 million in sales and exports and 26,500 new jobs.

USAID's efforts to support increased governmental transparency included the establishment of a new Freedom of Information Institute in 2016, which has resulted in unparalleled access to official documents in El Salvador. Disclosure of information ordered by the Institute has triggered investigations on illicit enrichment by public officials (including three former Presidents), waste and abuse of public funds, and nepotism.

Republic of Guatemala

USAID's support to the implementation of new investigation and case management models in the Government of Guatemala's Specialized Prosecutors' Offices for Extortion and Anti-Corruption has helped increase the number of final verdicts in extortion cases from 26 in 2015 to 512 in 2017. The number of people found guilty of extortion increased from 41 to 735 over the same period of time.

USAID's geographically targeted agricultural programs have helped create nearly 22,000 jobs in Guatemala, and generated $47.8 million in agricultural sales (coffee and horticulture) in the Western Highlands.

USAID's efforts to reduce impunity have helped support the expansion of the 24-hour court model to new locations in Guatemala. As a result of the integrated 24-hour court system and improved case-management, the percentage of cases dismissed without merit dropped from 70 percent in 2006 to 10.75 percent as of September 2017.

Republic of Honduras

USAID's work to prevent crime and violence, carried out in concert with the INL Bureau at the State Department and in collaboration with the Government of Hon-

duras, has resulted in a 90-percent decrease in homicides between 2013 and 2017 in the Rivera Hernµndez neighborhood of San Pedro Sula.

USAID's assistance to the Mission to Support the Fight Against Corruption and Impunity in Honduras (MACCIH) of the Organization of American States has enabled the hiring of a record number of anti-corruption judges, prosecutors, and investigators in Honduras. Working together with the national Attorney General, MACCIH has achieved three high-profile convictions, and taken on three additional high-profile and emblematic corruption cases.

USAID investments in agriculture have lifted 13,658 Honduran families, or over 68,000 people, out of extreme poverty (defined as $1.25 per day). The Government of Honduras has co-invested $56 million to expand this model of poverty reduction.

Question. What is your assessment of USAID's cooperation with the countries of the Northern Triangle to address the problems of violence, poverty and weak security and justice institutions driving children and families from their countries?

Answer. The U.S. Agency for International Development (USAID) works closely with the Governments of El Salvador, Guatemala and Honduras to implement programming, to press for reforms on critical areas needed to advance the U.S. Strategy for Central America, and to support the countries' Plan for the Alliance for Prosperity (A4P). To date, the Northern Triangle Governments have pledged $5.4 billion of their own funds to meet the goals under A4P. While USAID has seen strong host-country cooperation and progress in areas such as citizen security, including the prevention of violence, and agriculture, including increased food security in regions affected by shortages, we continue to seek greater cooperation in reducing impunity and combating corruption, both of which are critical to the long-term development of these countries. For a complete accounting of how our programs in Central America match the A4P priorities, please see the attached charts.

[The information referred to above is located at the end of this hearing transcript, beginning on page 97.]

Question. How is USAID working with the Governments of Guatemala, Honduras and El Salvador to support fair and impartial attorney general selection processes to emphasize the need to select of honest and qualified candidates with a clear commitment to the rule of law?

Answer. The Missions of the U.S. Agency for International Development (USAID) in the three Northern Triangle countries are supporting efforts in each of them to choose the next Attorneys General through fair and impartial selection processes.

In El Salvador, USAID, as part of a coordinated U.S. Government effort, has worked with the Government and civil society to ensure that processes are in place to maximize the likelihood that a transparent, and merit-based process will choose the next Attorney General. USAID is supporting reforms to improve the Legislative Assembly's internal regulations and existing procedures for the appointment of merit-based, independent, heads of Salvadoran democratic institutions. These reforms also apply to the selection process for the country's Magistrates of the Supreme Court of Justice, Magistrates of the Supreme Electoral Tribunal, Magistrates of the Court of Accounts, Public Defender, and Ombudsman.

In Honduras, USAID is supporting civil society efforts to observe the selection process for the next Attorney General selection, and, together with the U.S. Embassy, has encouraged the rigorous review of qualified candidates for this position in line with Honduran law.

In Guatemala, USAID, through its Security and Justice-Sector Reform Project, provided technical input to the selection process for the Attorney General (e.g., the use of selection/scoring criteria), and ensured the postulation process was open and transparent. On May 3, 2018, President Morales of Guatemala selected Marϕa Consuelo Porras Argueta as the next Attorney General from a list of six candidates.

Question. Do you believe that cutting off aid to countries in the Northern Triangle would ultimately benefit the United States? Do you believe that cutting off programs that support economic development and rule of law reform would be in the United States national security or economic interest?

Answer. I believe programming funded by the U.S. Agency for International Development (USAID) in the Northern Triangle is in our national interest. Creating economic vibrancy and opportunity in those countries is good for commerce, which is good for U.S. business and trade interests. Additionally, USAID programs address some of the drivers we believe contribute to illegal migration by creating opportunities in the Northern Triangle countries for their citizens. USAID programs also work to address challenges like transnational crime, corruption, and the lack of safe

spaces for families. I believe these efforts not only serve the interests of these countries, but are also good for the United States.

USAID's programs under the U.S. Strategy for Central America (Strategy) have shown results in improving citizen-security and promoting economic livelihoods in key communities throughout the Northern Triangle, and I believe they will continue to do so. However, it is critical that the Governments of the Northern Triangle continue to put more of their own resources towards their own economic development under their Alliance for Prosperity Plan. The President's Budget Request for Fiscal Year 2019 includes funding for the Strategy in recognition of the significant impact that developments in the region have on our national-security and foreign-policy interests.

Question. Can you please highlight some efforts that have in fact reduced poverty or improved security conditions in these countries?

Answer. With funding appropriated by Congress, the U.S. Agency for International Development (USAID) has supported efforts by the Northern Triangle Governments to reduce poverty and improve their own security conditions.

In Guatemala, with USAID funding, the Public Ministry (Ministerio Pλblico) created a new investigation and coordination model to combat extortion. Since 2015, the specialized Prosecutor's Anti-Extortion Office has used this model to carry out more than 40 anti-extortion operations, which yielded more than 800 arrests of criminal networks associated with the Mara Salvatrucha and Barrio 18 gangs. USAID's Feed the Future programs in Guatemala have helped the private sector create more than 20,000 jobs during Fiscal Year (FY) 2016 in the agricultural sector in one of the poorest regions of the country. Between 2013 and 2017, USAID agricultural programs helped create 74,000 full-time equivalent jobs and $177 million in increased sales from coffee and horticultural exports.

In Honduras, USAID's work to build alliances among citizens and the police has successfully built community cohesion. The decline in the murder rate in the Rivera Hernμndez neighborhood from 84 per year in 2013 to 13 in 2016 stems in part from the work carried out by USAID to establish community committees. USAID's Feed the Future programs in rural areas of Honduras have increased the incomes of over 29,000 extremely poor families from an average of $0.90 person/day to $1.77 person/day (FY 2017 data) by helping them make the transition from subsistence farming to market-driven production of high-value crops, such as vegetables.

In El Salvador, the USAID Mission's economic-competitiveness activities have helped micro-, small- and medium-sized enterprises, and smallholder farmers increase sales by $147 million and create over 26,500 new jobs over the last five years. With USAID support in the security pillar, homicides have declined in the priority municipalities under El Salvador's Security Plan by an average of 26 percent in 2017.

Question. In April of this year, you travelled to Central America. Why did you cancel your planned visit to Honduras? Your decision to cancel the Honduras leg of your trip came just after the President tweeted: "Honduras, Mexico and many other countries that the U.S. is very generous to, sends many of their people to our country through our WEAK IMMIGRATION POLICIES. Caravans are heading here. Must pass tough laws and build the WALL. Democrats allow open borders, drugs and crime!" and "The big Caravan of People from Honduras, now coming across Mexico and heading to our "Weak Laws" Border, had better be stopped before it gets there. Cash cow NAFTA is in play, as is foreign aid to Honduras and the countries that allow this to happen. Congress MUST ACT NOW!" Did these tweets have any bearing on your decision not to visit Honduras?

Answer. I did not travel to Central America in April. I did consider traveling to Honduras and Guatemala after the Summit of the Americas, but my evolving schedule and competing commitments prevented my trip. While I couldn't visit those countries at that time, I was pleased to meet with President Juan Orlando Hernμndez of Honduras, as well as many other leaders from the region, on the margins of the Summit. In addition, I met with President Jimmy Morales of Guatemala in February in Washington.

I hope to visit the Northern Triangle countries soon.

BUILD Act

Administrator Green, the committee will soon markup Chairman Corker and Sen. Coons' BUILD Act, a bill to reform and modernize U.S. development institutions. In March, you and I discussed the importance of ensuring the new Development Finance Corporation has a strong development mandate and that achieving development outcomes that improve the stability and sus-

tainable growth of the host countries where projects are conducted is what guides the mission on this agency.

Question. If the Development Credit Authority is moved from USAID into the new DFC, do you believe the DFC's financial tools will still be available to USAID's missions and staff so they can successfully leverage necessary tools in the field?

Answer. I hope so. To succeed, the proposed Development Finance Corporation (DFC) must contribute to U.S. development goals. Achieving those goals requires the DFC to ensure a continued link to the employees and programs of the U.S. Agency for International Development (USAID), particularly if the Development Credit Authority (DCA) moves into the new entity. Our USAID Missions overseas currently drive and own the use of DCA investments. I have consistently advocated the need for strong institutional linkages between the new DFC and USAID to preserve these existing connections, and enhance them wherever possible. The availability of the DFC's finance tools to USAID Missions and the strength of these institutional linkages are necessary factors to ensure the new DFC directly contributes to U.S. development goals.

USAID missions employ some of the world's most talented and experienced development experts who have tremendous understanding of the development needs of the countries where the DFC will be doing deals.

Question. What assurances do you have, or need, so that USAID's on-the-ground expertise informs the development objectives incorporated into each project proposal the DFC Board considers?

Answer. A joint commitment to reform is the foundation of good development programming, and drives self-reliance in our partner countries. The Development Credit Authority (DCA) program responds to the demands of our development experts in the field by structuring financial transactions to support the broader development strategies of our Missions. We want the new Development Finance Corporation (DFC) to follow a similar, client-driven model. I think the new DFC will require a system that ensures development experts, especially from the field, participate in the design of all DFC transactions in a clear, data-informed, and transparent process prior to approval. In my mind, this screening would need to happen not at the Board level, which is the final step in the approval process and occurs after programs are fully developed, but at the beginning of the process, when transactions are conceived and designed.

Question. Do you believe USAID's equities, and your position on the board structure, is adequately written into the corporate structure of the new Development Finance Corporation?

Answer. As I have said repeatedly, there must be very strong institutional and operational linkages between the U.S. Agency for International Development (USAID) and the proposed Development Finance Corporation (DFC) for each institution to be successful. The USAID Administrator's position on the DFC Board is a good start in this regard, but, as I noted previously, I believe strong linkages must extend throughout the proposed DFC to ensure all of its transactions are reviewed, from the design stage forward, to make sure they are consistent with U.S. development goals.

Question. Do you believe that the achievement of positive development outcomes is sufficiently incorporated into the BUILD Act so that the new Development Finance Corporation will advance critical U.S. international development objectives important to the success of U.S. foreign policy?

Answer. The administration has made it clear that the purpose of the Development Finance Corporation (DFC) is "to mobilize private capital in support of sustainable, broad-based economic growth, poverty reduction, and development through demand-driven partnerships with the private sector that further the foreign policy interests of the United States."

The extent to which we are able to achieve this vision and realize positive development outcomes is largely a function of how the Build Act takes into account development priorities. As I have said before, the stronger the institutional and operational linkages are between the DFC and the U.S. Agency for International Development (and its programs), the higher the likelihood of the realization of positive development outcomes in the DFC's work. We look forward to working closely with the Overseas Private Investment Corporation and our interagency partners to ensure operational linkages are created in legislation and fully implemented.

Question. What responsibilities do you think an effective CDO needs?

Answer. The Chief Development Officer (CDO) is a critical position at the proposed Development Finance Corporation (DFC), as the person who occupies the CDO position must ensure all DFC transactions are rooted in U.S. Government development priorities and supported by existing development programs and expertise. As a result, I believe it is important that position is filled with a U.S. Agency for International Development (USAID) employee, given USAID's role as the U.S. Government's lead on development.

We need a CDO who is deeply engaged in USAID's development mission and approaches, both globally and in specific bilateral environments. We view the CDO as an operational position to ensure our Missions have easy access to DFC tools, and a USAID employee would be uniquely positioned to connect USAID Missions to the new DFC. Linking the organizations through a USAID employee as CDO would allow a more-permanent relationship between the financing tools and U.S. Government development strategies. It would also ensure USAID Missions could more easily leverage DCA and other development-finance tools at the new DFC, including the proposed equity authority.

Foreign Assistance Review

It has come to my attention that OMB has instructed USAID to undertake a significant review of all foreign assistance programs.

Question a. When do you anticipate this review to be complete?

b. Will USAID and/or OMB brief the Senate Foreign Relations Committee on the preliminary finding and results of the review prior to publication?

c. What motivated this review?

d. Given that this is a directive from OMB, not from experts with the appropriate experience, can you guarantee that this review will be a verifiably objective assessment of U.S. foreign assistance programs?

Given the very public skepticism that some of the administration's political leadership have expressed towards the value of foreign assistance, including the very public threats to cancel foreign assistance to certain countries and withhold U.S. contributions to various multilateral funds.

e. What assurances can you provide the committee that the final review of this project will be based on objective evaluations of foreign assistance programs?

f. Do you having any assurances from OMB or the White House that they will publish or make publicly available USAID's raw and objective analysis?

g. How do you anticipate this review will impact foreign assistance programs, or be used to justify future budget requests or programs allocations?

Answers (a to g). The U.S. Agency for International Development (USAID) is aware of plans for a foreign-assistance review led by the National Security Council (NSC) and the Office of Management and Budget (OMB), but we cannot speak to what motivated the exercise. USAID is currently awaiting further details on the timing, scope, focus, and purpose of this review. I do not know when the review will be concluded. USAID has provided guidance as to how to find and interpret publicly available data on USAID's investments around the world, but we have not yet received a formal request to respond to questions or tasks regarding this review from OMB or the NSC. If asked to participate, I commit that USAID's contributions to the review will be objective, and will provide an assessment of our foreign-assistance programs based on our development expertise. As you know, I believe it is crucial that our resources are focused, strategic, advance our U.S. national-security interests, and promote self-reliance among our partner nations.

At this point, I cannot anticipate the impact this review might have on foreign assistance, including future budget requests or program allocations. On your question regarding the publication of analyses pertaining to the review and briefings on preliminary findings, I would defer to the NSC, OMB and the White House. I expect that USAID would brief the committee, alongside our interagency colleagues, if the review includes our contributions.

Yemen, Rerouting Shipments

Humanitarian organizations implementing programs with USAID funding face a very challenging and insecure operating environment in Yemen. Because of Saudi-led coalition airstrikes, ground fighting, and bureaucratic impediments by both the Saudis and the Houthis, many NGOs have begun rerouting shipments of aid south to the port at Aden, rather than using Hodeidah port, despite Hodeidah being much closer to the millions of people—half of them children—in need of lifesaving humanitarian assistance.

Rerouting aid shipments in this way not only increases aid delivery time, thus prolonging the suffering of millions of people, but it also increases costs to humanitarian organizations implementing programs on the ground, often with U.S. taxpayer funding.

Question. What is the administration's strategy for remedying these access issues, to ensure USAID dollars go as far and reach as many vulnerable people as possible?

Answer. As one of the largest donors of humanitarian aid to Yemen, the United States continues to emphasize that unrestricted access for all humanitarian and commercial imports through all ports of entry, and throughout the country, is necessary to help the millions of people in need. The combination of significant and prolonged declines in commercial imports with delayed humanitarian assistance could lead to a further deterioration of food supplies, which could potentially result in famine or catastrophic food-insecurity in some areas. While access remains a challenge, humanitarian shipments are still reaching Yemen's ports, including Hodeidah and others on the Red Sea, and U.S. Government humanitarian partners are working to reach as many people as possible. As you know, in April of this year the WFP installed in the port of Hodeidah the long-delayed cranes purchased by USAID, which have helped to relieve one of the major bottlenecks to the arrival of assistance. In May, the United Nations World Food Programme (WFP), the major recipient of funds from the U.S. Agency for International Development (USAID) in Yemen, distributed emergency food assistance to just under seven million Yemenis, which represents nearly 99 percent of the Agency's targeted caseload of beneficiaries.

Ensuring the continued flow of commercial goods also supports humanitarian objectives. Yemen has historically imported 90 percent of its food, and most of its fuel and medicines, and humanitarian aid alone cannot address all the country's needs. USAID is supporting the expanded monitoring and inspections of ships into Red Sea ports to ensure a more efficient clearance through the United Nations Verification and Inspection Mechanism. This system provides an efficient, neutral clearance and inspection process for Yemen's Red Sea ports not under the control of the Government of the Republic of Yemen, which increases the confidence of shippers and importers, while also addressing the security concerns of the Saudi-led Coalition.

Redesign

USAID Redesign efforts are said to be organized with a set of five desired outcomes: (1) Journey to Self-Reliance; (2) Strengthen Core Capabilities; (3) Advance National Security; (4) Empowering our People to Lead; and (5) Respect Taxpayer Investments. I am not sure that the redesign strengthens the agencies core capabilities designed to support our partners efforts to improve democratic governance and institutional capacity building.

Question. Given the sheer number of proposed bureaus, programs and functions that would be consolidated under a new Associate Administrator for Relief, Resilience and Response, what percentage of resources would be left for non-emergency and non-crisis response activities?

Answer. While the new Associate Administrator for Relief, Resilience and Response would oversee emergency and crisis-response activities at the U.S. Agency for International Development (USAID), he or she would also oversee our long-term resilience and food-security programming. This would ensure a cohesive and unified platform to improve coordination and more-purposeful transitions between emergency interventions and programming in long-term resilience, conflict-prevention, and food security.

In Fiscal Year (FY) 2018, for the accounts fully and partially managed by USAID, nearly 25 percent of our budget is for Humanitarian Assistance (International Disaster Assistance (IDA), Food for Peace Title II (FFP)), nearly 75 percent is for Development and Operations, and less than one percent is for Contingency Accounts (Transition Initiatives (TI) and the Complex Crises Fund (CCF)). The below chart shows the dollar amounts and proportion of development funding, humanitarian, and contingency funding for the accounts USAID fully and partially manages.

Question. How will the proposed "Development, Democracy and Innovation" Bureau ensure that the United States continues to promote democracy as a fundamental component of sustainable development and overall U.S. foreign policy?

Answer. As someone with a strong background in democracy, I have given this careful thought and have also consulted extensively external experts including the National Democratic Institute (NDI) and International Republican Institute (IRI). I believe that the Transformation of the U.S. Agency for International Development (USAID) and the proposed Bureau for Development, Democracy and Innovation

(DDI) elevate democracy, human rights and governance (DRG), not only in our structure, but in our program-design and country strategies.

DOLLAR AMOUNTS AND PROPORTION OF DEVELOPMENT FUNDING, HUMANITARIAN, AND CONTINGENCY FUNDING FOR THE ACCOUNTS USAID FULLY AND PARTIALLY MANAGES

$ in thousands for all items % percentage of total funding

	FY 2017 Initial Actual	FY 2018 Enacted	FY 2019 Request
Development and Operations	$18,034,591 76.6%	$18,246,763 74.9%	$13,143,046 78.3%
Humanitarian Assistance	$5,410,186 23.0%	$6,001,312 24.6%	$3,557,412 21.2%
Food for Peace Title II	$1,900,000 8.1%	$1,716,000 7.0%	$ — 0.0%
International Disaster Assistance	$3,510,186 14.9%	$4,285,312 17.6%	$3,557,412 21.2%
Contingency Accounts	$102,600 0.4%	$122,043 0.5%	$87,043 0.5%
Transition Initiatives	$72,600 0.3%	$92,043 0.4%	$87,043 0.5%
Complex Crisis Fund	$30,000 0.1%	$30,000 0.1%	$ — 0.0%
Total Fully and Partially Managed Accounts	$23,547,377 100.0%	$24,370,118 100.0%	$16,787,501 100.0%

The new self-reliance metrics include numerous democracy and governance indicators, such as the Varieties of Democracy Project's "Liberal Democracy Index," the World Justice Project's "Open Government Index," and civil society capacity measures, which are all critical elements for measuring open and accountable governance issues broadly, as well as the environment facing civil society.

We all know that DRG underpins sustainable development, and without it self-reliance is unattainable. However, in our current organizational structure, crisis and conflict too often overshadow DRG. The proposed structure moves the Democracy, Human Rights, and Governance Center into the proposed Bureau for DDI, which will be a customer-service entity that provides advice and expertise to the USAID Missions in the field. Including the Democracy, Human Rights, and Governance Center in the DDI would provide field-focused support for USAID's programming, as well as technical and policy leadership in democracy, human rights, and governance. The Center would also lead the Agency's learning, evidence and research in DRG programming, and serve as the "home" for our Democracy and Governance Foreign Service Officers. The Center's placement within DDI would promote integration across sectors, as well as cross-Bureau and cross-Agency coordination.

The Center would have a strong, formal relationship to the Bureaus for Conflict Prevention and Stabilization (CPS) and Humanitarian Assistance (HA), to ensure long-term DRG programming and objectives inform interventions when crisis strikes, and that long-term programming likewise reflect changes that result from those situations.

Additionally, DRG's inclusion in the Self-Reliance Metrics-the Liberal Democracy Index, Government Effectiveness and others-will ensure all of USAID's strategies and programming consider democracy and governance.

Question. How do you intend to partner with this committee to ensure that the State/USAID/interagency relationship is resolved, appropriately empowering the unique diplomatic and development missions of these agencies?

Answer. I deeply appreciate your strong support for the U.S. Agency for International Development (USAID), and your recognition of our unique development mission, along with the diplomatic mission of the U.S. Department of State. The recent National Security Strategy, Department of State-USAID Fiscal Year 2018-2022 Joint Strategic Plan, and Stabilization Assistance Review all reflect the value of USAID's role in achieving U.S. national-security goals. USAID will continue to lead on development and humanitarian assistance, and appreciate the committee's support for our critical internal and external efforts to ensure USAID is properly resourced to our goal of supporting countries on their journey to self-reliance. I commit that USAID will continue to keep you informed as we implement our Transformation.

Question. How will this process ultimately improve coordination, oversight, and accountability of foreign aid administered by agencies outside of State or USAID?

Answer. Improving coordination, oversight, and accountability of foreign aid administered by our partners is key to our success. For example, the administration has proposed a new development finance corporation, which it believes will create totally new opportunities for our development experts in the field. Similarly, the administration's proposal to consolidate the Inter-American Foundation (IAF) and the African Development Foundation (USADF) into the U.S. Agency for International Development (USAID) would improve coordination. Further, USAID's proposed Bureau for Policy, Resources and Performance (PRP) would create a stronger, more-coordinated voice to support USAID development policy and budget priorities, internally and in the interagency, by consolidating development-policy, program-performance and budget functions into one unit. Under this proposal, the USAID Senior Coordinator at the Department of State's Office for Foreign Assistance Resources (F) would report to the Assistant to the Administrator for PRP, which would increase collaboration between staff in PRP and State/F, as well as improve processes that better support our shared objectives in the foreign-assistance budget. To be clear, the Secretary of State will continue to serve as the point of coordination for foreign assistance.

Internal to USAID, PRP would include a new Office of Bilateral and Multilateral Engagement (BME) that would be responsible for setting Agency policy and standards for, evaluating our grants to, and supporting USAID operating units in engaging bilateral and multilateral organizations. PRP/BME would build on existing functions in USAID's current Bureau for Policy, Planning and Learning by facilitating Agency-wide policy coordination with major multilateral organizations and providing Agency guidance on our performance-monitoring and oversight of multilateral organizations to promote alignment with U.S. Government interests, influence the decision-making of other partners, and enhance long-term alliances and burden-sharing. Ultimately, centralizing these functions would result in more coordinated, coherent engagement, as well as ensure better monitoring of, and accountability for, financial arrangements with those organizations across the Agency.

Question. How might creating a U.S. Global Development Strategy that guides policy for all U.S. development agencies help further clarify roles and responsibilities, while serving as a complement to our National Security Strategy?

Answer. Thank you for the suggestion. Under the coordinating leadership of the National Security Council (NSC), the U.S. Agency for International Development (USAID) and other interagency development stakeholders cooperate closely to ensure our development roles and responsibilities align towards successfully achieving the objectives of the U.S. National Security Strategy (NSS). A number of additional supporting plans and strategies already provide for the clarification of roles and responsibilities, and greater coordination.

For example, on alignment with the NSS, the joint U.S. Department of State-USAID Fiscal Year 2018-2022 Joint Strategic Plan (JSP) strengthens our coordination, articulates development and foreign-policy priorities, and bolsters strategic clarity, operational effectiveness, and accountability to the American people. USAID and the State Department developed this JSP through an internal consultative process, and, in addition, consulted with representatives from 18 interagency partners to analyze and discuss the strategic objectives of the JSP to promote close coordina-

tion and alignment with other Departments and Agencies that implement foreign-assistance and development programs.

While your Agency has briefed on its current plans to reorganize USAID, I continue to hear rumors of other potential changes to the humanitarian assistance system. Some of these rumored changes would represent significant shifts in current assistance practices and structure.

Question. Below the level of merging bureaus or offices, what specific programmatic and structural changes will you be proposal to make to USAID's humanitarian assistance programs and activities in the field, at the regional level, and at USAID headquarters?

Answer. The proposed Humanitarian Assistance Bureau would consolidate 13 divisions in the Offices of U.S. Foreign Disaster Assistance (OFDA) and Food for Peace (FFP) into eight offices under one Bureau at the U.S. Agency's for International Development (USAID). The consolidation would serve two purposes: eliminating inefficiencies and redundancies and elevating the platform of U.S. Government humanitarian assistance. In practice, these structural changes would create unified platforms for core humanitarian functions, including logistics, the formulation and execution of budgets, the management of proposals and award, and support for the 24/7 deployment of teams overseas. In the field, one combined humanitarian-assistance team, which would encompass the full spectrum of food and non-food humanitarian assistance, would interface with host countries and partners to design and monitor assistance that best meets assessed needs and elevates humanitarian challenges, as needed. FFP already has begun to fully integrate into the response-management system used by OFDA to deploy and implement Disaster-Assistance Response Teams (DARTs) in the field and support Washington-based Response Management Teams (RMTs). Activation decisions, resource-planning, and staffing for these responses are now conducted as a joint effort between the two Offices, which results in a unified response posture in the field. In addition, FFP and OFDA currently co-fund staff at the U.S. Mission to the United Nations in Rome and in Afghanistan.

Question. Please explain—as specifically as possible—how each of these proposed changes will improve the effectiveness of USAID's humanitarian assistance operations?

Answer. Further details and specificity will be provided in the forthcoming Congressional Notifications. But to answer your question in general terms, by unifying and elevating humanitarian assistance, the U.S. Agency for International Development (USAID) would erase the artificial distinction between emergency food and non-food response; eliminate confusion and unnecessary duplication in the field; and allow beneficiaries and partners to deal with one, cohesive humanitarian-assistance entity, which would optimize resources currently replicated across two Offices. The analysis conducted on this proposed change by McKinsey and Company indicates that the consolidation of critical functions and requirements between the two Offices which would improve efficiency, performance, and accountability. Some of those efficiencies include more-coordinated and consolidated geographic response teams; better engagement with international and domestic partners; improvements in technical and program quality; unified policy, outreach, communications, human-resources, and administrative staff; better financial, data-, and information-management; single audit-coordination and risk-management functions; and consolidated overseas preparedness and response operations.

Additionally, the proposed changes will further integrate USAID's humanitarian and resilience programming, ensuring our assistance not only addresses immediate needs, but builds resilience to future shocks, ultimately decreasing the need for humanitarian assistance.

Currently, responsibility for atrocity prevention and support for the Atrocities Prevention Board resides in the office of Democracy, Human Rights, and Governance.

Question. Under the redesign, will that work continue to reside in the Bureau for Development, Democracy and Innovation, or will it move over to the new Bureau for Conflict Prevention and Stabilization?

Answer. The Bureau for Conflict Prevention and Stabilization would have a Center for Conflict and Violence Prevention, which would be the technical lead for preventing atrocities.

The commitment of the U.S. Agency for International Development (USAID) to helping prevent mass atrocities reflects the Agency's mission and core values, and is also part of the comprehensive U.S. Government policy on stopping mass atroc-

ities. I intend to do more on atrocity and genocide prevention, and look forward to working with you on this critical issue.

Question. How will you ensure that this work is prioritized? Can we have your assurance that you will continue to assign at least one full-time equivalent staff to work on atrocity prevention?

Answer. I share your commitment to preventing atrocities, and assure you the Center for Conflict and Violence Prevention, in the proposed Bureau for Conflict Prevention and Stabilization, would have at least one technical expert on atrocity-prevention. This technical expert would be part of a broader team focused on preventing violence and funding early-warning systems.

Although crisis response and disaster relief are critical components of USAID, they are not its only functions. USAID has been a world leader in not only humanitarian relief efforts but also in helping to build resiliency around the globe to respond to shocks by investing in development activities that help ensure children have access to quality education, advance the rights of women and girls and gender equality to ensure stability and prosperity, that strengthen health systems to support communities, and that support agricultural assistance to feed the next generation.

Question. How will the proposed reorganization of USAID offices improve outcomes for the beneficiaries of U.S. humanitarian assistance?

Answer. In the current structure of humanitarian assistance in the U.S. Agency for International Development (USAID), while the Office for Foreign Disaster Assistance (OFDA) is responsible for non-food humanitarian assistance and the Office of Food for Peace (FFP) delivers emergency and non-emergency food assistance, the distinction between food and non-food assistance is artificial. The majority of program funding goes to the same set of countries, emergencies, and, in some cases, partners. While we cannot predict the outcomes for beneficiaries at this time, a unified Bureau would provide direct dividends to beneficiaries overseas by creating a more-efficient structure that unifies processes, which would result in more-efficient and strategic design of proposals and management of awards, and create cohesive support systems for our overseas operations. Partners would interact with one U.S. Government entity at USAID for humanitarian assistance, which would eliminate time spent working with two separate Offices, and allow for more-cohesive programming and more-effective monitoring and evaluation.

Question. Please include in your response specific examples on how your proposed changes will drive improvements in outcomes like mortality rates, income levels and literacy rates in protracted humanitarian crises.

Answer. At this time, we are unable to project causal changes to mortality, income levels, and literacy rates in protracted humanitarian crises. That said, the new proposed Associate Administrator for Relief, Resilience and Response would provide a new and much-needed function in the U.S. Agency for International Development (USAID) to strengthen the natural link among our investments in humanitarian crises, conflict, and resilience. The Associate Administrator would remove silos among these critical and related efforts, strengthen our ability to plan for recurrent crises, and thereby enhance countries' abilities to withstand future shocks.

Recent evidence from USAID underscores the vital importance of strengthening the resilience of households, communities and countries. These long-term investments by governments and donors, such as USAID, are key to breaking the cycle of crises among chronically vulnerable households and communities and ultimately reducing their dependence on humanitarian assistance.

New evidence from Malawi confirms that 80 percent of households in communities reached by long-term resilience programming (2010-14) that cost $376 per households over five years required less food assistance during the 2016 El Niño drought than they did during prior droughts, and 40 percent of these communities required no food assistance at all. Other households required $390 in humanitarian assistance in 2016 alone. This finding demonstrates both the short-term returns on investing in resilience and the sustainability of these investments years after programming has ended.

Question. How do you as USAID Administrator intend to continue to build America's legacy through investments in global health, education, gender equality, and agricultural assistance?

Answer. I am committed to strengthening and building on the development programs that have represented America's generosity and values for years, while focusing those programs toward capacity-building and self-reliance. In global health, I remain committed to the President's Emergency Plan For AIDS Relief, the President's

Malaria Initiative, and the Global Health Security Agenda. The Agency also remains focused on programming to improve the health of women and children.

In agriculture, the new Bureau for Resilience and Food Security (RFS) would continue to lead the whole-of-Government Feed the Future initiative, guided by the U.S. Global Food-Security Strategy, which seeks to reduce global poverty, hunger and malnutrition in a sustainable way. RFS would help people and partner countries break the cycle of crises, chronic vulnerability, and poverty, which would reduce humanitarian need, increase stability, and thereby contribute to U.S. national security and economic prosperity.

On education, the Center for Education in USAID's proposed Democracy, Design, and Innovation (DDI) Bureau would lead the Agency's implementation of the Reinforcing Education Accountability in Development (READ) Act, including the development of a "Comprehensive Integrated United States Strategy to Promote Basic Education" that "[seeks] to equitably expand access to basic education for all children, particularly marginalized children and vulnerable groups; and (2) measurably [improve] the quality of basic education and learning outcomes." From 2011 to 2017, USAID education programs directly benefited more than 83.4 million children and youth in nearly 50 countries. We have achieved promising results, and we will continue our work in this regard.

Promoting gender-equality and empowering women and girls is fundamental to achieving USAID's development goals. This remains a top priority for me, and for the Agency. Investing in women produces a multiplier effect: women reinvest a large portion of their income in their families and communities, which furthers economic growth, security and stability. USAID funds programs focused on promoting gender-equality and women's economic empowerment, addressing and reducing forms of gender-based violence, and advancing the status of women and girls within the peace and security sector.

Question. How does USAID plan to redesign its strategy in order to insure that preplanning development is included in order to save lives, reduce poverty, and help people emerge from humanitarian crises and progress beyond their assistance after the fact?

Answer. The U.S. Agency for International Development (USAID) is reorienting its overarching strategic approach around the concept of "self-reliance," that is, focusing our partnerships to best-support a country's ability to plan, finance, and implement solutions to solve its own development challenges. For some countries, self-reliance might only be a few years away, while for others, it could be decades. For countries that are experiencing profound poverty, conflict, and humanitarian crises, our focus will be on getting such countries to first stabilize, and then ultimately build a base upon which the beginnings of self-reliance can take root. This will take time, but as stability and resilience grow in such countries through our humanitarian and conflict-mitigation interventions, we will be able to gradually shift our focus to building up a country's commitment and capacity to increasingly plan, finance, and implement solutions to solve its own development challenges. This, too, will take time, and such progress is rarely linear, but by keeping self-reliance as our north star, we hope that for even the most-fragile of our country partners, we have a clear long-term goal in mind.

Specific policies, such as the U.S. Strategy to Prevent and Respond to Gender-based Violence Globally, Ending Child Marriage and Meeting the Needs of Married Children: The USAID Vision for Action (and associated Resource Guide) and the USAID Implementation Plan of the U.S. Global Strategy to Empower Adolescent Girls, have been critical to enhancing and coordinating the U.S. Government's work to end child marriage and support already married girls and empower girls more broadly to live healthy, safe, empowered and educated lives.

Question. How will you ensure that these policies continue to be implemented and built upon, with evidence-based interventions, throughout the USAID transformation process?

Answer. During Transformation, the existing development policies and strategies of the U.S. Agency for International Development (USAID) remain in effect. This includes a requirement for all USAID development policies to be grounded in research, analysis, and conclusions supported by evidence. Evidence-based policies accurately reflect the current state of knowledge, best practices and approaches in a particular field. On a regular basis, USAID conducts assessments of individual policies and strategies to gather evidence that helps us understand how they are shaping our programs. By identifying implementation successes, challenges and lessons learned, these assessments help strengthen the future formulation and implementa-

tion of policy. If approved, the proposed Bureau for Policy, Resources and Performance (PRP) would be responsible for continuing to set standards and procedures for formulating and assessing policies to ensure quality and evidence in sector policies and strategies, and coordinate with the other Bureaus to align policies with my overarching goals and vision.

Similarly, according to USAID's Program Cycle operational policy, Agency staff must apply analytic rigor to support evidence-based decision-making in the design of country strategies, projects and activities. During implementation, programs must adapt in response to changes in context and new information. The proposed PRP Bureau would continue to provide guidance and institutional support to ensure field-based programs are based on evidence, respond to changes in country context, and ultimately build partner capacity to lead their own development journey.

Additionally, the new metrics include two indicators critical for helping us assess gender (and social inclusion more broadly) through the lens of self-reliance. One is the World Economic Forum's Economic Gender Gap analysis, which looks at gender differences in economic participation and opportunity, while another is the Varieties of Democracy Project's Social Group Equality measure, which examines the enjoyment of all civil liberties equally by all social groups in a country.

Congress recently enacted the Global Food Security Act, the Electrify Africa Act, the Water for the World Act, and the Foreign Aid Transparency and Accountability Act—each empowering USAID to deliver development results in a more sustainable, accountable way.

Question. How would severe budget cuts to development assistance impact these initiatives, our development objectives, and our strategic partnerships around the world?

Answer. The President's Budget Request for Fiscal Year 2019 prioritizes foreign assistance in regions and on programs that most advance our national interest and support the administration's most critical priorities. We will never have all the resources to do everything that we want to do. That is a given. We had to make tough choices. My job as Administrator is to ensure the most efficient, effective use of the dollars Congress generously appropriates and our work will expand as resources allow. The U.S. Agency for International Development is committed to partnering with nations on their journey to self-reliance and maximizing the impact of these initiatives for the American taxpayer.

Question. How will the staffing and resource realignment resulting from the redesign affect USAID's ability to fulfill the Congressional directives of these programs?

Answer. The U.S. Agency for International Development (USAID) is committed both to implementing the reorganization and Transformation of the Agency and sustaining the quality of our core work simultaneously, including by supporting national-security interests and fulfilling Congressional directives. Our people are the foundation for Transformation—we intend to approach these changes with adaptability and flexibility, and with our workforce at the forefront. We recognize that supporting these processes will require resources. As we near implementation, we are focusing on developing realistic timelines and workloads, plans for workforce and human-capital needs, and proposals for financial resources to ensure USAID's regular work can continue without undue disruption. Ultimately, these changes would make us more effective and maximize our development outcomes.

Related to the new Bureau for Conflict Prevention and Stabilization, there is concern about how this Bureau will be meaningfully connected to USAID's work on democracy, human rights, and governance issues under the Bureau for Development, Democracy and Innovation.

Question. Understanding that issues related to governance, democracy and human rights can be—and often are—at the root of conflict, how will you work to limit siloing between these streams of effort and ensure that work on conflict prevention is as holistic as possible?

Answer. The proposed Bureau for Conflict Prevention and Stabilization (CPS) would be USAID's technical lead on preventing conflict and violence, as well as the implementation of political-transition and civilian-stabilization programs in high-priority countries, and CPS would nclude a Center for Conflict- and Violence-Prevention (CVP). The Democracy, Human Rights, and Governance (DRG) Center Center's placement within the proposed Development, Democracy and Innovation (DDI) Bureau would limit siloing between streams of effort, so as to ensure a holistic approach to conflict-prevention work throughout the Agency.

Staff within the proposed CPS Bureau, particularly in the new CVP Center, would have technical expertise that includes governance capabilities around crisis-re-

sponse, countering violent extremism (CVE), and conflict-prevention and would be a resource within the proposed CPS Bureau to identify and collaborate holistically on governance issues as they arise. Additionally, CPS would have deliberate linkages to the proposed DDI, which would be the technical home of Backstop (BS) 76 Foreign Service Officers, who cover crisis, stabilization, democracy, and governance, and USAID's expertise in long-term DRG programming that facilitates the journey to self-reliance.

Multi-year Planning for Protracted Crises

Of the 21 U.N. Humanitarian Response Plans (HRPs) released by the United Nations this year, 19 seek to address humanitarian crises that have been ongoing for 5 years or more. Of these crises, it is notable that three countries have had humanitarian plans and appeals each year for at least 18 years (Democratic Republic of the Congo, Sudan and Somalia).

Question. What specific changes is USAID proposing to undertake to improve and systematize multi-year planning for protracted crises?

Answer. The U.S. Agency for International Development (USAID) funds implementing partners, including entities within the United Nations (UN) system, to conduct multi-year, multi-agency planning, with the aim of developing more innovative, long-term programs. Progress has occurred under the leadership of the U.N. Office for the Coordination of Humanitarian Affairs (OCHA), in the use and refinement of collaborative multi-year plans, which were in place in seven countries in 2017. USAID will continue to work with OCHA to ensure the U.N. develops and deploys such plans in the context of protracted crises, and that multi-year planning forecasts are part of the preparation of country-level U.N. Humanitarian Needs Overviews and appeal documents.

I share your concern that we continue to invest resources, year after year, in the same set of countries in crisis without a good definition of success. I am also troubled by the possibility that our well-intentioned humanitarian assistance in some places could be abetting corrupt and rapacious behavior that is prolonging conflict, rather than helping to solve it. USAID is in the process of drafting internal guidance documents for staff that will make the funding of multi-year awards contingent on a partner's establishment of a multi-year plan for each program. We are also undertaking reviews of our assistance in South Sudan and Burma to minimize our exposure to moral hazard.

The ultimate answer to your question is that the international community must recognize that affected populations in protracted crises require a continuity of resources beyond immediate, humanitarian relief. In response, USAID is drawing on the comparative advantages of development and humanitarian actors, by collaborating early and strategically both to respond to emergency needs and to promote the creation of sustainable livelihoods to create longer-term resilience. Strategic collaboration across relief and development that begins at the design stage, particularly through resilience-building strategies and activities to prepare for, and reduce the risk of, disasters, can contribute to reducing the need for continuous, life-saving humanitarian assistance, as we have seen in recent investments in the Somali Region of the Federal Democratic Republic of Ethiopia. We are increasingly combining resources from accounts such as health, food security, nutrition, and economic development to make such collaboration easier and more effective; a good example is our cross-sectoral community resilience approach across the Sahel, through the USAID Resilience in the Sahel Enhanced (RISE) II Initiative. The technical approach working paper for the RISE II Initiative can be found at: https://www.usaid.gov/sites/default/files/documents/1860/RISE—II—Technical—Approach—Working—Paper—May—2018.pdf. The proposed creation of the new Bureau for Food Security and Resilience in the Agency's Transformation is meant to institutionalize this approach and focus USAID more intensively on helping to build solutions to long-term crises, rather than just containing the damage they produce.

Refugee Policy and Programs

State Department's Bureau of Population, Refugees and Migration is critical to the State Department. The Department of State's efforts to respond to crises includes efforts to address refugee flight and solutions require the integration of diplomatic engagement and assistance. Moreover, most of the State Department's humanitarian assistance is implemented through investments in a network of international organizations. State Department's role in governing bodies like UNHCR and ICRC, for example, provide the United States with crucial influence over how those institutions operate in areas of concern to the U.S. Government.

Question. Does USAID support a consolidation of State Department's humanitarian component into USAID? If so, are you aware if OMB supports this move as well?

Answer. I have personally spoken to Secretary Pompeo about humanitarian assistance, and I can assure you that no decisions have been made. I look forward to future conversations with him, and with you, about the most-efficient way for the U.S. Government to deliver and manage humanitarian assistance.

As articulated in the Government-wide Reform Plan and Reorganization Recommendations released by the Office of Management and Budget (OMB) in June 2018, the administration is launching a process to review how to optimize U.S. humanitarian assistance, but has made no decisions. Three Bureaus and Offices at the Department of State and the U.S. Agency for International Development (USAID) currently fund and conduct U.S. humanitarian assistance programs, which divides strategic planning and decision-making on humanitarian policy and implementation. The administration is reviewing how we provide humanitarian assistance across State and USAID to maximize our leverage, improve the effectiveness of our aid, and meet our foreign-policy goals and objectives better. These include driving strong reforms in the United Nations (UN) humanitarian system, increasing burden-sharing among donors, minimizing duplication of effort in our programming and policy, and maximizing efficiency in meeting humanitarian needs and resolving underlying crises. As part of this process, the Department of State and USAID will submit a joint recommendation to optimize humanitarian-assistance programs to OMB, as part of our Fiscal Year (FY) 2020 Budget Request. USAID is committed to consulting with Congress on any final proposal.

Question. Would our broader foreign policy objectives be better served by moving refugee operations into USAID?

Answer. In my view, further analysis is required to answer this question. I believe the Department of State has an important role to play in U.S. refugee policy, particularly on the diplomatic front, and in the resettlement of refugees. But I also believe that the current system has challenges, some of which I saw first-hand on my recent trip to Burma and Bangladesh. While Rohingya are in Burma, we consider them "internally displaced persons," and they receive assistance from the U.S. Agency for International Development (USAID). When they enter Bangladesh, we label them as "refugees"—which, of course, is led by the Department of State. Even then, USAID provides some elements of assistance. In many cases, USAID and the State Department each provide funding to the same organizations, through a separate series of grants and contracts in Burma and Bangladesh, to offer the same services. Given the fluidity of the situation, I believe this is an opportunity to review how the U.S. Government can create maximize efficiency (as well as greater effectiveness) in meeting humanitarian needs and resolving underlying crises.

We look forward to working closely with the Department of State on the analytical process, and to sharing updates with you as we have them available.

Tuberculosis

> *Tuberculosis (TB) is now the leading global infectious disease killer, killing 1.7 million people a year—that's more than malaria and more than HIV/AIDS. Current USAID TB funding represents just 3% of the $8.69 billion in funding provided to USAID and State Department global health programs.*

Question. With the drastic cuts this budget proposes how would the program be able to build hot-country capacity to find the missing patients, get them on treatment and end this disease?

Answer. The President's Budget Request for Fiscal Year (FY) 2019 proposes $178.4 million for international tuberculosis (TB), which is $2.3 million less than the FY 2018 request. With this amount, the U.S. Agency for International Development (USAID) will continue to support high-quality diagnosis, treatment, prevention, and care for millions of people with and at risk for TB, multi-drug-resistant TB (MDR-TB) and TB/HIV co-infection and expand programs if resources allow. In FY 2017, the Agency worked on TB with Ministries of Health (MoH) in 22 high-burden countries, which we plan to continue in FY 2018. To complement our bilateral investments, the United States is also the largest donor to the Global Fund to Fight AIDS, TB and Malaria ($1.350 billion scheduled contribution in FY 2018), which finances TB programs in 94 countries, plus three regional consortia.

As you indicate, finding people with TB early and providing them with access to quality diagnosis and care is a critical step in combating the disease. Every individual with TB unreached will spread the disease to approximately 10-12 more people in his or her lifetime. USAID remains committed to building host-country capac-

ity through the introduction and adoption of evidence-based approaches and new tools and technologies, and works with each National TB Program (NTP) in our 22 focus countries to support its capacity to develop and implement evidence-based and budgeted national strategic plans. In addition, USAID works with local partners, including faith-based and community organizations, to provide person-centered care. We will continue to encourage the increase of political and financial commitments to fighting TB from high-burden countries with the ability to pay, as well as seeking opportunities to raise private capital.

This September the United Nations will hold the first ever High-Level Meeting on tuberculosis. TB is the leading global infectious disease killer, but about 40% of cases are still "missed" by health systems and growing numbers of cases are drug-resistant. The U.S. Government is critical to making this meeting a success.

Question. Will you attend this meeting in order to ensure high level U.S. participation? How will you ensure that the final declaration includes clear commitments on targets, financing and accountability?

Answer. While the Department of State and the White House have not yet determined the U.S. Delegation to the United Nations High-Level Meeting on Tuberculosis (TB), the administration hopes to have the highest U.S. Government participation possible. If requested, and schedule permitting, I would be pleased to be part of the Delegation as head of the Agency that leads the U.S. Government's international TB efforts. The administration will use the meeting to reaffirm the U.S. commitment to helping countries achieve the Sustainable Development Goal on TB.

I agree that the final Declaration should include clear global commitments on targets, financing and accountability, but would note that the negotiations are still ongoing; USAID is participating in the interagency discussions on the text, and my staff is watching them closely. I commit to engage with you and your staffs as plans for the High-Level Meeting develop.

Foreign Assistance Efficiency

As part of the Grand Bargain to improve aid efficiency and effectiveness, the United States Government committed in 2016 to "increasingly solicit and fund multi-year proposals, and collaborate with our partners to increase the effectiveness and flexibility of our multiyear mechanisms." At the time, 34% of USG awards to NGOs were multi-year.

Question. In 2017, what percentage of USAID humanitarian funding to NGO partners was multi-year? What steps is USAID taking to increase multi-year awards?

Answer. The U.S. Agency for International Development (USAID) is dedicated to meeting its commitment under the Grand Bargain, a 2016 agreement that brings together donors, United Nations agencies, non-governmental organizations (NGOs), and the International Red Cross and Red Crescent Movement to strengthen the humanitarian system and address the global humanitarian funding gap. Specifically, USAID committed to improving the efficiency and effectiveness of humanitarian aid, including through the use of multi-year funding mechanisms that include the necessary provisions for transparency and accountability. In Fiscal Year (FY) 2017, over 32 percent of awards made by the Office of Food for Peace within USAID's Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA) to NGO partners supported multi-year, emergency food-assistance programming. USAID/DCHA's Office for U.S. Disaster Assistance (OFDA) estimates that 20 percent of its funding in FY 2017 went towards multi-year programming, an increase of nearly 33 percent over FY 2016 levels. USAID will continue to support multi-year programming in research and reducing the risk of disasters, and to fund across multiple program cycles, subject to funding availability.

USAID will also more systematically consider, when practical, the use of cooperative agreements to support multi-year funding and planning. For example, USAID/DCHA/OFDA has amended its NGO Proposal Guidelines (developed in 2017, published in February 2018) to note that multi-year awards might be appropriate for a protracted emergency, or a longer-term project to reduce the risk of disasters. We encourage our NGO partners to discuss with U.S. Government field representatives whether multi-year awards are appropriate, and if funding is available. Funding determinations will depend on the local context, incremental multi-year planning, and available funding.

Procurement Reform

Question. What are you doing in the reform process to ensure that smaller contractors such as financial cooperatives and credit unions with a proven track record

of implementing programs are not disadvantaged in the bidding process and can compete on a level playing field with other for-profit entities?

Answer. The U.S. Agency for International Development (USAID) is actively working to identify effective partners and develop and implement a series of interconnected and interdependent reforms to our program-design and procurement processes. We know we need to diversify our base of implementers: In Fiscal Year 2017, just 25 organizations accounted for 60 percent of our spending on acquisition (contracts) and assistance (grants and cooperative agreements), and 75 organizations made up 80 percent of our portfolio. Increasing opportunities for U.S.-based small businesses and local partners around the world is at the heart of the effort to broaden our network. Indeed, developing new approaches in this regard is one of our stated goals in the Redesign and reform process.

Another key tenet of our approach to helping countries advance on their journey to self-reliance is greater collaboration with private-sector actors to foster what we call "enterprise-driven development." For this reason, we are currently developing a new policy on Private-Sector Engagement (PSE) for the Agency to ask our staff to apply sustainable, market-based solutions to development challenges across all sectors in which we work and address barriers to private investment. Under this new policy, we expect that collaboration with financial cooperatives, credit unions, and other types of organizations that employ locally relevant, market-oriented approaches will continue to be important to our work.

People with Disabilities

USAID's Disability Policy recognizes that development programs are more impactful if the estimated 15% of the world's population that has a disability are included. However, SPANS (Special Protection and Assistance Needs of Survivors) is again zeroed out in the President's budget request.

Question. How does the administration's budget, and specifically USAID's, gives a voice to people with disabilities, particularly through global democracy and governance programs? Please detail how the President's budget gives a voice to people with disabilities, particularly through global democracy and governance programs.

Answer. The U.S. Agency for International Development (USAID) shares the committee's commitment to giving voice and support to people with disabilities, and to further inclusive development practices to help prevent the neglect of marginalized populations. While no administration has requested funding for Special Protection and Assistance Needs of Survivors (SPANS) for the last ten years, Congress has historically appropriated generous funding for SPANS, including $61 million in Fiscal Year 2018. We strive to be efficient and effective with the resources appropriated by Congress.

USAID is continuously working to ensure our programming is inclusive—including for persons with disabilities—across all sectors, not just in our programs in democracy and governance. Approaches to achieve this include disability-related provisions required in contracts and grants; disability-inclusive sector strategies and programming; the development and dissemination of training materials; and designated experts who serve as a resource to all Agency staff on these important issues. For example, USAID just launched the course, "Disability Inclusive Development 102: Mainstreaming Disability Across the Program Cycle and Beyond," available to all staff on USAID University, which, among other elements, contains practical tools that Missions and others can use to ensure the Agency's programming is inclusive of persons with disabilities. Specifically in democracy and governance, USAID funded the creation of a manual entitled, "Equal Access: How to Include Persons with Disabilities in Elections and Political Processes," to ensure our work on elections meaningfully includes people with disabilities.

Beyond trainings and manuals, USAID is also implementing programs to benefit the disabled directly in the field. For example, in Mozambique, USAID's Media-Strengthening Program funds a local media organization called Deaf TV run by deaf and hard-of-hearing journalists. The project is training ten Deaf TV journalists to produce high-quality, mainstream media content and conduct investigative reporting on disability-rights issues. The project is also assisting Deaf TV to obtain the required registration to become an official media outlet in the country. Deaf TV recently secured a regular slot on the country's largest independent TV station, which has a nationwide audience and will enable Deaf TV to produce a regular news program on a free-to-air channel.

Additionally, the Strengthening Political Participation of Persons with Disabilities in the Republic of Serbia project, implemented by a local Disabled People's Organization, is strengthening the political participation of persons with disabilities in Serbia through legislative and electoral-reform processes. Specifically, the project is re-

establishing the Parliamentary Disability Caucus Group to shape national policy, and raise the awareness of Members of Parliament of disability rights. It is enhancing collaboration with civil society, political parties and the Republic of Serbia Election Commission to develop measures that improve voting-accessibility for persons with disabilities. In April 2016, for the first time ever, Serbian electoral regulations required provisions for the participation of persons with disabilities in the electoral process, and independent monitors verified the accessibility of polling places for the first time.

Assessment of Vulnerable Populations

The United States has been a historic leader on providing humanitarian assistance on the basis of need—if people face crises, we generally respond. Principled humanitarian response means that assistance goes to all vulnerable populations—including persecuted groups like religious minorities.

Question. As you look to allocate humanitarian assistance in FY 2018 and FY 2019, will there be any adjustment to how vulnerable populations are assessed?

Answer. The U.S. Agency for International Development (USAID) provides needs-based assistance when responding to disasters. USAID does not foresee changing this approach to our strategy and funding decisions. USAID is in the process of updating its assessment and re-assessment procedures, which help identify vulnerable populations and their specific needs, through quantitative and qualitative data from needs-assessments. This update in procedures will not change that we program humanitarian resources based on emergency needs. USAID will continue to use international standards for needs-assessments, to ensuring we help meet the most-pressing needs of the most-vulnerable populations through our emergency-response programs. The needs USAID most-commonly sees in disasters are health, food security, nutrition, water and sanitation, protection from exploitation and abuse, and shelter.

You have my commitment that the protection of persecuted groups, including ethnic and religious minorities, will continue to be one of my top priorities. I have just returned from visiting with oppressed Christian, Yezidi, and other minority communities in Northern Iraq at the request of the Vice President, and the experience deepened my conviction that assisting those who suffer because of their faith, race, or ethnicity is one of our most-important missions at USAID.

Human Rights & LGBTI

Universal human rights and individual freedom are core American values, yet many of the countries where USAID provides development assistance still persecute and violate the rights of LGBTI people and communities. In at least 76 countries--many of which are USAID partner countries--discriminatory laws criminalize consensual same-sex relationships, exposing millions of LGBTI individuals to the risk of arrest and imprisonment, while stigma and discrimination lead to poverty, social isolation, diminished health, among other negative development indicators.

Question. What role will USAID play under your leadership to combat the harmful effects of stigma and discrimination that prevent LGBTI individuals from being full beneficiaries of international development, and how can USAID safeguard the rights and freedom of LGBTI individuals throughout all its programming?

Answer. I share your concerns regarding the violence, discrimination, criminalization, and stigma facing lesbian, gay, bisexual, transgender, and intersex (LGBTI) people in developing countries. As the Administrator of the U.S. Agency for International Affairs (USAID), I have made clear that inclusion is one of USAID's core values, and that non-discrimination toward beneficiaries is a basic principle of development. As such, USAID will continue to implement its comprehensive, LGBTI-inclusive non-discrimination policies for the beneficiaries of contracts and grants.

Under my leadership, USAID focuses on four main areas of LGBTI work: 1) supporting data-collection and research; 2) communications efforts to reduce stigma; 3) context-specific projects in the most difficult environments; and, 4) emergency-response grants to help protect LGBTI people in developing countries from violence and discrimination. In Fiscal Year (FY) 2018, USAID's Center of Excellence on Democracy, Human Rights and Governance within our Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA/DRG) has provided $1,150,000 to support two programs that help protect LGBTI people in developing countries from violence and discrimination. These include a global program that provides training and strategic messaging support in 12 countries for civil-society organizations (CSOs) that are working to address anti-LGBTI discrimination and stigma, as well as a USAID Mission's country-level project to help a local CSO advance protections from anti-LGBTI violence and discrimination. Additionally, in April 2018 USAID supported the re-

lease of three research reports that fill critical data gaps and help define the issues faced by LGBTI people around the world. These reports represent the first global quantification of anti-LGBTI stigma levels, which permits us to analyze country progress and the relationship between stigma, legal inclusion, and economic development.

Multilateral Engagement

> *American representation is increasingly absent from multilateral trade, diplomatic, and development gatherings of all levels. For example, the United States Government has historically been very active at the U.N. Conference of States Parties to the Convention of the Rights of Persons with Disabilities (CRPD), with multiple USAID and State Department representatives in attendance, co-hosting panels and speaking in keynote roles. This was not the case for the June 2017 10th session of the Conference of States Parties to the CRPD.*

Question. Is America's lack of participation in multilateral meetings a strategic choice, or the result of unfilled positions and travel restrictions? What does this say to our allies and adversaries about American leadership in a volatile world?

Answer. Yes, the administration is taking a strategic approach to multilateral engagement. I recognize that multilateral organizations are important partners in the Agency's efforts to fulfill our mission, execute our programs and advance U.S. foreign policy interests, but not all meetings are equal in importance, and not every subject is a priority.

Over the last year, the U.S. Agency for International Development (USAID) has instituted a more-formal process to ensure our staff are participating at the appropriate levels in multilateral meetings, and delivering consistent, coherent messages that advance U.S. Government priorities in these settings. We work closely with the Department of State and the relevant U.S. Mission to the United Nations (UN) or other U.S. multilateral Mission in this regard. This ties directly to the administration's drive for heightened accountability of multilateral organizations, many of which are in need of reform. The United States is the largest investor in the multilateral system, and USAID is working closely within the U.S. interagency to help push through reforms to ensure the system is more effective, accountable, responsive, and efficient, and that every taxpayer dollar the Agency puts into a multilateral organization delivers value to the American people. To provide a concrete demonstration of how much importance we place on our interactions with the U.N. system and other international organizations, as part of our Agency-wide Transformation, we will be notifying Congress of our intent to create a new, unified office to handle our policy relationships with multilateral institutions for the first time, housed in the proposed Policy, Resources, and Performance Bureau.

The administration did send representatives to the 2017 Conference of State Parties to the Convention on the Rights of Persons with Disabilities, and the U.S. Delegation included nine individuals who represented the Departments of State and Health and Human Services and USAID. More broadly, USAID continues to play a strong global role on disability rights and disability-inclusive development. For example, USAID will be represented by a senior official from the Administrator's Office at the upcoming Global Disability Summit on July 24, 2018, sponsored by the Department for International Development of the United Kingdom, the Government of Kenya, and the International Disability Alliance.

State Department Holds on USAID Funds

> *It has come to the attention of the committee that the State Department's Office of Foreign Assistance Resources, (F Bureau), is withholding the approval of FY 2017 Operations Plans and Spend Plans for several USAID programs. These are programs that Congress has appropriated funds for FY 2017, and F Bureau delayed obligating to USAID, only later to offer some of the funds in the administration's recession package.*

Question. What is your understanding as to why the State Department is withholding these appropriated funds? How is the delay, or prohibition, of USAID receiving these allocations affecting the Agency's ability to operate affected programs? What are some of the consequences of the uncertainty of funding for affected programs? Do you believe any of these delays may be related to policy or political disagreements with Congressionally-mandated programs?

Answer. The Department of State and the U.S. Agency for International Development (USAID) continue to obligate and implement funds consistent with annual Appropriations Acts, the Impoundment Control Act of 1974, and other applicable laws. The Bureau of Foreign Assistance Resources (F Bureau) at the State Department

has completed its review of, and approved, 95 percent of USAID's Operational Plans (OPs) for Fiscal Year (FY) 2017. USAID has submitted the required Spend Plans for these OPs, and Congress has approved them. Subject to legally required Congressional Notifications and any ensuing holds, the Department of State and USAID will continue to work diligently to ensure we obligate all funds appropriated by Congress as quickly as possible, while assuring our compliance with applicable legal and other requirements.

The administration has frozen foreign assistance in certain contexts and is conducting a review of all foreign assistance, to include humanitarian assistance, in South Sudan and West Bank/Gaza. In all these contexts, there are substantial populations in humanitarian need and danger of additional populations backsliding into humanitarian need.

Question. What will you do to assure that vulnerable populations receive basic services during such freezes and reviews? Do these reviews have the potential to make humanitarian assistance a political bargaining chip instead of a reflection of American values towards vulnerable populations? Can you commit to reporting back to this committee on the impact of these freezes and reviews and how they impact the ability of vulnerable populations to transition away from humanitarian assistance?

Answer. The U.S. Agency for International Development (USAID) is committed to doing all we can to coordinate with other partners and help vulnerable populations continue to receive services during policy reviews of our assistance.

It is critical that USAID's humanitarian and development assistance not enable predatory or corrupt behavior and unintentionally fuel further conflict. We remain committed to saving lives through principled humanitarian action. Our top priority is to support protection and assistance for communities in need, while ensuring the responsible and effective use of our funding. We work closely with our partners to ensure we and they have measures in place to prevent the diversion of our assistance, while maintaining our commitment to reaching people in need and supporting their transition to self-reliance.

South Sudan: As part of the review of U.S. Government (USG) assistance to South Sudan announced by the White House on May 8, 2018, the U.S. Agency for International Development (USAID) is examining our development and humanitarian-assistance programs to South Sudan to ensure our funding does not inadvertently contribute to predatory or corrupt behavior that enables actors to continue to prosecute the civil war in that country. USAID is not pausing, suspending, or canceling any programs in South Sudan at this time. As the U.S. Government remains the single-largest provider of humanitarian assistance to the people of South Sudan—having delivered more than $885 million in life-saving relief in Fiscal Year 2017—it is essential that we protect the integrity of our aid funding, and assure it goes solely for its intended purpose: to alleviate suffering and empower vulnerable communities to move toward self-reliance.

West Bank and Gaza: U.S. assistance to Palestinians remains under review, and no funding decision has yet been reached. The administration seeks to identify how to leverage all forms of U.S. Government aid to achieve its policy objectives in the region. USAID is working closely with the interagency to communicate the funding needs for our West Bank and Gaza programs.

I commit to keeping the committee posted on the ongoing assistance reviews, including any impact they might have on vulnerable populations.

Transparency and Evaluation and FATAA Implementation

Question. What changes is USAID proposing to improve transparency and oversight of U.N. humanitarian partners? How is USAID ensuring that multi-year financing provided to U.N. agencies is flowing efficiently and effectively to their implementing partners in the field?

Answer. The U.S. Agency for International Development (USAID) continues to advance the implementation of the Grand Bargain, a 2016 agreement that brings together donors, United Nations (U.N.) agencies, non-governmental organizations (NGOs), and the International Red Cross and Red Crescent Movement to reform the humanitarian system and address the global humanitarian funding gap. Increased transparency and oversight is a central tenet of the Grand Bargain, and USAID is working with key U.N. partners to develop benchmark plans to ensure the agencies meet their Grand Bargain commitments. This includes a push to increase U.N. agencies' humanitarian reporting to the standards of the International Aid Transparency Initiative (IATI), promoting interoperability so the U.N.'s Financial Tracking System is IATI-compliant, and advocating that donor funding be traceable in implementation through consistent application of the IATI standards.

In addition to the changes USAID is seeking through the Grand Bargain, our oversight of U.N. humanitarian partners relies on a dual-track approach: robust engagement at the Executive Boards (EBs) of key U.N. agencies and the use of field-based staff, who are experts in humanitarian assistance, to monitor the in-country performance of U.N. institutions in real time. For example, USAID has used both its EB position and close field engagement to drive strategic, programmatic, and budgetary reforms at the World Food Program (WFP) to improve the overall effectiveness of food-assistance operations. WFP's Financial Framework Review, a key component of these reforms, aims to provide more accurate and timely reporting information to governments and donors, and a clear line of sight between investments made, activities undertaken, and outputs delivered. On an individual award basis, USAID requires quarterly financial reports and regular programmatic reports, supplemented by close field collaboration and monitoring visits, to ensure that resources provided to U.N. organizations translate into effective, life-saving humanitarian assistance on the ground. USAID, in close alignment with interagency partners, also has leveraged the seat the United States holds on the EB of the U.N. Children's Fund (UNICEF) to increase its focus on humanitarian-assistance issues, which for many years had not been part of its agenda.

Another element of the implementation of the Grand Bargain relates to multi-year financing and planning. As U.N. humanitarian agencies develop more multi-year planning, their efficiency and effectiveness will increase. USAID is pressing for these agencies to pass on gains from greater efficiency and effectiveness to their implementing partners. This effort, combined with increased reporting to IATI standards, will allow USAID to have greater visibility into funding flows to implementing partners from the U.S. Government and other donors.

A large part of improving the transparency, and our oversight, of multilateral organizations is changing our own policies and procedures and how we interact with them. To that end, we are in the final stages of revamping our policy for grants, cooperative agreements and contracts with public international organizations (PIOs), Automated Directive System (ADS) Chapter 308. The changes will require all of our financial instruments with PIOs to include provisions to obligate the organizations to provide greater transparency in reporting, especially regarding transactions such as sub-grants or sub-contracts with non-UN entities, and to report cases of fraud or abuse immediately to USAID and our Office of Inspector General. We will brief Congress as soon as we have completed the revisions to ADS Chapter 308.

Finally, as articulated in the Government-wide Reform Plan and Reorganization Recommendations released by the Office of Management and Budget (OMB) in June 2018, the administration is launching a process to review how to optimize U.S. humanitarian assistance, but has) made no decisions. Three Bureaus and Offices at the Department of State and the U.S. Agency for International Development (USAID) currently fund and conduct U.S. humanitarian assistance programs, which divides strategic planning and decision-making on humanitarian policy and implementation. The administration is reviewing how we provide humanitarian assistance across State and USAID to maximize our leverage, improve the effectiveness of our aid, and meet our foreign-policy goals and objectives better. These include driving strong reforms in the U.N. humanitarian system, increasing burden-sharing among donors, minimizing duplication of effort in our programming and policy, and maximizing efficiency in meeting humanitarian needs and resolving underlying crises.

In developing any proposal, the administration will address changes needed to achieve a unified voice on humanitarian policy, a single humanitarian budget, and reforms to optimize outcomes. The process will consider all options (structural, policy, procedural, and staffing) to achieve these objectives. As part of this process, the Department of State and USAID will submit a joint recommendation to optimize humanitarian-assistance programs to OMB, as part of our Fiscal Year (FY) 2020 Budget Request. USAID is committed to consulting with Congress on any final proposal.

Sustainable and effective development is only possible when project design and implementation properly accounts for environmental, social, and human rights risks.

Question. Considering the proposed 2019 USAID budget, what steps will you take to address this gap and ensure that USAID projects follow strong environmental and social safeguards? Will you commit to developing an accountability mechanism for USAID in the next fiscal year?

Answer. Regardless of the overall budget level, the U.S. Agency for International Development (USAID) has systems to ensure the projects we fund have strong environmental and social safeguards. In 2016, USAID revised its project-design policy—

codified in Automated Directives System (ADS) Chapter 201—to make a number of process improvements aimed at yielding more effective and sustainable change in our partner nations from environmental, social (including human rights) and economic perspectives. ADS 201 requires that USAID project-design teams systematically identify and account for risks in the local context, and put in place environmental and social safeguards to avoid, minimize, or mitigate potential harm. The policy also calls on our teams to set up systems to monitor these risks during the implementation of the programs that we fund, and to allow our managers to make course-corrections with our partners as we learn lessons or circumstances change during the life of an award.

A number of pre-award evaluations assessments shape USAID's project-design process, including an environmental assessment (as required by Title 22, Part 216 of the Code of Federal Regulations [CFR] and ADS 204), a climate-change assessment (as required by Executive Order 13677 and ADS 201), and a gender assessment (as required by ADS 205), among others. Project-design teams also must identify other analyses—as relevant and appropriate—needed to understand the operating context and potential outcomes, both intended and unintended, of USAID assistance.

These reforms complement a larger effort to break down risk silos across the Agency—including those related to the environment, social issues and human rights—to create a more holistic process for managing risk. Office of Management and Budget (OMB) Circular A-123, as revised in 2016, requires this approach, commonly referred to as Enterprise Risk-Management (ERM), of all Federal Departments and Agencies. USAID has just completed its first corporate-level Agency Risk Profile, and the Agency's Operating Units are in the midst of producing their own, which we will incorporate into a single document this fall. In addition, USAID has approved and plans to publish our first Risk-Appetite Statement, which provides broad guidance to Agency staff regarding the different types of risk to weigh in achieving our objectives. The Risk Profile and Risk Appetite Statement will provide additional, critical accountability mechanisms for elevating keys risks (social, environmental, human rights and beyond) to ensure their oversight by Agency leadership, who meet regularly to discuss the major risks the institution faces.

Specifically to your question on developing an accountability mechanism for USAID in the next Fiscal Year, at this time, the Agency will continue to rely on the existing accountability systems described above, and quickly implement the changes in management and oversight that will emerge from the Agency Risk Profile.

In January, the Trump administration released guidance for the Foreign Aid Transparency and Accountability Act—unanimously passed by Congress—calling on all aid agencies to establish and set high standards for evaluation and learning policies.

Question. How does transparency and evidence of what's working and what's not advance effective development and U.S. interests abroad?

Answer. The U.S. Agency for International Development (USAID) places high value on monitoring, evaluation, and learning to build a body of evidence on what works and what does not to increase development impact in furtherance of U.S. interests abroad. To codify our commitment to evaluation, the Agency released our Evaluation Policy in 2011, and revised it in 2016. The Policy is available on the Agency's public website at: https://www.usaid.gov/evaluation/policy. The Policy stipulates that the Agency use evaluation findings to inform the design and implementation of programs, and requires the transparent dissemination of all completed evaluations, including through submission to USAID's public Development Experience Clearinghouse. Since issuing the Policy, USAID has increased the number of evaluations commissioned each year to approximately 200. To understand whether these efforts are working, USAID's Bureau for Policy, Planning and Learning commissioned independent studies to examine the quality of our evaluations in 2013, and our use of evaluations in 2016. These two studies found there has been an increase in both the quality and use of evaluations at the Agency.

USAID further facilitates the use of evidence in the design and monitoring of our programs by requiring the submission of all data sets and supporting documentation created or collected by the Agency to our public Data Development Library. Evidence transparently shared across USAID informs planning and design worldwide, so our Missions can benefit from each other's experiences and determine how to advance development globally more effectively in support of U.S. interests

Question. Why has the administration again proposed eliminating nearly half of the PPL Bureau in its budget request to Congress, and what specifically would the Bureau have to give up under this budget?

Answer. The President's Budget Request for Fiscal Year (FY) 2019 for the State Department and USAID focuses resources on our national security at home and abroad, on economic development that contributes to the growth of our own economy, on continued leadership in international institutions based on a fair distribution of the burden, and on renewed efforts to modernize and make more effective the operations of both the Department of State and USAID. USAID has not made a final determination regarding how the Budget Request, if approved by Congress, would apply to the PPL Bureau.

Question. How will you work with the State Department to improve aid data and data management, including resolving the multiple platforms for aid data that currently exist?

Answer. The Department of State and the U.S. Agency for International Development (USAID) have similar, but distinct, foreign-assistance reporting and transparency requirements and capabilities. In Fall 2017, a Department of State and USAID Working Group identified options for the consolidation of processes and data-collection related to ForeignAssistance.gov (FA.gov) and the Foreign Aid Explorer (Explorer.USAID.gov). The Working Group drafted a summary report that selected several options to respond to the Sense of Congress in FATAA—to consolidate processes and data-collection as well as the presentation of information on the two websites. My leadership team at USAID and their counterparts at the State Department are currently discussing the options, and will determine a way forward by the end of this Fiscal Year.

Question. What resources from the FY 2019 request are proposed to address these needs?

Answer. The U.S. Agency for International Development (USAID) is improving the quality and comprehensiveness of its aid data and data-management within existing resources. USAID is considering the resources required to implement the options set forth by a joint Working Group of officials from the State Department and USAID.. As the Working Group recommendations are still under review, we are not currently requesting new resources for the consolidation of processes and data-collection related to ForeignAssistance.gov and the Foreign Aid Explorer. USAID expects to have a better sense of the resources required for these needs once the Working Group finalizes its plan for moving forward.

Topline Budget Concerns

The administration's decision to essentially resubmit the FY 2018 budget, with just minor changes in various numbers demonstrates a concerning lack of and strategic thinking when it comes to understanding the role USAID and foreign assistance needs to play in U.S. foreign policy.

Question. Do you believe that USAID can do its job effectively under the budget this administration has proposed?

Answer. The President's Budget Request for Fiscal Year (FY) 2019 prioritizes foreign assistance in regions and on programs that help advance our national interest and support the administration's most critical priorities. We will never have all the resources to take on every humanitarian challenge or development opportunity. That is a given, and this budget request makes difficult choices. My job as Administrator is to ensure the most efficient, effective use of the dollars Congress generously appropriates. The U.S. Agency for International Development is committed to partnering with nations on their journey to self-reliance and maximizing the impact of these initiatives for the American taxpayer.

Question. What are you doing to ensure USAID's missions and projects are not adversely affected by the proposed budget cuts?

Answer. The President's Budget Request for Fiscal Year (FY) 2019 for the Department of State and the U.S. Agency for International Development (USAID) calls on other donors to do more, and seeks to mobilize other resources towards our goals (e.g., from the private sector and from partner countries' domestic resources), rather than spending more U.S. taxpayer money. Other donors are stepping up. For example, from July-December 2017, Australia made $30 million in commitments to respond to the Rohingya crisis in Burma and Bangladesh (one of the largest per capita commitments). At the 2017 Brussels Conference on Syria, donors pledged worth ?5.6 billion ($6 billion), of which two thirds, or ?3.7 billion ($4 billion), came from the European Union and its Member States. The European Commission also pledged an

additional ?560 million ($601 million) for 2018 for inside Syria, Jordan and Lebanon. Japan has also made numerous significant commitments in the last year. On the humanitarian front, in December 2017, Japan announced additional humanitarian assistance of $21 million for Syria and its neighboring countries. In March 2018, Japan made a $72.3 million contribution to the World Food Programme to provide vital food and nutrition assistance in 23 countries across the Middle East, Africa, and Asia. Additionally, in July 2017 Japan announced a $50 million contribution to support the U.S.-initiated Women Entrepreneurs Finance Initiative at the World Bank, and the Republic of Korea (ROK) announced a $10 million contribution to support the program. At the High-Level Pledging Event for the Humanitarian Crisis in Geneva in April, 2017, the ROK also announced its plan to provide $4 million in humanitarian aid to Yemen.

Our Redesign also aims to increase the effectiveness of USAID programs. For example, the new self-reliance metrics will help ensure that our partnerships are best-supporting a country to move along in its journey—closer and closer to that day when foreign assistance will no longer be necessary. For some countries, that journey may take decades, while for others, it may be much shorter. But in either case, through our focus on self-reliance, we will have a much clearer view on knowing what it will take to have the right partnerships models in the right places at the right time—thereby boosting our effectiveness.

As Administrator, I have directed Agency staff to program funds as appropriated by Congress efficiently and effectively to achieve our development objectives. Our intent is to execute the appropriation as enacted by the Congress.

Question. You have called this Budget "a Message Document." Exactly what message is this budget is sending?

Answer. My job as Administrator is to ensure the most efficient, effective use of the dollars Congress generously appropriates. The U.S Agency for International Development (USAID) is committed to partnering with nations on their journey to self-reliance and maximizing the impact of these initiatives for the American taxpayer.

The Budget Request for Fiscal Year (FY) 2019 upholds the President's commitment to serve the needs of American citizens, ensure their safety, and defend their values, as outlined in the National Security Strategy, and is consistent with administration goals to streamline foreign assistance. The FY 2019 Budget Request will also allow the United States to retain its leadership in shaping global humanitarian assistance. It provides the resources necessary to advance peace and security, expand American influence, and address global crises, while prioritizing the efficient use of taxpayer resources.

Country Budget Allocations

> *After almost a decade of transparency from Democratic and Republican administrations (9 years) regarding country-by-country allocations for foreign assistance, this administration provided no such information for the for the public as part of its FY 2019 budget request. The administration proposed a 43% reduction to development programs, but failed to explain its impacts on various development sectors and priorities.*

Question. We expect this administration to maintain some commitment to transparency. When will Congress have access to this information? Is USAID capable of submitting country-by-country allocations for topline development and security assistance accounts for the record? If yes, will the Administrator please submit that formal request for the hearing record?

Answer. The U.S. Agency for International Development (USAID) remains committed to being transparent with Congress. The initial Fiscal Year (FY) 2019 Congressional Budget Justification released by the Office of Management and Budget (OMB) on February 12, 2018, included regional and Operating Unit levels within each account. Shortly thereafter, USAID also provided Congress with additional budget tables, which included country- and sector-specific allocations, and the administration provided an appendix and supplementary tables on March 15, 2018, which were, and remain, publicly available on the following USAID website: https://www.usaid.gov/news-information/fact-sheets/fiscal-year-fy-2019-development-and-humanitarian-assistance-budget. These tables include country allocations, as well as those for central and regional Operating Units, and budget charts on program objectives and program areas; USAID Operating Expenses; global health elements; and several other key sectors, including agriculture, biodiversity, combating wildlife trafficking, countering violent extremism, democracy, basic education, higher education, and gender.

The attached chart shows the proposed allocations to Operating Units across all foreign-assistance accounts included in the President's FY 2019 Budget Request, in-

cluding country-level allocations. Also attached is a chart that shows the proposed sectoral allocations in each Operating Unit within the request for the Economic Support and Development Fund account.

Ending USAID Missions to 24 Countries

The proposal to immediately close missions around the world, runs the serious risk of alienating important allies and neighbors, weakens our influence and cedes power and capacity to our adversaries, and given the abruptness of such proposals seems far from strategic.

Question. The FY 2018 budget proposed ending USAID missions to 32 countries. FY 2019 proposes ending 24 missions. What caused this changed?

Answer. In both the President's Fiscal Year (FY) 2018 and FY 2019 Budget Requests, proposed funding levels do not indicate the closing of a Mission. While both the FY 2018 and FY 2019 budget requests zeroed out funding from certain accounts in particular countries, in accordance with this administration's guidance, policy priorities, and overall funding reductions, the President's Budget Request did not notify any changes to the country presence of the U.S. Agency for International Development (USAID). At this time, USAID is not notifying any closures of Missions. The President's FY 2019 Budget Request proposed funding for 13 countries or institutions that were in alignment with this administration's current guidance and policy priorities, for which the FY 2018 Budget Request did not include resources: Central African Republic, Mauritania, Niger, Sierra Leone, the African Union, Laos, Timor-Leste, Azerbaijan, Belarus, Sri Lanka, Cuba, Ecuador, Paraguay, and Venezuela.

If the President's Budget has not requested bilateral funding for a particular country, in some cases we are leveraging prior-year funds to continue some support. In other cases, we could invest funds from a regional operating unit or Washington to support activities.

Regardless of the budget level, we believe it is responsible to review our portfolio continuously, and to invest our foreign assistance in the most-critical priorities.

Question. If Congress had enacted the FY 2018 budget, how would have gone about restarting or reversing these closures?

Answer. While both the President's Fiscal Year (FY) 2018 and FY 2019 Budget Requests zeroed out funding from certain accounts in particular countries, the President's proposal did not notify any changes to the country presence of the U.S. Agency for International Development (USAID). At this time, USAID is not notifying any Mission closures. We will address planning related to changes to any specific USAID Missions separately from the budget. Closures or adjustments are not an overnight process, and the decision to end or close a Mission requires a broad discussion regarding ongoing programs, staff, and our relationships with the host-country government and other partners. Additionally, Mission closures require USAID to notify and consult with Congress.

Question. How does proposing to abruptly close a USAID mission square with your "Strategic Transitions" Initiative?

Answer. Building self-reliance is not about budget cuts or closing out Missions. It involves doing smarter—better—development. For some countries, self-reliance is likely many years away. We understand that, and are committed to helping countries where they are on their own development journey. But we must gear all of our investments toward moving them closer to the day when they will no longer need foreign assistance.

As the U.S. Agency for International Development (USAID) reorients our strategies around the concept of "self-reliance," in which countries are able to plan, finance, and implement solutions to solve their own development challenges, we will identify countries that show potential readiness for a conversation about a new relationship that moves beyond traditional assistance. By its nature, this process would preclude abrupt or unplanned transitions, and would be fully transparent and systematic, rooted in dialogue with all key partners. This would include Congress, our interagency partners, the host-country government, and other local stakeholders on how we work together to leverage resources and promote a forward-looking, enduring relationship.

Question. Are any countries being strategically transitioned away from development assistance and under what timeline? If so, which ones?

Answer. The U.S. Agency for International Development (USAID) is currently reorienting itself around the concept of "self-reliance"—the ability for countries to plan, finance, and implement solutions to solve their own development challenges. As part of this effort, USAID has identified a set of objective, third-party metrics

to help assess its partner countries' relative levels of self-reliance. For the most-self-reliant partners identified by the metrics, USAID plans to have possible conversations about a strategic transition toward a partnership beyond the traditional donor-recipient paradigm. USAID would consult the inter-agency, Congress, the host-country government, and other key stakeholders on what this partnership could look like. It does not mean an immediate closeout of a Mission—it means thinking thoughtfully about the right role and footprint for USAID in that country.

The President's Fiscal Year (FY) 2019 Budget Request was completed in parallel to our broader effort around self-reliance and the concept of strategic transition, but USAID intends to use the funding provided by Congress to advance self-reliance in all the countries in which we operate, and to prepare for transitions in the ones deemed prepared for the necessary shift in the relationship.

Question. Can you explain how these timelines align, if at all, with your budget request?

Answer. The process for strategic transitions will occur over multiple Fiscal Years. As such, we will align our budgets once the process has progressed.

Economic Support and Development Fund

The administration proposed for the second year a row to create a foreign assistance slush fund via massive program consolidation. The "Economic Support and Development Fund" would support activities ranging from foreign military finance to basic education programs.

Question. Does the administration intend to provide Congress and public more details, beyond the reprinted single paragraph from the FY 2018 describing the program?

Answer. The Congressional Budget Justification (CBJ) released online by the Office of Management and Budget (OMB) on February 12, 2018, in conjunction with the President's Budget Request for Fiscal Year (FY) 2019, describes the overall purpose of the proposed Economic Support and Development Fund (ESDF), contains details about its proposed use by region, and provides illustrative examples of intended investments for certain countries and programs. (Please see pages 89-98 of the CBJ, available here: https://www.usaid.gov/sites/default/files/documents/1868/FY—2019—CBJ.pdf)

Additionally, the Appendix for the Department of State and Other International Programs in the President's Budget Request for FY 2019 includes language that describes the purpose of the ESDF account. The appendix states: "In order to streamline accounts and ensure the most effective use of foreign assistance funding, the 2019 Budget incorporates funding and programs previously requested under the Economic Support Fund (ESF) and Development Assistance (DA) accounts within the new Economic Support and Development Fund (ESDF). The request prioritizes and focuses foreign assistance in regions and on programs that advance our national security and protect the American people, promote U.S. prosperity and economic opportunities, and advance American interests and values around the world, while also continuing to ensure efficiency, effectiveness, and accountability to the U.S. taxpayer. Programs will help countries of strategic importance meet near and long-term political, economic, development, and security needs."

Question. Do you believe you have the authority to create the ESDF without expressed Congressional authority? If not, when does the administration intend to submit a legislative proposal to the committee fort consideration?

Answer. The creation of a new account—including the proposed Economic Support and Development Fund (ESDF)—would require Congressional action. As such, the President's Budget Request for Fiscal Year (FY) 2019 includes proposed legislative language for Congress to insert in the FY 2019 appropriations act to establish the ESDF account. Specific language on ESDF appears on page 798 of the appendix for the Department of State and Other International Programs of the President's Budget Request, which reads as follows: "ECONOMIC SUPPORT AND DEVELOPMENT FUND: For necessary expenses to carry out the provisions of sections 103, 105, 106, 214, and sections 251 through 255 of part I, chapter 10 of part I, and chapter 4 of part II of the Foreign Assistance Act of 1961, $2,101,905,000, to remain available until September 30, 2020: Provided, That funds under this heading may be made available to support programs and activities to prevent or respond to emerging or unforeseen foreign challenges and complex crises overseas, notwithstanding any other provision of law: Provided further, That funds made available under this heading may be made available for contributions to international organizations, programs administered by such organizations, and multilateral trust funds."

USAID Independence

> *I believe that State and USAID need to be coordinated, but I also believe that USAID should have space to operate and determine its own strategic policies for executing the U.S.'s development missions.*

Question. How do you anticipate this relationship improving under Sec. Pompeo's leadership?

Answer. I have had the opportunity to meet with Secretary Pompeo to discuss the mission of the U.S. Agency for International Development (USAID). We discussed a range of issues, and I believe the Secretary recognizes the important contribution the Agency makes. Secretary Pompeo has also publicly cited the important role that USAID plays in achieving our shared goals, by stating that our work is an "important part of the mission.. to deliver President Trump and America's foreign policy around the world."

As you know, USAID and the Department of State cooperate closely to ensure that our development and foreign-policy activities are successfully achieving the objectives of the U.S. National Security Strategy (NSS). Building on the NSS, USAID and State's Fiscal Year 2018-2022 Joint Strategic Plan strengthens our alignment, by articulating common development and foreign-policy priorities, and emphasizing strategic clarity, operational effectiveness, and accountability to the American people. USAID and the Department of State collaborate further through planning efforts on Joint Regional Strategies, Integrated Country Strategies and day-to-day strategic and tactical discussions between Embassy and USAID Mission staff worldwide.

I look forward to working closely with Secretary Pompeo to advance our shared agenda.

Question. Do you have, or have you sought, any commitments from Sec. Pompeo to give you space and autonomy to operate?

Answer. No. At this time, I have not sought any specific commitments from Secretary Pompeo with respect to the authorities or operational procedures of the U.S. Agency for International Development (USAID).

There is no intention or plan to merge USAID into the State Department. Secretary Pompeo has noted he wants to ensure that State Department and USAID employees have the training, tools and experience needed to carry out our mission and advance U.S. national security—and I am grateful for his support.

Question. Should Congress restore USAID's control of its own budget (i.e. transfer that authority from State Dept.'s Foreign Assistance Bureau back to USAID) as a means of effectuating USAID's independence?

Answer. I am grateful for the generosity of Congress in appropriating funding to support the programs and the staff of the U.S. Agency for International Development (USAID). Under the direction of the Secretary of State, the Office of U.S. Foreign Assistance Resources (F) at the Department of State performs many valuable roles, including the coordination and integration of U.S. foreign-assistance programs, currently implemented by over 20 U.S. Government entities, into the foreign-policy process across the interagency. As part of this responsibility, F aims to ensure that assistance resources and activities across the Department and USAID align to advance the nation's foreign-policy objectives, and that the administration meets all funding requirements, including sectoral and country requirements, and priorities, but this process could be streamlined.

The Secretary of State should therefore continue to serve as the ultimate point of coordination for foreign assistance across the Federal Government, and between State and USAID. Nevertheless, our processes should improve, and efforts are underway to improve coordination. I look forward to working with Secretary Pompeo to make needed improvements in the processes we use to formulate and execute our budgets at USAID. One of the objectives of USAID's Transformation is to create a stronger, more-coordinated voice to support the administration's development policy and budget priorities, internally and in the interagency. USAID currently divides the responsibilities for development policy, budget and performance among five different Bureaus and Offices, and our Transformation proposes consolidating them into one Bureau for Policy, Resources and Performance (PRP). In our proposal, the USAID Senior Coordinator inside State/F would report to the Assistant to the Administrator for PRP. This change would increase collaboration between staff in PRP and State/F, as well as allow us to reform processes, such as approving reprogramming requests and country level operational plans.

Venezuela

Venezuela is the greatest challenge in our hemisphere today. Despite clear indications in the past few years that a refugee crisis in Venezuela was brewing, we didn't provide basic levels of humanitarian assistance until March of this year.

Question. What in your view, would constitute a comprehensive U.S. strategy to address the humanitarian, political, and economic crisis in Venezuela and what role does USAID play in that strategy?

Answer. Venezuela poses a monumental challenge for the region, and in particular for the United States. Addressing the humanitarian, political, and economic crisis in Venezuela necessitates a whole-of-Government approach, with close interagency coordination, especially between the Department of State and the U.S. Agency for International Development (USAID). To help resolve the crisis, the U.S. Government must continue to support democratic actors in Venezuela and the region. USAID plays a critical role in these efforts by providing long-term development assistance aimed at bolstering Venezuela's civil society, promoting human rights, strengthening democratic governance, and encouraging civic-engagement.

In the immediate term, USAID-the lead Federal coordinator for responding to humanitarian emergencies overseas-continues to press for humanitarian access and intends to continue to ramp up emergency-response efforts to help meet the urgent humanitarian needs of people affected by this crisis. While this humanitarian assistance will help alleviate the immediate needs of many Venezuelans, it will not -and cannot—address the root causes of Venezuela's instability.

Question. What is the role of USAID in addressing humanitarian and refugee issues in Venezuela?

Answer. Deteriorating economic, humanitarian, and political conditions in Venezuela have led to an influx of Venezuelans into neighboring countries, which is straining health-care institutions and other social services in the communities that are generously hosting vulnerable Venezuelans. In response, USAID is providing humanitarian assistance throughout the region, most in Colombia, Brazil, and Ecuador. Working in close coordination with our colleagues at the Bureau of Population, Refugees, and Migration (PRM) of the Department of State, USAID is providing emergency food and health assistance, safe drinking water, critical relief items, vegetable seeds and training to help families grow and sell food, and support for small businesses to help create job opportunities in Colombian host communities. We are also working with our humanitarian partners to protect vulnerable Venezuelans from violence and exploitation.

In Colombia—which is currently hosting more than one million people who have fled the repression and chaos in Venezuela—USAID is also complementing this emergency humanitarian assistance with development investments aimed at bolstering Colombia's medium- and long-term capacity to respond to the ongoing influx of vulnerable people into their communities. This assistance is supporting Colombia's migrant registry and tracking system, a migration observatory, health care in Colombia host communities, and a school-feeding program. USAID's assistance at the border also benefits persons in Venezuela as Venezuelans are crossing the border into Colombia to receive benefits and assistance and then return back into Venezuela. Additionally, within Venezuela, we are actively working to improve the capacity of local Venezuelan organizations to be positioned to deliver needed humanitarian aid, including through trainings we have hosted and other limited, direct assistance.

Question. What is the role of USAID in addressing the humanitarian crisis in Venezuela?

Answer. The U.S. Agency for International Development (USAID) is supporting regional emergency-response efforts to help meet humanitarian needs that stem from Venezuela's economic and political crisis-marked by devastating hyperinflation-which has resulted in severe shortages of food and medicine, and has driven more than two million people to flee the once-prosperous country since 2014. USAID provides this assistance solely based on need and regardless of political affiliation or beliefs, to ensure that it reaches the most-vulnerable. USAID avoids the politicization of U.S. humanitarian assistance by working with impartial relief organizations—including United Nations agencies and non-governmental groups—dedicated to providing assistance based on needs assessed on the ground by U.S. humanitarian experts and our partners.

USAID is also actively working to find immediate solutions to a number of operational constraints for providing assistance inside Venezuela. Earlier this year, USAID sent a team to Venezuela to assess needs on the ground, evaluate the re-

sponse capacity of relief organizations in the country, and better understand the context and challenges to a potential international humanitarian response. The team spent nearly two weeks conducting site visits, including to clinics, hospitals, and schools, and meeting with non-governmental organizations, government officials, volunteers, food producers, and the private sector. USAID is coordinating closely with the Department of State, the United Nations, other international donors, and organizations on the ground in Venezuela to determine the most effective and efficient means to reach the most-vulnerable with critical humanitarian assistance. Specifically, USAID is actively working to build local civil-society capacity to monitor and respond to urgent needs on the ground.

Question. Can you please identify the funding that USAID has obligated to date to address the Venezuelan humanitarian crisis?

Answer. To date, the United States has provided nearly $50 million in humanitarian and development assistance to support the regional response to the crisis in Venezuela since Fiscal Year (FY) 2017, more than $25.5 million of which has come from the U.S. Agency for International Development (USAID). USAID has financed more than $7 million in humanitarian aid since March 2018 to support emergency-response efforts across the region, particularly in Colombia, Brazil, and Ecuador. With this funding, USAID—through the Offices of Food for Peace and U.S. Foreign Disaster Assistance—is providing emergency food and health assistance, safe drinking water, critical relief items, vegetable seeds and training to help families grow and sell food, and support for small businesses to help create job opportunities in host communities. We are also working with our humanitarian partners to protect vulnerable Venezuelans from violence and exploitation, and offering expert technical support to enhance response efforts led by host governments.

To complement this humanitarian assistance, USAID is also providing bilateral development funding to support Colombia's medium- and long-term efforts to respond to the influx of Venezuelans in Colombia.

All partners that have received USAID humanitarian funding have begun implementing their response programs, which will run through FY 2018. We expect we will obligate most USAID humanitarian assistance funding by the end of July 2018, while we should obligate a remaining small portion by the end of FY 2018 because of ongoing agreements with certain partners that enable implementation to begin prior to full obligation.

We expect USAID to obligate our development assistance for Venezuela by late July. In the coming weeks and months, USAID intends to provide additional funding for humanitarian partners in the region that are responding to this crisis.

Question. Please identify the funding by fiscal year and funding type, as well as provide a description of funding that has been obligated to date.

USAID FUNDING BY FISCAL YEAR AND FUNDING TYPE AND DESCRIPTION OF FUNDING THAT HAS BEEN OBLIGATED TO DATE

Amount	Fiscal Year	Partner	Sectors	Status
		HUMANITARIAN ASSISTANCE (FUNDING TYPE—INTERNATIONAL DEVELOPMENT ASSISTANCE)		
Republic of Colombia				
$2,739,028	2018	Implementing partners to be determined (TBD)	Agriculture and Food Security; Livelihoods; Protection; Water, Sanitation, and Hygiene (WASH) programs	All programs are obligated.
$263,000	2018	United Nations (UN) Office for the Coordination of Humanitarian Affairs	Humanitarian Coordination and Information-Management	Expected to be obligated by the end of Fiscal Year (FY) 2018.*
$500,000	2018	Pan American Health Organization	Emergency Health Assistance	Obligated.
$2,000,000	2018	UN World Food Program	Emergency Food Assistance	To be obligated by the end of July 2018.*
Federative Republic of Brazil				
$500,000	2018	Adventist Development and Relief Agency	WASH Assistance	Obligated.
Republic of Ecuador				
$1,000,000	2018	UN World Food Program	Emergency Food Assistance	Obligated.
Regional.				
$78,146	2018	iMMAP	Humanitarian Coordination and Information-Management	Expected to be obligated by the end of FY 2018.[1]

USAID FUNDING BY FISCAL YEAR AND FUNDING TYPE AND DESCRIPTION OF FUNDING THAT HAS BEEN OBLIGATED TO DATE—Continued

Amount	Fiscal Year	Partner	Sectors	Status
DEVELOPMENT ASSISTANCE (FUNDING TYPE—ECONOMIC SUPPORT FUNDS)				
$18,500,000	2017	Implementing partners TBD	—Registry and Tracking System —Migration Observatory —Mobile Health Care —School-Feeding Program	Expected to be obligated by the end of July 2018.

[1] Expected to be obligated by the end of FY 2018 because of ongoing agreements with certain partners that enable implementation to begin prior to full obligation.

Colombia

Despite having a strong partnership with the Colombian Government in combatting drug trafficking, we have seen a worrisome growth of coca cultivation in Colombia since 2013. It is clear that developing a permanent counternarcotic strategy is complicated and requires a comprehensive approach that equally prioritizes eradication, destruction of cocaine laboratories, interdiction of drug trafficking shipments, the arrest of traffickers, efforts to combat financial crimes and money laundering, and robust programs to consolidate the rule of law and democratic governance, as well a sustained strategy to advance economic development and provide licit economic opportunities.

Question. Can you provide an update on USAID's expansion of alternative development programs in Colombia?

Answer. The alternative development programs in Colombia funded by the U.S. Agency for International Development (USAID) help to combat the cultivation of coca and the lure of the illegal economy through several key lines of effort that work to expand the presence of the Colombian Government, generate new business opportunities, and improve the livelihoods of citizens disproportionately affected by the conflict through legal productive projects. Specifically, USAID works to increase resources available at the local level for public investment and strengthen local governments' capabilities to deliver vital services and perform other governance functions. USAID also leverages private-sector investments in remote areas of the country, which are particularly susceptible to coca-cultivation. USAID's market-driven activities connect local producers with regional, national, and international markets, and help producers meet the standards and requirements set by domestic and international buyers, which subsequently supports sustainability and increased profitability for rural producers and others along these value-chains. Lastly, USAID programs provide innovative financing for small- and medium-sized businesses in remote areas that traditionally have not had access to investment capital. All of these efforts create a better environment for licit economies to develop and strive.

As the cultivation of coca increased over the last few years, USAID has taken specific measures to adapt its programming to provide targeted assistance where most needed to counter the narcotics economy. For example, the Community Development and Licit Opportunities program (CDLO) strengthens the capacity of conflict-affected communities to implement economic-development activities that promote the substitution of legal crops and alternative development. CDLO targets specific geographic areas, determined using the presence of illegal crops as the top criterion. The program is now focused on eight Colombian Departments in which 69 percent of Colombia's coca is cultivated, and will soon expand into a ninth (Norte de Santander), where an additional 17 percent of the country's coca is grown, at which point the CDLO will reach 86 percent of the coca-cultivating areas of the country.

As the severity of the coca problem has become more apparent, the USAID Mission in Colombia has also adjusted to better focus its efforts on illicit crops through the Land and Rural Development Program (LRDP) and limited-contract technical assistance. Currently, USAID is providing advice to the Colombian Government (GOC) to extend the massive land-titling methodology it developed to municipalities with illicit crops. LRDP is helping the GOC to establish a new monitoring-and-evaluation system to track and evaluate its "Formalization for Substitution" program, the first attempt in Colombia to link titling and crop-substitution efforts.

Finally, under the Producers to Markets Alliance program (PMA), USAID seeks to strengthen legal economies in areas affected by illicit crops by increasing the competitiveness of licit producers and the value of licit products. PMA is targeting high-potential agricultural value-chains in some of the largest coca-producing regions of Colombia. It works closely with rural producers (many of them former coca farmers) to increase yields, improve quality, and close business deals to increase incomes and employment opportunities among its target population.

During my recent trip to Colombia, we began to look at how our support for national parks and formalization of mining could be strengthened to more directly support alternative livelihoods as well.

Question. What is the role of USAID in helping Colombia in its implementation of the peace accord?

Answer. The U.S. Agency for International Development (USAID) programs primarily support four pillars of Colombia's peace-implementation strategy: promoting equitable and sustainable rural development, ending the conflict, addressing illicit drugs, and supporting conflict victims.

1. *Equitable and Sustainable Rural Development:* Developing Colombia's rural sector is crucial to long-term economic development. USAID is supporting the new Territorial Renovation Agency of the Colombian Government (GOC) to design and implement regional economic transformation plans with the participation of vulnerable populations, civil society, and other key actors. The agreement established the creation of a land bank as the mechanism by which the parties will distribute three million hectares of state-owned land to conflict victims. USAID is supporting the GOC's National Land Agency to design and test the first large land-titling pilot in Colombia, and assisting to identify and recover the land that will supply the land bank. Transparency in land markets and equity in land tenure are impossible to achieve without a precise inventory (i.e., cadaster) of land ownership. USAID is funding the design and implementation of the multi-purpose cadaster to serve as the basis for a national land-titling effort, and to implement sectoral policies in rural areas led by the National Planning Department. Additionally, the GOC is seeking to implement a countrywide effort to construct or improve tertiary roads, a top priority of citizens in conflict areas. To help this effort, USAID is financing the creation of community-based enterprises- composed of civil-society organizations and local governments-to manage the improvement and maintenance of tertiary roads.

2. *Ending the Conflict:* A major challenge in the peace accord is the safe social and economic reintegration of former combatants, which is critical to prevent the expansion of other illegally armed groups. While the U.S. Agency for International Development (USAID) does not provide any support to the Fuerzas Armadas Revolucionarias de Colombia—Ejército Popular (Revolutionary Armed Forces of Colombia, FARC) that would violate U.S. sanctions, USAID does fund the rehabilitation of child soldiers and the prevention of recidivism. USAID supported rehabilitation services, including psychosocial support, for 135 FARC-released children and adolescents as a result of the peace agreement. At the request of the Colombian Ministry of Post-Conflict, USAID has expanded into 13 new conflict-affected municipalities, beyond the 29 already served, to help the Government of Colombia establish and improve justice services, particularly for rural citizens.

3. *Addressing Illicit Drugs:* The illegal drug trade has fueled the conflict, and serves as the main source of financing for illegal armed groups, including the Fuerzas Armadas Revolucionarias de Colombia—Ejército Popular (Revolutionary Armed Forces of Colombia, FARC). Though not directly funding the voluntary substitution program managed by the Government of Colombia (GOC), the U.S. Agency for International Development (USAID) is aligning its efforts in coca-growing areas to support legal alternatives to coca. USAID has already worked with thousands of Colombian farm families in their transition to a licit economy via cacao, coffee, rubber, dairy, and other products. USAID is coordinating its interventions with the GOC in eight of the largest coca-producing regions of the country. USAID's sustained, enduring presence in many of these areas has led to the development of significant licit economies, including a strengthened private-sector presence. USAID funding is enabling commercial banks to move into these areas, with credit and other financial services, so rural families are able to improve their productivity and, as a consequence, spur sustained economic growth.

4. *Supporting Conflict Victims:* The U.S. Agency for International Development (USAID) has been funding the Land-Restitution Unit of the Government of Colombia (GOC) since 2010 and the Victims' Unit for over five years. With our help, the GOC is now able to process cases faster and more efficiently in 23 offices across the country and ensure that implementation of restitution rulings are effectively in targeted regions. With additionally USAID finding, the Victims' Unit is expanding assistance to victims in 22 municipalities, 10 of which are in transitional zones. USAID supports the GOC's efforts to implement the provision in the ethnic chapter of the Peace Accord, which speaks to the rights of ethnic communities, including Afro-Colombians and indigenous populations. USAID supports the efforts of the GOC and civil society to increase protection for human-rights leaders, whom illegal armed group continue to targeted as they take control over territories formerly occupied by the Fuerzas Armadas Revolucionarias de Colombia—Ejército Popular (Revolutionary Armed Forces of Colombia, FARC). More than 82,000 people have disappeared during the conflict, and the peace accord commits both sides to find the and bring them back to their loved ones, or provide answers to families who are seeking resolution. USAID is financing the GOC's Unit to Search for the Missing Persons, created by the Peace Accord, to find the disappeared and return them or their remains to their families. USAID will also fund the Victims' Unit to repair and provide psychosocial assistance to the families of victims of forced disappearance, which will complement USAID's grant to the Colombian Attorney General's Office.

USAID is supporting the capacity of local prosecutors to move forward criminal cases for homicides against human-rights defenders, as well as the Inspector General's Office in the development of disciplinary cases on this issue. Our programs complement the GOC's investments in prioritized and targeted communities and funding provided from other international initiatives.

Africa

In remarks at the U.S. Institute for Peace last year, then Under Secretary of State Tom Shannon articulated the administration's four strategic purposes in Africa: Advancing Peace and Security; Countering the Scourge of Terrorism; Increasing Economic Growth and Investment; and Promoting Democracy and Good Governance. The approach doesn't speak to the overall development agenda, including poverty alleviation; there is no question that it should.

Question. Increasing Economic Growth and Investment and poverty alleviation are not necessarily one and the same. What role does development play with regards to the administration's four strategic purposes? What do you see as USAID's role in countering terrorism and violent extremism? How does this budget support that role?

Answer. An economically growing and stable Africa also supports American security and prosperity. By increasing markets for American goods and services, providing raw materials for U.S. consumer products, building citizen-responsive institutions of governance, and countering violent extremism, we make the homeland safer and help African countries build economic opportunities for their citizens. The investments of U.S. Agency for International Development (USAID) directly support all four pillars outlined by Under Secretary Shannon.

While I agree that increasing economic growth and investment and poverty-alleviation are not one and the same, economic growth programs directly link to USAID's mission to end poverty and, aspirationally, the need for foreign assistance. Specific economic-growth outcomes, such as increased investment, an improved business enabling environment, workforce-development, and expanded trade opportunities (while not an exclusive list), are all critical ways of both accelerating economic growth and laying the foundation for long-term poverty-alleviation.

In Under Secretary Shannon's speech at the U.S. Institute for Peace (USIP), he said, "U.S. investment in sub-Saharan Africa increased from $9 billion a year in 2001 to $34 billion in 2014 and created over 300,000 jobs across Africa," data that include USAID's work through three regional Trade and Investment Hubs.

Economic-growth programs also directly tie to the National Security Strategy's pillars of Advancing Peace and Security and Countering the Scourge of Terrorism, as addressing the underlying social, political and economic conditions that fuel radicalization to violence is critical to advancing peace and security. Africa has the world's youngest population; 70 percent of sub-Saharan Africa's population under the age of 30. While youth can be a strong force for positive engagement and economic growth, many of Africa's young people struggle to find meaningful economic opportunities.

As noted in the USAID policy, The Development Response to Violence, Extremism, and Insurgency,[1] the Agency has a distinct and critical role in addressing national-security issues related to countering violent extremism. USAID designs and deploys development tools to respond to the drivers of violent extremism and terrorism in parts of Africa, such as the Horn, the countries of the Sahel, and the Lake Chad Basin, where the threat of terrorism is growing. As the United States pushes to counter Islamic State of Iraq and the Levant, Boko Haram, Jama'a Nusrat ul-Islam wa al-Muslimin or JNIM (a merger of four, long-standing Sahelian terrorist groups), and others, it is not enough to defeat them militarily on the battlefield; we must also address the ideology and tactics these groups employ to attract new recruits, including the underlying social, political and economic conditions that can promote radicalization to violence.

USAID has demonstrated a commitment to programming to counter violent extremism (CVE) in Africa over the years through the budget process. While funding levels for CVE programming in Africa are modest, they allow for an approach we can sustain over time, which builds trust and partnerships with key actors at the national, local and community level. The President's Budget Request for Fiscal Year 2019 includes CVE funding for countries both in East and West Africa.

[1] Available at https://pdf.usaid.gov/pdf_/Pdacs400.pdf

The current National Security Strategy further elaborates on the promoting Democracy and good governance in Africa, stating that, "We will encourage reform, working with promising nations to promote effective governance, improve the rule of law, and develop institutions accountable and responsive to citizens." I think this is an approach with which both Democrats and Republicans would agree. The missing element, it seems to me, is resources to execute. The amount available for Democracy and Governance for Africa in 2017 was approximately $330 million. The administration's request for the past two fiscal years has been less than half that amount. I guess you could say either the administration has champagne tastes, but a beer budget, or it really is not serious about its own strategy.

Question. How do you propose to achieve the stated policy goals of the administration for Africa with such a drastic reduction in the democracy and governance budget? What could we realistically expect to achieve with this limited investment if Congress were to appropriate the levels that the administration has requested?

Answer. Senator, I share your commitment to promoting democracy, human rights, and governance around the world, including in sub-Saharan Africa. Despite reductions to the overall non-health budget in Africa, the levels of democracy, human rights, and governance funding in the President's Budget Request for Fiscal Year (FY) 2019 as a percentage of overall funding for Africa is equal to or greater than the ratios from FY 2011-FY 2016, which reflects our recognition of the importance of good, citizen-responsive governance to the success of all development efforts in Africa.

The U.S. Agency for International Development (USAID) collaborates closely with colleagues at the Departments of State and Defense to ensure our democracy and governance investments address the democratic deficiencies that contribute to transnational threats, fragility, conflict, and instability. We recognize that, with limited resources, we have to be even more efficient and effective in all of our work, particularly in this time of unprecedented humanitarian need. We will continue to engage with our partners to leverage U.S. investment and ensure continued support for democracy, human rights, and governance, including the promotion of citizen-responsive governance across development sectors to help guarantee progress in economic growth, health, and education. Many USAID Missions have developed close working relationships with other donors, which has led to jointly funded activities. We will continue to seek out these opportunities and build new partnerships with international and domestic organizations to support African countries on their journey to self-reliance.

We will continue efforts to advance democracy and citizen-responsive governance in Africa by promoting the rule of law, credible and legitimate election processes, a politically active civil society, and accountable and participatory governments. We will complement diplomatic efforts that strengthen governance institutions and protect the democratic and development gains made across the continent. For example, USAID continues to provide funding for upcoming political processes in countries across Africa, including in the Democratic Republic of Congo, Mali, Nigeria, and Zimbabwe, all of which are facing pivotal transitions. Our programs improve the transparency and accountability of electoral institutions, and engage all stakeholders—parties, candidates, civil society, and voters—to participate in political processes and use appropriate channels to resolve disputes peacefully.

Secretary Pompeo indicated in response a question about achieving stated democracy and governance policy goals with such a limited budget that we would rely "on other nations to make greater contributions toward shared objectives, including advancing democracy worldwide."

Question. Which nations were consulted about their contributions towards Democracy and Governance activities in advance of finalizing the Fiscal Year 2019 budget request? What did they commit to provide?

Answer. I do not know if the Office of Management and Budget or the Department of State consulted with other donors about their Democracy and Governance activities prior to finalizing the President's Budget Request for Fiscal Year (FY), and do not know if any made specific commitments. That said, the President has been clear that our international partners must do more to advance our shared objectives. To that end, USAID field Mission staff are in regular contact with bilateral and multilateral donors through a number of country-specific donor-coordination mechanisms, efforts which help ensure that assistance across all sectors is complementary. Many USAID Missions have developed close working relationships with other donors, which has led to jointly funded activities.

For example, in December 2017, Japan announced a commitment of $2.9 billion for health, nutrition, and water and sanitation to promote universal healthcare in Africa and Asia. Japan has also been a major contributor to the Global Fund to Fight AIDS, Tuberculosis, and Malaria. In May 2018, the United States and the Republic of Korea (ROK) signed a Memorandum of Understanding to support investment in energy in sub-Saharan Africa. The partnership will help advance power-sector infrastructure through a $1 billion investment from the ROK's Economic Development Cooperation Fund (EDCF), which includes a commitment to construct 1,000 kilometers of transmission lines in Africa from 2018 to 2023.

We will continue to seek out these opportunities and build new partnerships with international and domestic organizations to support countries on their journey to self-reliance.

Taiwan

There is considerable concern over Taiwan being excluded from multilateral fora like the World Health Organization, but there are significant bilateral opportunities in the development field as well, where Taiwan has much to offer in terms of expertise and funding to achieve positive regional and even global development outcomes.

Question. Would you consider the idea of USAID entering into an official development dialogue with Taipei?

Answer. Yes, the U.S. Agency for International Development (USAID) will consider the idea. The Taiwan Relations Act of 1979 and the Six Assurances of 1982 provide the basis for the United States and Taiwan to cooperate in a wide range of mutually beneficial areas, including energy, the environment, and scientific research.

USAID has already engaged, and will continue to engage, with Taiwan to address global challenges, as agreed under the Global Cooperation and Training Framework (GCTF) between the United States and Taiwan.

The GCTF reflects a shared commitment by the people of United States and Taiwan to provide international assistance in a range of areas, including global public health, such to prepare for and address pandemics; media literacy; energy security; women's economic empowerment; humanitarian assistance and disaster relief; and digital connectivity.

Additionally, Taiwan has shown that it has much to offer in the way of innovation, experience, capacity and resources to assist with various critical global challenges. For example, in 2015, USAID collaborated with Taiwan and Denmark to carry out a joint elections-support program through the National Democratic Institute for the historic voting in Burkina Faso. Similarly, USAID continues its collaboration, started in 1971, with the Taiwan-based World Vegetable Center (formerly the Asian Vegetable Research and Development Center), which has recently carried out joint programs in countries as Cambodia, Tajikistan, Tanzania, and Mali.

I can assure you that USAID is committed to strengthening our relationship with Taiwan through our ongoing cooperation.

RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD
SUBMITTED TO HON. MARK GREEN BY SENATOR BENJAMIN L. CARDIN

As you know, June 20 was World Refugee Day. In its Fiscal Year (FY) 2019 budget request, the administration proposed cutting the overall foreign assistance budget by 30 percent, even though humanitarian need continues to grow worldwide. Across the State and USAID budget requests, the administration seeks to cut 12 percent to all humanitarian funding.

Question. From the continuing crisis in Yemen, to the escalating humanitarian situation in DRC, not to mention Rohingya in camps in Bangladesh and millions of Syrian refugees in Turkey and Jordan, and more, how do you rationalize such a significant cut to foreign assistance as instability, need, and suffering continue to grow?

Answer. The United States is the largest provider of humanitarian assistance in the world, and remains committed to providing life-saving assistance to those who need it most. The U.S. Department of State and the U.S. Agency for International Development (USAID) will continue to respond to the needs of millions of refugees, victims of disasters and conflict, internally displaced persons (IDPs), and other vul-

nerable populations around the world through critical programs that provide protection, water, sanitation, healthcare, food, and other essential services.

With the President's Budget Request for Fiscal Year 2019, the United States will retain its leadership role in humanitarian assistance, in accordance with American values, while also asking other donors to contribute their fair share. We will also continue to focus on improving the efficiency and effectiveness of our own humanitarian operations, and with our implementing partners and other international donors.

Because of the current, unprecedented global need, it is imperative that the international community do more to prevent, and resolve, humanitarian crises, including by investing more. USAID is working hard to encourage other donor nations to increase their contributions to global humanitarian efforts, and they are stepping up. For example, from July to December 2017, Australia made $30 million in commitments to respond to the Rohingya crisis in Burma and Bangladesh (one of the largest per capita commitments). At the 2017 Brussels Conference on Syria, donors pledged €5.6 billion ($6 billion), of which two thirds, or €3.7 billion ($4 billion), came from the European Commission (EC) and its Member States. The EC also pledged an additional €560 million ($601 million) for 2018 for Syria, Jordan and Lebanon. Japan has also made numerous significant commitments, including an announcement in December 2017 of $21 million in humanitarian assistance for Syria and its neighboring countries. In March 2018, Japan also made a contribution of $72.3 million to the World Food Programme to provide vital food and nutrition in 23 countries across the Middle East, Africa, and Asia. Finally, at the High-Level Pledging Event for the Humanitarian Crisis in Geneva in April 2017, the Republic of Korea announced its plan to provide $4 million in humanitarian aid to Yemen.

We are hearing that USAID continues to experience unusual program delays. Confusion caused by the President's budget request and bureaucratic delays at the State Department risk rendering aid less effective and causing increased suffering for people on the ground. Specifically, I am concerned about the blanket hold on lifesaving humanitarian assistance to Gaza, which our committee made sure to protect during consideration of the Taylor Force Act, pending a policy review.

Question. Do you believe that when Congress appropriates funds that those funds should be spent as set forth in the mandate in the Appropriations bills and relevant authorizing legislation? What is the status of the administration's review of the Gaza humanitarian funding that was allowed for by the Taylor Force act?

Answer. The U.S. Department of State and the U.S. Agency for International Development (USAID) continue to obligate and implement funds consistent with annual Appropriations Acts, the Impoundment Control Act of 1974, and other applicable laws. As of June 22, 2018, the Bureau of Foreign Assistance Resources (F Bureau) at the State Department has completed its review of, and approved, 95 percent of USAID's Operational Plans (OPs) for Fiscal Year (FY) 2017. USAID has submitted the required Spend Plans for these OPs, and Congress has approved them. Subject to legally required Congressional Notifications and any ensuing holds, the Department of State and USAID will continue to work diligently to ensure we obligate all funds appropriated by Congress as quickly as possible, while assuring our compliance with applicable legal and other requirements.

Regarding U.S. assistance to the Palestinians, including assistance in Gaza, the administration seeks to identify how to leverage all U.S. Government assistance to achieve its policy objectives in the region.

As you and I discussed in our meeting over a year ago, our investments in development programs and projects are most effective in countries with good, citizen-responsive governance and without corruption (or at least where corruption is being fought). However, the administration's FY 2019 request eliminates all bilateral funding from USAID fully and partially managed accounts, including for Poland and Belarus, both countries for which the Countering America's Adversaries Through Sanctions Act (CAATSA) requires Democracy and Governance programming.

Question. How does USAID plan to meet its CAATSA-mandated democracy and governance programming requirements for Poland and Belarus if bilateral funding has been cut for both countries?

Answer. My understanding is that the Countering America's Adversaries Through Sanctions Act (CAATSA) does not specifically mention democracy and governance programming in Poland or Belarus. While the U.S. Agency for International Development (USAID) has neither a presence nor programs in Poland, the President's Budget Request for Fiscal Year (FY) 2019 includes funding for Poland in accounts

managed by the Department of State. The President's FY 2019 Budget Request includes funding for USAID programming in Belarus.

USAID remains committed to advancing citizen-responsive governance and addressing corruption through sustainable programs that emphasize partnership with local reformers and civic organizations. Funds will contribute to building the capacity of host governments to deliver services in an accountable and transparent manner, and to enable citizens to advocate for better governance and accountability.

USAID's Strengthening Civil Society, Civic Engagement and Independent Media in Belarus (BRAMA) Project promotes citizens' engagement in Belarusian civil society. Through bilateral and regional programming (Strengthening Eurasian News), USAID also funds Euroradio through capacity-building in core operations, business-management, and the development social media. USAID is also planning to design a new bilateral media program that should be operational by late 2019. USAID will continue exchange programs that introduce Belarusians to American best practices in business and other professional areas, as well as advance the delivery of social services by strengthening the capacity of local civil-society organizations to support vulnerable groups, such as people with disabilities and victims of human trafficking.

Question. How is USAID able to make progress in anti-corruption efforts through support to local civil society organizations, particularly those in Europe and vulnerable to authoritarian crackdowns?

Answer. Throughout the world, and specifically in Europe, anti-corruption programs funded by the U.S. Agency for International Development (USAID) support and empower local civil-society organizations (CSOs) in Eastern Europe to advocate for, lead, and participate in governance reform, especially in challenging environments where we cannot work effectively with the national government. Our approach to supporting and engaging civil society in these environments has two parts: 1) providing rapid responses to address the immediate needs of CSOs and individuals; and, 2) supporting the longer-term, systemic strengthening of the enabling environment for civic discourse and human rights. We do this through work with local CSOs, media organizations, governments (where feasible), and other stakeholders to strengthen the legal and regulatory environment for non-governmental organizations (NGOs) and the independent media. We also fund the participation and advocacy efforts of civil society and media, which are often the implementers of our assistance. This is the case whether our program is working to enhance transparency, improve municipal governance, improve the delivery of public services, or strengthen public institutions. Where the environment is difficult for formal work with CSOs, we are still building their capacity by leveraging the work of NGOs as partners and implementers.

We also fund the implementation of good-governance platforms, such as the Open Government Partnership (OGP) and the Extractive Industries' Transparency Initiative (EITI), as vehicles to promote citizen-responsive governance and harness technology to strengthen Governments' accountability to citizens. Our programs related to the OGP and EITI, such as those in Armenia, Bosnia and Herzegovina, Georgia, Kosovo and Ukraine, not only build the capacity of partner governments across all their branches to increase their transparency and integrity, but they also strengthen the ability of CSOs, the independent press, and the private sector to serve as accountability monitors. This is especially important in difficult environments.

Our work to fund investigative journalism in different regions of the world informs CSOs with facts and data to use to advocate for reforms. In the Europe and Eurasia region, we provide assistance to the Organized Crime and Corruption Reporting Project (OCCRP), a network of local independent investigative journalists and media professionals to expose corruption and abuses of power. Their efforts help increase public demand for greater transparency and accountability of public officials.

In Ukraine, USAID is funding the "Civic Network" OPORA, an organization that helps government institutions perform their functions in a transparent, open and accountable manner. USAID finances open-data and open-government initiatives in Ukraine that curtail opportunities for government/public-sector corruption. New anti-corruption programming in Azerbaijan is illustrative of the type of work USAID can do with local CSOs, even in a difficult political environment. Through this program, USAID will empower grass-roots CSOs and citizens to combat corruption at the local, subnational, and national levels by delivering training seminars on open government and providing legal aid to citizens and NGOs that are working on anti-corruption legislation.

The Global Development Lab was established by the Obama administration as a vehicle for attracting innovative ideas in science and technology that

can be applied to solving development challenges. The FY 2019 request cuts the Lab funding by 80 percent.

Question. Does your proposed reorganization redistribute that 80 percent of cut funds to the Lab elsewhere? How will you ensure that the Lab's flexibility, autonomy, and resources are not compromised in a redesign? Why does this change guarantee that the lab's innovations will be implemented throughout the agency and not just in pilot projects?

Answer. The President's Budget Request for Fiscal Year (FY) 2019 reflects difficult trade-offs for the U.S. Agency for International Development (USAID) to support the administration's top priorities within a constrained budget environment, including by ensuring sufficient support to Missions in the field consistent with the FY 2018 request. Under USAID's Transformation, the work of the Global Development Lab (the Lab) and other innovation hubs in the Agency will remain critical as we find new solutions to accelerate development results, increase our effectiveness, engage new actors and implementers, take advantage of advancements in science and technology, and maximize the impact of taxpayer dollars.

The core capabilities the Lab brings to the Agency advance our foreign-assistance priorities and ensure we stay on the leading edge of development. Under the proposed Transformation, USAID plans to use these core capabilities by integrating those tools and approaches that have proven successful into their corresponding practice areas; maintaining a space for discovery, testing and experimentation around innovation, technology, and science for development; and strengthening the systems and processes that facilitate applying innovative approaches to more of USAID's work.

The proposed Bureau for Development, Democracy and Innovation (DDI) would house a hub for discovering, testing and accelerating innovative approaches in science and technology. Through this new structure, the Agency would be able to integrate innovation and proven Lab approaches more effectively across all sectors and regions. Additionally, USAID would increase the connections more directly between successful approaches to engaging the private sector, through programs like the Global Development Alliance (GDA), and harnessing the higher education community towards global challenges, through programs like the Higher Education Solutions Network (HESN), into the economic growth and education sectors in the proposed DDI Bureau. Changes around USAID's programmatic business process known as the "Program Cycle," such as co-creation or innovation incentive awards, would be crucial reforms carried out by the proposed Policy, Resources and Performance (PRP) Bureau.

The proposed Innovation Hub within the DDI Bureau would continue to lead the Agency in open innovation, digital development, and research and development (R&D), through programs like the Development Innovation Ventures (DIV). The Hub would maintain a culture of being evidence-based and iterative, focused on finding the best ideas and working with a range of partners to test and develop them. More important, by placing the talent of the Innovation Hub alongside USAID's expertise in several technical sectors and areas of cross-cutting work, the staff of the Hub would have the opportunity to mentor and build the capacity of USAID staff writ-large continuously, to improve how they work, and what they do. Innovation, discovery and learning would not take place in just one place in the Agency, but in every place in the Agency.

By integrating the core capabilities of the Lab into the proposed DDI and PRP Bureaus, USAID would be able to affect the design and implementation of programs across the Agency more effectively. The new structure would facilitate the uptake of promising innovative tools and approaches into programs through DDI's connections to the Missions and PRP's implementation of the Program cycle. For example, promising innovations that come out of the DIV program could influence the design of all new programs in the DDI Bureau, and the Agency could apply proven tools like digital finance and data analytics more broadly as Missions receive enhanced technical assistance from the DDI Bureau.

Even before we implement the structural proposal of the Transition, we continue to integrate promising new tools and approaches into the way the Agency does development. For example, USAID's Mission in Zambia has invested $5 million through the DIV team to support a package of remedial-education interventions known as Teaching at the Right Level (TaRL) proven to work in multiple country contexts. DIV is also working with the Office of Education in the Bureau of Education, Economic Growth, and the Environment to explore how to embed learnings from TaRL into the Agency's guidance on how to design educational programs.

Question. Can you guarantee that a reorganization effort will ensure programs like OFDA maintain the authorities that make them effectively implement emergency humanitarian programs?

Answer. The proposed Transformation of the U.S. Agency for International Development (USAID) is not requesting any changes to the authorities on which the Offices of U.S. Foreign Disaster Assistance (OFDA) and Food for Peace (FFP) to implement their emergency humanitarian programs. USAID is also not proposing any changes to the Foreign Assistance Act. USAID's Transformation would elevate humanitarian assistance within the Agency's organizational structure and improve the effectiveness of humanitarian programs, but under existing authorities.

Question. Can you discuss what current gaps you see in USAID's resilience programming and why resilience and food security are distinctly named in the new Bureau's name? Isn't food security an element of resilience?

Answer. I agree that food security is a key element and source of resilience. Resilience is also critical to protecting gains in food-security outcomes, such as reductions in hunger, poverty and malnutrition, in the face of shocks such as the El Niño droughts in places like Ethiopia and Malawi in 2016. This is why the Center for Resilience has been part of the current Bureau for Food Security since its inception in 2015. However, it is also clear that resilience is broader than just food security, as other factors like water security and nutrition also affect the ability of communities and countries to mitigate, adapt to, and recover from shocks.

Our current structure is not sophisticated enough to deal with these complexities. The proposed Bureau for Resilience and Food Security (RFS) would elevate USAID's focus on building resilience in places subject to recurrent humanitarian crises, while also protecting the progress of people and countries on their Journey to Self-Reliance. The proposed Bureau for RFS would house the USAID Center for Resilience which would chair an intra-agency Resilience Leadership Council to ensure strategic, budgetary, geographic and technical coordination across Bureaus, sectors and funding streams, including for water, health, sanitation, and nutrition.

Question. Is resilience only going to focus on food security? What about health care and education shocks? How will USAID ensure the lessons and principles of resilience are incorporated in other programs if it only lives in the Bureau for Food Security?

Answer. The proposed Bureau for Resilience and Food Security (RFS) would strengthen linkages across sectoral investments, such as agriculture, nutrition, health, education, water and sanitation, the environment, and infrastructure, to accelerate and protect development gains. RFS would work to improve the understanding of the U.S. Agency for International Development (USAID) and our implementing partners which sources of resilience matter most in a particular context, by using data to assess and inform our programming. The cross-Bureau Resilience Leadership Council would coordinate budget, strategy, geographic targeting, and external engagement across the Agency, to ensuring the incorporation of the lessons and principles of resilience in investments made across USAID, not just in programming that originates from the proposed RFS. This would help ensure all of the Agency's technical, human and financial resources align to address the root causes of recurrent humanitarian crises and protect development gains in other sectors, including in health and education. Tools such as a central online platform for knowledge-management and learning on resilience would improve coordination across Bureaus and field Missions, and incorporate evidence and resilience principles into all the Agency's relevant programming.

Question. Please explain how the USAID reorganization will actually change the way USAID does business. What will change in terms of how decision-making, programming, hiring, and policy-making are done?

Answer. One of the objectives of the proposed Transformation of the U.S. Agency for International Development (USAID) is to create a stronger, more coordinated voice for the Agency's development policy and budgetary priorities, internally and in the interagency, to advance U.S. foreign-assistance objectives. Responsibilities for policy, budget and performance at USAID are currently divided among five different Bureaus and Independent Offices. By consolidating development policy, the management of the Program and Operational Expenses budgets, and the evaluation of programmatic performance in the proposed Bureau for Policy, Resources and Performance (PRP), USAID would be better-equipped to align our resources to our strategic priorities through evidence-based programming, and to assess the Agency's progress towards achieving our objectives as a true learning organization.

To execute the vision for the Journey to Self-Reliance, USAID needs to have the right people, in the right place, and at the right time, which is why workforce-planning is a key part of the Transformation. USAID will continue our strategic hiring approach that aligns our workforce-planning with the administration's foreign-policy and budgetary priorities. For example, the Agency will continue using the Hiring and Reassignment Review Board (HRRB) to accommodate our staffing needs, including through external hires. The HRRB monitors attrition levels, identifies gaps in the competencies of our workforce, and prioritizes the essential positions to fill. This corporate view ensures we remain within our funding levels; support our priorities; and recruit, retain and deploy the talent we need.

Under the proposed Transformation, USAID's Missions would continue to be the lead decision-maker over their programming. Missions would continue to prepare resource requests and design their strategies, projects, and activities, while Washington would provide both required and requested advisory services to ensure projects reflect the latest evidence and the appropriate strategic direction. What would change in how we do business is that Washington would have very clearly labeled "Centers" throughout technical Bureaus that would be the primary service-providers for field-support, which should reduce the burden of coordination for our field staff and allow for more accountability through the use of customer-service metrics and systems established as part of the Transformation.

Question. Do the Foreign Service and civil service unions support the reorganization? Are they committed to going forward with the reorganization as you present it?

Answer. As part of the Transformation process, the leadership of the U.S. Agency for International Development (USAID) has provided a comprehensive and high-level overview of the proposed changes to the American Foreign Service Association (AFSA) and the American Federation of Government Employees (AFGE) on multiple occasions. Understanding the realities of Transformation, the unions' main request is for us to engage them, and hear them, as we proceed through the design and planning processes. As a result, USAID labor-relations staff provide regular briefings and updates on the status of Transformation for both the unions. Both unions have reserved the right to bargain on all negotiable issues, to include negotiations on impact and implementation. We will continue to coordinate closely with the unions as we plan our future workforce.

Question. Secretary Pompeo was confirmed just two short months ago. Do you believe Secretary Pompeo recognizes the important role of development in diplomacy? How, if at all are you working together to ensure development and diplomatic efforts are in alignment?

Answer. Yes, I am confident that Secretary Pompeo recognizes the important role of development in diplomacy. The Secretary highlighted this view in his opening remarks on his first day at the Department of State. In these comments, Secretary Pompeo cited the important role that the U.S. Agency for International Development (USAID) plays in achieving our shared mission, by stating that USAID's work is an "important part of the mission.. to deliver President Trump and America's foreign policy around the world."

USAID and the U.S. Department of State cooperate closely to ensure our development and foreign-policy activities are successfully achieving the objectives of the President's National Security Strategy (NSS). Building on the NSS, the USAID and State Department Fiscal Year 2018-2022 Joint Strategic Plan strengthens our alignment; articulates development and diplomacy priorities; and bolsters strategic clarity, operational effectiveness, and accountability to the American people. USAID and State further increase our alignment through our planning efforts on Joint Regional Strategies, Integrated Country Strategies, and day-to-day strategic discussions between staff who work at U.S. Embassies and USAID Missions worldwide.

In January, the Trump administration released guidance for the Foreign Aid Transparency and Accountability Act—unanimously passed by Congress—calling on all aid agencies to establish and set high standards for evaluation and learning policies.

Question. Why has the administration again proposed eliminating nearly half of the PPL Bureau in its budget request to Congress, and what specifically would the Bureau have to give up under this budget?

Answer. The U.S. Agency for International Development (USAID) is committed to implementing the Foreign Aid Transparency and Accountability Act (FATAA). The Bureau for Policy, Planning and Learning (PPL) works in concert with the Bureau for Management to spearhead Agency-wide aid efforts to increase transparency and

accountability. Given the importance of this agenda to ensuring effective development results and accountability to the American taxpayer, as well as USAID's commitment to fulfill various international and congressional reporting requirements, the Agency will continue to meet its obligations under FATAA.

The President's Budget Request for Fiscal Year (FY) 2019 for the U.S. Department of State and the U.S. Agency for International Development (USAID) focuses resources on our national security at home and abroad, on economic development that contributes to the growth of our own economy, on continued leadership in international institutions based on a fair distribution of the burden, and on renewed efforts to modernize and make more effective the operations of both the Department of State and USAID. USAID will seek to continue to support important accountability efforts as final determinations regarding the allocations of the Agency's budget within the PPL Bureau.

Question. How will you work with the State Department to improve aid data and data management, including resolving the multiple platforms for aid data that currently exist? What resources from the FY 2019 request are proposed to address these needs?

Answer. Both the Department of State and the U.S. Agency for International Development (USAID) have similar, but distinct, requirements and capabilities for reporting on, and improving the transparency of, U.S. foreign assistance. In Fall 2017, a Working Group comprised of staff from the Department of State and USAID conducted a review, and identified options for the consolidation of processes and data-collection related to ForeignAssistance.gov (FA.gov) and the Foreign Aid Explorer (Explorer.USAID.gov). The Working Group drafted a summary report that identified several options that respond to the Sense of Congress in the Foreign Aid Transparency and Accountability Act (FATAA) to unify the presentation of information on the two websites.

Despite a number of discussions under the now-abandoned Redesign launched by former Secretary of State Rex Tillerson, the conversation about how to move forward to implement the options presented by the Working Group has not advanced. Nevertheless, USAID is improving the quality and comprehensiveness of its aid data and data-management within existing resources, and continues to believe FA.gov and Explorer.USAID.gov should have a single consumer interface. We are examining the resources required to operationalize the options outlined by the Working Group, but are not requesting additional funds to do so at this time.

Africa CT Policy: *The deaths of four U.S. soldiers in an insurgent ambush in Niger in October 2017 highlighted the growing U.S. military presence and scope in Africa, now encompassing about 6,500 personnel. DOD's security assistance spending in Africa, which surpassed that of the State Department starting in FY 2015, has played an increasing role in U.S. counterterrorism. However, development programming plays a critical role in creating stable societies that can withstand the rise of extremist ideologies and political instability.*

Question. Given the growing terrorist threats on the African continent, how, specifically, can we better align USAID programming and counterterrorism efforts to simultaneously suppress terrorist groups and address the drivers of violent extremism, which include poverty, weak governance, corruption, and xenophobia?

Answer. The U.S. Agency for International Development (USAID) plays a crucial role in the U.S Government's effort to counter violent extremism (CVE). The Trans-Sahara Counterterrorism Partnership (TSCTP) and the Partnership for Regional East Africa Counterterrorism (PREACT) serve as the overarching frameworks for the interagency policy and programmatic coordination of this work. These region-specific strategies reflect the objectives in the President's National Security Strategy. USAID closely coordinates our development work in the field with, and complements, the security and diplomatic efforts led by the Departments of Defense and State. USAID's CVE programs promote both a local and a regional perspective that facilitates trans-boundary analysis, fosters cross-border approaches and learning, and leverages partnerships with regional institutions, to support national momentum to counter violent extremism.

For example, across the Sahel, USAID's Voices for Peace program uses over 90 community radio platforms in over 20 local languages to amplify moderate voices that strengthen positive narratives, expand access to information, and increase dialogue and exchanges on governance and peace-building. As one community member in Diffa, Niger, stated: "This is incredibly important, because the radio program's messages are spreading everywhere, not only among the youth, but even among the elderly who can't read, but who are dedicated radio listeners."

In the Horn of Africa, USAID's investments focus on community-level efforts to implement holistic, national CVE action plans, as well as integrated cross-border programming that reinforces the role of community actors to address underlying conditions the make youth vulnerable to recruitment by extremists groups. In Kenya, USAID takes this one step further with programming that supports the implementation of county-level CVE action plans with input from political, business, civil society, and religious leaders invested in CVE efforts in each county.

Question. How might USAID improve coordination across the Africa and Middle East bureaus regarding CVE efforts in the Sahel and North Africa?

Answer. The well-established coordination structures and processes developed through the creation of the Trans-Sahara Counter Terrorism Partnership in 2005 continue to provide the framework for coordination on regional, sub-regional, and national levels. This routine coordination improves through events that promote regional knowledge-sharing, evaluations, and trainings that support the cross-pollination of ideas, lessons learned, and best practices to counter the scourge of violence and extremism in the Sahel and Maghreb.

Question. How can we better ensure that the United States' counterterrorism policy syncs with our diplomatic, rule of law, human rights, development, and economic engagement on the continent?

Answer. A fundamental principle for any program funded by the U.S. Agency for International Development (USAID) is to work by, with, and through our partners. This principle is even more critical for programming to counter violent extremism (CVE) -whether it involves providing people with education, employment, security, or a sense of purpose in their lives—because it depends on engendering trust between governments and the communities most vulnerable to radicalization.

USAID applies this principle by conducting risk-assessments so that programs incorporate an understanding of the factors that generate and sustain violent extremism in each country, as well as the local context. This detailed understanding helps us to apply another core principle of "do no harm," to ensure that CVE approaches do not aggravate a fragile peace in areas that are struggling with poverty, climatic shocks, lack of trust between the population and security forces, and victimization by violent groups

USAID also links prevention to broader development and economic efforts as a way to build in an enduring resistance to extremists and their ideology. This can include ensuring a gender-sensitive approach that takes into consideration the role played by women, fostering more-effective communication among local populations and security forces and local government or traditional leaders, and offering employment-related training for youth cohorts in multiple sectors.

The administration's National Security Strategy recognizes that America "faces an extraordinarily dangerous world, filled with a wide range of threats that have intensified in recent years" and that we must use all of our national security tools to confront these threats. At the same time, the administration has proposed deep cuts to development and diplomacy, leading retired Army Chief of Staff Gen. George W. Casey to comment that there is a "strategy and budget mismatch."

Question. How do you reconcile this discrepancy in resources with not only the threats we currently face but this administration's own strategy to confront those challenges?

Answer. While the administration views the roles of the State Department and the U.S. Agency for International Development (USAID) in diplomacy and development as critical to national security, the administration also remains committed to the appropriate stewardship of taxpayer dollars

As such, the President's Budget Request for Fiscal Year (FY) 2019 for the State Department and USAID focuses resources on our national security at home and abroad, on economic development that contributes to the growth of the U.S. economy, on continued leadership in international institutions based on a fair distribution of the burden, and on renewed efforts to modernize and make more-effective the operations of both the State Department and USAID. At the same time, we call on other donors to do more, and seek to mobilize other resources towards our goals, such as from the private sector and from partner countries' domestic resources.

The President's Budget Request for FY 2019 upholds his commitment, as outlined in the National Security Strategy and the State Department and USAID Joint Strategic Plan, to serve the needs of American citizens, to ensure their safety, to preserve their rights, and to defend and promote their values. It allows us to advance our national-security objectives and foreign-policy goals, and provides the resources

necessary to advance peace and security, expand American influence, and address global crises, while prioritizing the efficient use of taxpayer resources.

While Congress ultimately determines spending levels for USAID, the administration's budget proposal has a substantial impact on the implementation of U.S. foreign policy—with USAID missions required to prepare for the most severe budget cuts. As history has shown, prematurely scaling back USAID missions or programs can have serious effects, potentially leading to a more costly military intervention or humanitarian emergency down the road.

Question. What are you doing to ensure USAID's missions and projects are not adversely affected by the proposed budget cuts?

Answer. The President's Budget Request for Fiscal Year (FY) 2019 provides substantial resources to advance peace and security, expand American influence, and address global crises, while making efficient use of taxpayer resources. For example, the Budget Request includes significant support to defeat the Islamic State in Iraq and Syria (ISIS) and other transnational terrorist and criminal groups, advance global health programs, and provide humanitarian assistance. The Budget Request focuses resources on our national security at home and abroad, including on renewed efforts to modernize and make more effective the operations of both the Department of State and the U.S. Agency for International Development (USAID).

The Budget Request also promotes the advancement of more stable, resilient, and democratic societies that are self-reliant, lead and fund their own development, and contribute to a more secure and prosperous world, a key priority for USAID. The request upholds U.S. commitments to key partners and allies through strategic, selective investments that enable the United States to retain its position as a global leader; at the same time, it relies on other nations to make greater, proportionate contributions toward our shared objectives. By calling on other donors to do more, we seek to mobilize other resources towards our goals (e.g., from the private sector, and from partner countries' domestic budgets).

The President's FY 2019 Budget Request upholds his commitment, as outlined in the National Security Strategy and the State Department and USAID Joint Strategic Plan, to serve the needs of American citizens, to ensure their safety, to preserve their rights, and to defend and promote their values.

Last month, our committee held a hearing to examine U.S. policy in Yemen. During the hearing, I asked our DoD witness how we are ensuring that our assistance to the coalition is helping to reduce civilian casualties when we don't in fact track those casualties. Mr. Karem responded that we have "insight into Saudi targeting behavior", and that "Saudi and Emirati targeting efforts have improved".

Question. I know you can't speak for DoD, but as USAID administrator, how do you think civilian casualties impact our ability to help negotiate a political resolution to the Yemen crisis? Do you agree that these casualties put America's reputation at risk? How would you suggest the U.S. address this risk? What steps are you taking to ensure a political resolution to this crisis?

Answer. The United States remains concerned about the effect of the devastating conflict on the Yemeni civilian population. The United States has provided more than $850 million in critical humanitarian assistance to the people of Yemen since the war began, including food, medical supplies, and clean drinking water. The U.S. Agency for International Development (USAID), with interagency counterparts, is engaging proactively with Coalition partners at the highest levels to mitigate the conflict's impact on civilians, and the risk of civilian casualties and harm to civilian objects. Attacks on innocent civilians in war, under any circumstance, are unacceptable. We take all credible reports of civilian casualties seriously, and call upon all parties to take appropriate measures to diminish the risk that they will occur. We also urge all parties to the conflict to investigate incidents, take appropriate accountability measures, and release the results of investigations publically.

Only a political solution will resolve the conflict in Yemen. To that end, USAID is closely engaged with the U.S. Department of State and the United Nations Special Envoy, and supports his efforts to find a political solution. Escalations in violence in Yemen make these talks all the more urgent. We continue to urge all parties to engage the U.N. promptly, and in good faith, to find a political solution to this war.

The 2018 Worldwide Threat Assessment of the Intelligence Community found that "poor governance, weak national political institutions, economic inequality, and the rise of violent non-state actors all undermine states'

abilities to project authority and elevate the risk of violent-even regime-threatening-instability and mass atrocities."

Question. How does this budget prioritize efforts to address the root causes of violent conflict like poor rule of law, governance, weak political institutions, and economic inequality?

Answer. How does this budget prioritize efforts to address the root causes of violent conflict like poor rule of law, governance, weak political institutions, and economic inequality?

The President's Budget Request for Fiscal Year (FY) 2019 effectively leverages the unique position of the U.S. Agency for International Development (USAID) to advance democratic, citizen governance and address the causes and consequences of closing democratic space, instability, state fragility, and violent extremism. Using a field-based approach, USAID manages approximately $1.7 billion of the U.S. Government's $2.3 billion annual budget for democracy, human rights, and governance (DRG) budget, with Mission-based programs in over 70 countries managed by over 400 American and local experts.

USAID's DRG programs, alongside programming in other sectors, address the underlying causes of national-security threats, including terrorism, transnational crime, trafficking in persons and wildlife, state fragility, and illegal migration. USAID's investments support the rule of law and judicial institutions, strengthen the performance and accountability of governments, and protect human rights.

They also foster economic opportunity, fight corruption, and strengthen independent media and civil-society institutions that are important in addressing the root causes of conflict.

Question. What tools are you employing to prevent atrocities that would impact our national security interests?

Answer. The U.S. Agency for International Development (USAID) uses a range of approaches to address the risk of mass atrocities. They fall into four core categories:

(A) Recognizing and communicating information and analysis about the risk of atrocities: USAID uses early-warning and assessment tools to detect potential risks before atrocities might occur. Further, we regularly gather information from our field Missions on incidents that could be risk factors or warning signs. We also regularly consult with interagency colleagues and outside groups like the U.S. Holocaust Memorial Museum on at-risk countries.

(B) Prevention through mitigating risks and bolstering resilience: USAID's investments in preventing conflict; promoting human rights, the rule of law, and democratic, citizen-responsive governance; strengthening civil society; and building the capacity and legitimacy of weak states are the most important role our Agency plays in preventing mass atrocities. USAID's response to these upstream preventative issues gives us a unique and long-term ability to influence a country context to achieve more-peaceful outcomes. USAID has a range of mechanisms in each of the above sectors, applied in both long-term and rapid-response capacities to address emerging risk factors and warning signs.

(C) Responding to limit the consequences of ongoing atrocities: USAID provides life-saving humanitarian assistance to populations who are experiencing the impact of mass atrocities, including in Burma, South Sudan, Syria, and elsewhere. In addition to humanitarian assistance, USAID pays for trauma-support for victims, early-warning mechanisms and communications capacity for at-risk communities, and atrocity-sensitive capacity-building for local and regional media.

(D) Supporting Recovery Efforts: USAID promotes the recovery from, and the prevention of, the recurrence of atrocities through funding for the strengthening of accountability mechanisms and post-conflict and judicial institutions, and work to heal trauma.

USAID also offers instructive materials and online training for our staff to build capacity to recognize risks and develop programs to prevent mass atrocities. USAID is also creating in-person training for staff on the risk of atrocities and related development programs.

RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD
SUBMITTED TO HON. MARK GREEN BY SENATOR TODD YOUNG

Question. As of June 20, the GAO website reports that USAID has 28 open recommendations, including 5 priority recommendations-with the oldest from 2014. For

any open priority recommendations or open recommendations from 2017 or earlier, please provide my office a written update. For any recommendation USAID has decided to adopt, I am interested in a timeline for implementation and an explanation for any delay. For any recommendation that USAID has decided not to implement or fully implement, I am interested in a detailed justification.

Answer. The recommendations of the Government Accountability Office (GAO) are integral to the success of the U.S. Agency for International Development (USAID) because they put the Agency in a better position to perform our mission and reflect American values around the world. The GAO helps save taxpayer dollars by enhancing the efficiency, effectiveness, integrity, and accountability of the Agency's programs and operations, as well as pushing us to prevent and respond to fraud, mismanagement, and wasteful practices.

On December 5, 2017, I announced a zero-tolerance policy for audit backlogs, and called on all Bureaus and Independent Offices to prioritize the resolution of recommendations made in audits by the GAO and the Office of the USAID Inspector General (OIG). By the end of May, the Agency had erased its backlog of recommendations from both the GAO and OIG.

USAID has concurred with each of the 28 open recommendations about which you asked, and has fully implemented many of them. Of the 28 recommendations, the GAO has confirmed closure of 10, and confirmed receipt of closure requests for many of the remaining ones. USAID will fully implement all the recommendations it has not yet fully implemented.

Question. In your written statement, you mentioned USAID's work related to development impact bonds. As you noted, "Under this new model, private capital funds the initial investment, and USAID pays if, and only if, the carefully defined development goal is achieved." Are there additional areas of USAID's mission or operations that are particularly conducive to the use of development impact bonds or other innovative financing tools? How can Congress be helpful in this area?

Answer. An impact bond is a type of pay-for-results activity, in which a funder pays a service-provider only upon the achievement of specific outcomes tied to social or development metrics. For an impact bond, the service-provider needs up-front capital from an investor to finance the work, and the investor is willing to take on the performance and financial risk that the service-provider can deliver as planned. In return for taking on such risk, the investor potentially realizes a return on its investment. For an impact bond to work, the program must have measurable, verifiable results upon which to base payments, and the implementing partner must need up-front capital. The potential of pay-for results methodologies, and development-impact bonds in particular, is not limited to any specific sector.

To date, the U.S. Agency for International Development (USAID) has participated in and funded two impact bonds. The $5.26 million Village Enterprise Development-Impact Bond was the first, and the first of its kind in Africa. The purpose of the bond is to "crowd in" investment from impact investors to provide Village Enterprise with working capital to scale its successful program of creating and sustaining microenterprises by providing small cash grants, business and financial-literacy training, mentoring, and access to savings. In exchange for up-front capital to fund the Village Enterprise program, funders, including USAID's Development Innovation Ventures and the Department for International Development (DFID) of the United Kingdom, agreed to repay investors plus a return, provided that Village Enterprise delivered verifiable outcomes, such as improved income and consumption.

The second development-impact bond USAID has funded is the Utkrisht Impact Bond, which is one of the largest and most-ambitious development-impact bonds to date. Bringing together USAID, Merck for Mothers, the UBS Optimus Foundation, Population Services International, Palladium, and the Hindustan Latex Family-Planning Promotion Trust (HLFPPT), the Utkrisht Impact Bond aims to reduce the number of maternal and newborn deaths in the State of Rajasthan, in the Republic of India, by improving the quality of care in private health facilities. In this financing structure, private capital from the UBS Optimus Foundation will cover the up-front costs of improving the quality of health care in approximately 440 private health facilities in Rajasthan. HLFPPT and PSI will use that working capital to help the private facilities meet quality and accreditation standards set by the Indian Government. As outcome-payers, USAID and Merck for Mothers will pay back this investment only if the facilities meet the national standards related to maternal and newborn health. This pay-for-success approach ensures the appropriate stewardship of U.S. taxpayer dollars, while unlocking both private capital and resources from the Indian Union Government and State of Rajasthan for health care. If successful, the State Government of Rajasthan has agreed to continue supporting the bond after the initial three year pilot, which provides a path to long-term sustainability for

these activities and results. Through increased access to life-saving supplies, a greater number of appropriately trained staff, and an improved ability for these health professionals to address complications in labor, this effort has the potential to reach up to 600,000 women and newborns over five years.

Through Development Innovation Ventures (DIV), a tiered, evidence-based open-innovation program managed by the Global development Lab, USAID has received proposals for development-impact bonds in health, sanitation, economic development, and education, and we anticipate additional proposals. Because DIV accepts applications from any sector and country, these proposals represent a "market test" for interest in priority sectors. We are also exploring other, more-direct ways to catalyze private capital—again by using a pay-for-results approach. For example, we have encouraged Ghanaian banks to provide financing for agriculture by taking the performance risk, through the delivery of incentive payments based upon the disbursement of loans. Competition for these incentive payments among banks provides the ability to minimize the incentives necessary to accomplish disbursements under loans for agriculture-related investments, which maximizes the leverage of development dollars.

USAID'S GAO PRIORITY RECOMMENDATIONS

Letter Ref.	Report Number	Rec. No.	Recommendation Text	USAID Updates	Target Action Completion Date
1	GAO-14-277	1	To strengthen USAID's ability to help ensure that its food aid prepositioning program meets the goal of reducing delivery time frames in a cost-effective manner, the USAID Administrator should systematically collect, and ensure the reliability and validity of, data on delivery time frames for all emergency food aid shipments, including prepositioned food aid shipments..	USAID concurred with this recommendation and, in 2017, provided GAO with a statement of work to develop a system to track commodity inventory data. USAID had planned to have a contract in place by in July 2018 but the initial contract award did not lead to a viable solution.. IT implementation and USAID specific IT security requirements and processes. USAID's CIO has agreed to this approach and is working closely with USAID/FFP and M/OAA to ensure that the contract, focused on addressing the key system requirements noted in the GAO recommendation is awarded by the end of this calendar year.. As USAID has worked on the design and procurement for the new pre-positioning tracking system, it has taken steps using existing systems to enhance its oversight of the pre-positioned inventory in the short term. This has included increasing the frequency with which USAID receives inventory reports for each of USAID's four pre-positioning warehouses. The inventory reports include standardized datasets for comparability and ease of tracking, and include improved functionality on pick-up dates for new commodities as well as balances remaining from specific commodity lots. Further, USAID systematically collects and reports on the approximate physical location of all shipments based on information provided by implementing partners..	12/31/2018

USAID'S GAO PRIORITY RECOMMENDATIONS—Continued

Letter Ref.	Report Number	Rec. No.	Recommendation Text	USAID Updates	Target Action Completion Date
2	GAO-14-277	2	To strengthen USAID's ability to help ensure that its food aid prepositioning program meets the goal of reducing delivery time frames in a cost-effective manner, the USAID Administrator should systematically monitor and assess data on delivery time frames for prepositioned food aid shipments..	USAID concurred with this recommendation and, in 2017, provided GAO with a statement of work to develop a system to track commodity inventory data. USAID had planned to have a contract in place by July 2018 but the initial contract award did not lead to a viable solution. USAID is seeking an optimal solution that contains rigorous requirements, deliverables and timelines that will ensure an effective and timely deployment of the system.. As such, USAID is using a co-creation approach for this award, contracting with multiple vendors, each with specific expertise in key areas of the award including logistics, IT implementation and USAID specific IT security requirements and processes. USAID's CIO has agreed to this approach and is working closely with USAID/FFP and M/OAA to ensure that the initial phase of the project, focused on addressing the key system requirements noted in the GAO recommendations, is awarded by the end of February, 2019.. As USAID has worked on the design and procurement for the new pre-positioning tracking system, it has taken steps using existing systems to enhance its monitoring and assessments of its regularly collected data. In the short term, pre-positioning warehouses are monitored on-site on a monthly basis by an independent, third party inspection company who is often in the warehouse daily. The resulting reports are used, in part, to verify the data provided in the weekly inventory reports submitted by warehouse operators.. USAID further monitors the pre-positioned inventory through its own routinely scheduled visits from Washington-based staff and more regular visits from country- and regionally-based Food for Peace Officers. Information on prepositioned inventory, once received and verified, is uploaded into a Microsoft Access database, where it is analyzed and compiled into weekly reports that are distributed to staff..	02/28/2019

3	GAO-14-277	3	To strengthen USAID's ability to help ensure that its food aid prepositioning program meets the goal of reducing delivery time frames in a cost-effective manner, the USAID Administrator should systematically monitor and assess costs associated with commodity procurement, shipping, and storage for prepositioned food aid shipments..	USAID concurred with this recommendation and, in 2017, provided GAO with a statement of work to develop a system to track commodity inventory data.. USAID had planned to have a contract in place by July 2018 but the initial contract award did not lead to a viable solution. USAID is seeking an optimal solution that contains rigorous requirements, deliverables and timelines that will ensure an effective and timely deployment of the system.. As such, USAID is using a co-creation approach for this award, contracting with multiple vendors, each with specific expertise in key areas of the award including logistics, IT implementation and USAID specific IT security requirements and processes. USAID's CIO has agreed to this approach and is working closely with USAID/FFP and M/OAA to ensure that the initial phase of the project, focused on addressing the key system requirements noted in the GAO recommendations, is awarded by the end of February, 2019.. In the meantime, USAID has enhanced its capacity to monitor and assess costs associated with pre-positioned food aid. USAID has always structured its pre-positioning contracts such that the Agency only pays for the space utilized. In FY 2018, USAID also reduced the number of operational pre-positioning warehouses from five to four based on improved demand forecasting. Further,. USAID increased the use of its domestic pre-positioning warehouse in Houston, TX, reducing the handling and ocean freight costs. In its pre-positioning warehouse in Djibouti, USAID has added a racking system to more effectively use the allotted space. Finally, USAID requires palletization of all vegetable oil in pre-positioning warehouses, which helps to reduce losses resulting from damage during transportation from the United States..	02/28/2019

USAID'S GAO PRIORITY RECOMMENDATIONS—Continued

Letter Ref.	Report Number	Rec. No.	Recommendation Text	USAID Updates	Target Action Completion Date
4	GAO-17-224	1	To enhance USAID's financial oversight of implementing partners' spending to implement and support Title II development and emergency projects, the USAID Administrator should develop, document, and implement a process for periodically conducting systematic, targeted financial reviews of Title II development and emergency projects. Such reviews should include efforts to verify that actual costs incurred for these projects align with planned budgets..	USAID concurred with the recommendation. In April 2018, USAID informed GAO that USAID selected two Title II awardees/countries to be reviewed. USAID has conducted these reviews, which consisted of an initial desk review of documentation, consultation with the NGO's headquarters staff, and a field review in the NGO's country office, to be followed by the preparation of a report. USAID is now preparing reports for the reviews and documenting the financial review process for consistent future use..	12/31/2018
5	GAO-17-224	3	To enhance USAID's financial oversight of implementing partners' spending to implement and support Title II development and emergency projects, the USAID Administrator should take steps to ensure that it collects complete and consistent monitoring data from implementing partners for Title II development and emergency projects on the use of 202(e) funding for cash transfers, food vouchers, and local and regional procurement as well as data on the use of Title II funding for internal transportation, storage, and handling (ITSH) costs, in accordance with established requirements..	USAID concurred with the recommendation. In December 2017, USAID confirmed with GAO that USAID will continue to use the updated Food for Peace development award template, which requires programs to provide quarterly reports on cash transfers, food vouchers, and local and regional procurement.. In February 2018, USAID provided support that it has developed training and standardized oversight staff roles and responsibilities to ensure that complete and consistent monitoring data is collected for Title II development and emergency projects. The closure of this recommendation requires a final report for an award that will not be issued until January 2019. USAID has confirmed that it will provide the required documents to GAO upon their issuance..	02/19/2019

GAO OPEN RECOMMENDATIONS FROM 2017 OR EARLIER

Letter Ref.	Report Number	Rec. No.	Recommendation Text	USAID Updates	Target Action Completion Date
6	GAO-14-22	2	To improve the efficiency and accountability of the emergency food aid procurement process, the Secretary of Agriculture and Administrator of USAID should direct their staffs to work together to take steps to improve USDA's ability to account for U.S. Government funds by ensuring that USAID provides USDA with accurate prepositioned commodity inventory data that USDA can independently verify..	USAID concurred with this recommendation and, in 2017, provided GAO with a statement of work to develop a system to track commodity inventory data. USAID had planned to have a contract in place by July 2018 but the initial contract award did not lead to a viable solution. USAID is seeking an optimal solution that contains rigorous requirements, deliverables and timelines that will ensure an effective and timely deployment of the system. As such, USAID is using a co-creation approach for this award, contracting with multiple vendors, each with specific expertise in key areas of the award including logistics, IT implementation and USAID specific IT security requirements and processes. USAID's CIO has agreed to this approach and is working closely with USAID/FFP and M/OAA to ensure that the contract, focused on addressing the key system requirements noted in the GAO recommendations, is awarded by the end of this calendar year.. As USAID has worked on the design and procurement for the new pre-positioning tracking system, it has taken steps using existing systems to enhance its monitoring and assessments of its regularly collected data. Pre-positioning warehouses are monitored on-site on a monthly basis by an independent, third party inspection company. The resulting reports are used, in part, to verify the data provided in the weekly inventory reports submitted by warehouse operators. USAID further monitors the pre-positioned inventory through its own site visits—annual visits from Washington-based staff and more regular visits from country- and regionally-based Food for Peace Officers. Information on pre-positioned inventory, once received and verified, is uploaded into a Microsoft Access database, where it is analyzed and compiled into weekly reports that are distributed to staff..	12/31/2018

GAO OPEN RECOMMENDATIONS FROM 2017 OR EARLIER—Continued

Letter Ref.	Report Number	Rec. No.	Recommendation Text	USAID Updates	Target Action Completion Date
7	GAO-15-102	3	To help ensure agencies can more fully implement their monitoring policy and guidance related to recruitment of foreign workers, the Secretaries of Defense and State and the Administrator of the U.S. Agency for International Development should each develop, as part of their agency policy and guidance, a more precise definition of recruitment fees, including permissible components and amounts..	The rule-making process to define ''recruitment fees'' is an inter-agency effort which is still making its way through the regulatory process. The Office of Management and Budget (OMB) submitted the final rule defining recruitment fees as part of the Spring 2018 United Agenda of Federal Regulatory and De-regulatory Actions. The rule is identified as a ''significant rule'' and is expected to the published soon. In early October USAID learned that OMB has returned the draft rule to the FAR staff with comments that need to be addressed before the rule is issued issuance. It can take up to 90 days for the corrections to be made. Once this rule is published, it is anticipated that GAO will close this audit recommendation..	12/31/2018
8	GAO-15-479	3	To improve USAID's ability to measure progress in achieving a quantitative reading goal in any future education strategy, the Acting USAID Administrator should ensure that the future strategy includes targets that will allow USAID to monitor interim progress toward its goal in comparison with planned performance..	USAID issued a new, publicly available USAID Education Policy—not a ''strategy''—in November 2018. The policy provides general priority direction for Agency education programs, but it will not contain topline targets. Therefore, this recommendation will no longer be applicable because it pertains to targets that will not exist. USAID continues to monitor and evaluate the results of its education programs in compliance with standard operating procedures...	12/31/2018

9	GAO-15-732	2	To strengthen USAID's ability to monitor Title II conditional food aid and evaluate food-for-assets activities' impact on reducing food insecurity, the USAID Administrator should systematically assess the effectiveness of food-for-assets activities in development projects in achieving project goals and objectives..	USAID concurred with the recommendation. USAID built its strategy and tools to assess the effectiveness of food-for-assets (FFA) activities in development projects per GAO's recommendation. In June 2016, USAID submitted an initial closure request that was supplemented with significant updates in March 2018. For example, USAID released additional Technical References, Guidance for Monitoring, Evaluation and Reporting, and established a new mechanism to independently conduct baseline studies and program evaluations In August 2018, USAID and GAO further discussed the process improvements USAID has made to address any outstanding issues. USAID followed-up with accompanying documents. Further, in November 2018, the GAO followed up with an additional document request—USAID plans to submit all requested documentation by November 30, 2018..	11/30/2018
10	GAO-17-224	2	To enhance USAID's financial oversight of implementing partners' spending to implement and support Title II development and emergency projects, the USAID Administrator should ensure that its requirements for implementing partners to provide monitoring data on an ongoing basis on the use of 202(e) funding for cash transfers, food vouchers, and local and regional procurement are consistent for Title II development and emergency projects..	USAID concurred with the recommendation. In December 2017, USAID confirmed with GAO that USAID will continue to use the updated Food for Peace development award template, which requires programs to provide quarterly reports on cash transfers, food vouchers, and local and regional procurement. USAID also developed and shared the new World Food Program award template that requires biannual reporting on food assistance modalities. In June 2018, USAID provided GAO with a signed development award that demonstrated use of the updated template..	Submitted for closure to GAO.
11	GAO-17-224	5	To enhance USAID's financial oversight of implementing partners' spending to implement and support Title II development and emergency projects, the USAID Administrator should establish a requirement for Title II development project partners to conduct and document comprehensive risk assessments and mitigation plans for cash transfers and food vouchers funded by 202(e), and take steps to ensure that implementing partners adhere to the requirement..	USAID concurred with the recommendation. In December 2017, USAID confirmed with GAO that USAID will continue to use the updated Food for Peace development award template, which requires programs to provide quarterly reports on cash transfers, food vouchers, and local and regional procurement. USAID also developed and shared the new World Food Program award template that requires biannual reporting on food assistance modalities. In June 2018 USAID provided GAO with a signed development award that demonstrated use of the updated template. GAO has confirmed receipt and the Agency expects closure..	Submitted for closure to GAO.

GAO OPEN RECOMMENDATIONS FROM 2017 OR EARLIER—Continued

Letter Ref.	Report Number	Rec. No.	Recommendation Text	USAID Updates	Target Action Completion Date
12	GAO-17-640	3	To help ensure that, consistent with the Bellmon amendment, the provision of U.S. in-kind food aid does not result in a substantial disincentive to, or interference with, domestic production or marketing in countries receiving in-kind food aid, the USAID Administrator should monitor markets during implementation of development projects to identify any potential negative effects, such as unusual changes in prices..	On October 13, 2017, USAID provided a formal response to Congress on the recommendations included in GAO-17-640. In the response, USAID indicated that it concurred with the recommendations in the report, and USAID reported that it is updating guidance and procedures to address the recommendations. USAID continues to monitor its programs in compliance with standard operating procedures and expects to close out this recommendation on time..	Submitted for closure to GAO.
13	GAO-17-640	4	To help ensure that, consistent with the Bellmon amendment, the provision of U.S. in-kind food aid does not result in a substantial disincentive to, or interference with, domestic production or marketing in countries receiving in-kind food aid, the USAID Administrator should evaluate markets after development projects are completed to determine whether markets were negatively affected during project implementation or after project completion..	On October 13, 2017, USAID provided a formal response to Congress on the recommendations included in GAO-17-640. In the response, USAID indicated that it concurred with the recommendations in the report, and USAID reported that it is updating guidance and procedures to address the recommendations. USAID continues to monitor its programs in compliance with standard operating procedures and expects to close out this recommendation on time..	12/31/2018

USAID Missions around the world have expressed interest in using development-impact bonds to help them achieve their objectives. We continue to collect data and evidence to identify the most appropriate sectoral use of impact bonds. We appreciate Congress' continued support for USAID's use of innovative approaches and pay-for-performance programming like this.

Question. You recently traveled to Bangladesh and Burma. Do you see evidence that the ethnic cleansing of the Rohingya is continuing? Please provide specifics. How constrained is humanitarian access right now inside in Rakhine? What do you believe are the key messages Congress should be sending to the Burmese Government right now?

Answer. When I visited Rakhine State in Burma, I saw things that deeply disturbed me. I saw villages divided along ethnic and religious lines. I saw communities relegated to camps without any freedom of movement or worship, or access to jobs or land. I saw parents whose only access to work since August 2017 was through a project funded by the U.S. Agency for International Development. I saw children without teachers; mothers without access to health care. Given such a situation, I have to wonder about what future people in such conditions have.

As you know, the Department of State concluded that ethnic cleansing against the Rohingya has occurred in Rakhine State. While the mass violence against the Rohingya has stopped, discrimination and harassment against the Rohingya and members of other minority populations continues. These continuing negative conditions reaffirm our concerns. Humanitarian access in Central Rakhine was already constrained prior to the crisis, and continues to be a challenge, which could intensify as the Government of Burma moves to close camps for Internally Displaced Persons (IDP) in Rakhine State. Moreover, in Northern Rakhine, very few actors are able to provide assistance, or to assess needs. We continue to advocate for unfettered access to all of Rakhine State, and for the removal of barriers to freedom of movement, access to livelihoods, and basic services for the Rohingya population. The Burmese Government and military must lift the bureaucratic barriers that are preventing the assessment of needs and the provision of assistance.

While the Government of Burma has taken some positive recent steps, such as signing a Memorandum of Understanding with the United Nations (UN) for the repatriation of refugees from Bangladesh and development issues, and welcoming a new U.N. Special Envoy to Myanmar, Christine Schraner Burgener, the Burmese must take additional actions.

The administration is sending a number of key messages to the Government of Burma:

First, we continue to advocate for unfettered, consistent access for all organizations to resume humanitarian and development assistance and assess local needs in Rakhine State.

Second, we stress the need for credible and objective investigations that would ensure accountability and justice for violations of human rights. The Government of Burma has recently set up a Commission of Enquiry into atrocities committed in Rakhine, though we are waiting on more details about the specifics of this Commission and its membership.

Third, we call for the Government of Burma to implement the recommendations of the Rakhine Advisory Commission, with a specific emphasis on the safe, voluntary, dignified, and sustainable resettlement of IDPs, freedom of movement, a path to citizenship, access to livelihoods and basic services, freedom for the independent media, and justice and reconciliation.

Over 500,000 Rohingya remain in Rakhine State who still do not enjoy basic rights, such as freedom of movement and worship and access to livelihoods and basic services like health and education. Some will try to leave Burma because of the extreme hardships and fear of future violence. Addressing these challenges through thoughtful and conflict-sensitive programming must be priority number one in Rakhine to prevent future violence. By improving the situation for Rohingya who remain in Rakhine State, the Government of Burma can begin to create the conditions that would be conducive for refugees to return from Bangladesh.

RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD
SUBMITTED TO HON. MARK GREEN by Senator Tim Kaine

USAID has a unique contracting need in the federal government. For example, USAID has a special type of partnering entity, called Private Voluntary

Organizations (PVOs), that assist USAID's mission, a categorization that doesn't exist in other facets of the Government. PVO's must be U.S.-based, charitable, non-profit, and support foreign assistance. Many PVO's are small entities with specialized abilities in focused areas around the world. Unfortunately, unlike other places in the Government, there is not a specific contracting set aside for small PVO's. Because of their non-profit nature, the U.S. Government's small business rules, designed for for-profit entities, do not capture PVO's. Additionally, USAID does not normally use its authorities to specifically contract with smaller non-profits.

Question. What limitations are there in USAID's ability to contract with small nonprofits?

Answer. I have been clear that the U.S. Agency for International Development (USAID) should promote a level playing field for all our acquisition and assistance; diversify our partner base; invest more with faith-based organizations, local implementers, and U.S. small businesses and non-governmental organizations (NGOs); and expand our use of innovative approaches and awards. As such, the Agency is actively working to identify as broad a range of partners as possible, and develop and implement a series of interconnected and interdependent reforms to our processes to design programs and conduct procurements. We know we need to diversify our base of implementers: In Fiscal Year 2017, just 25 organizations were responsible for 60 percent of our spending, and 75 groups for 80 percent. Increasing opportunities for U.S.-based small businesses and NGOs and local partners around the world is at the heart of the effort to broaden our network, and is a major priority for me. While the Federal Acquisition Regulations (FAR) has a set-aside for small businesses, regulations for assistance have no equivalent for small, non-profit organizations. However, we have broad authorities to develop new approaches towards assistance partners, both U.S. and international, and this is one of the stated goals of the procurement reform aspects of our Transformation.

Question. What authorities does USAID have to set aside funds for small nonprofits doing important development work? Is USAID fully using these authorities?

Answer. The U.S. Agency for International Development (USAID) has broad authorities under its enabling legislation, the Foreign Assistance Act (FAA) of 1961, as amended. With regard to small non-profits and Private Voluntary Organizations (PVOs), Section 635.22.c of the FAA states that the Agency has the authority to "use to the maximum extent practicable the services and facilities of voluntary, non-profit organizations registered with, and approved by, the Agency for International Development." USAID uses this authority, along with others pertaining to voluntary, non-profit agencies in Sections 123 and 607 of the FAA, to enable engagement with a broad range of partners. Under Transformation, we are now actively seeking to diversify our partner base to engage new and underutilized partners.

Question. What, if any, changes or additions would be needed to current regulations and authorities for small non-profits to compete for more USAID contracts?

Answer. While the Competition in Contracting Act requires the U.S. Agency for International Development (USAID) to use "full and open competition through the use of competitive procedures unless otherwise authorized by law," this particular competition standard is only encouraged, not required, for assistance. A statutory and regulatory exception for the use of small Private Voluntary Organizations (PVOs) that would allow for USAID to limit competition under acquisition would potentially increase access for such organizations to compete more successfully for USAID contracts. (This would be similar to the exceptions listed under the Socioeconomic Programs in Part 19 of the Federal Acquisition Regulations [FAR]). While we don't believe many small non-profits will pursue contracts, the Agency would support new authorities for specific instruments to enable greater flexibility in working with non-profits as sub-awardees under contracts.

The more immediate opportunity for the Agency is to develop a range of approaches and possibilities to lower barriers to competition, develop some programs to target small non-profit partners, and promote more collaborative and co-design approaches to procurements that would allow more such partners to compete for more USAID awards.

Question. What percentage of USAID's contracting goes towards small PVOs, and how many small PVOs are awarded contracts each year?

Answer. Over the past three years, the average percentage of new acquisition and assistance awards the U.S. Agency for International Development (USAID) made to Private Voluntary Organizations (PVOs) from Fiscal Year (FY) 2016 to FY 2018 was 19.3 percent. These awards included 45 new acquisition awards (contracts) and 845

new assistance awards (grants and cooperative agreements) to PVOs, for a combined total of 890 total new awards to PVOs over the three years.

During the first two quarters of FY 2018, USAID issued 10 new acquisition awards (approximately $34 million in obligations), and 107 new assistance awards (approximately $230 million in obligations) to PVOs. In FY 2017, USAID issued 18 new acquisition awards (worth approximately $97 million), and 341 new assistance awards (worth approximately $993 million) to PVOs. In FY 2016, USAID issued 17 new acquisition awards (worth approximately $60 million), and 397 new assistance awards (worth approximately $1 billion) to PVOs.

Global Development and Feed the Future Innovation Labs

The Global Development Lab was established by the Obama administration as a vehicle for attracting innovative ideas in science and technology that can be applied to solving development challenges. Additionally, Feed the Future Innovation Labs have proven to be highly effective in addressing food shortage issues around the world. The current world population is about 7 billion and will exceed to 9 billion by 2050. Demand for food may require doubling of current production without increasing land area. Pests and diseases are known to cause 40% crop loss, which could be avoided by adopting Integrated Pest Management (IPM) technologies without adversely affecting human and environmental health. Virginia Tech has been a leader in this area and it has been implementing Integrated Pest Management in the international arena for the past quarter of a century.

Question. What is your view of the Global Development Lab? Do you support the proposed 80% cut to its FY 2019 budget from the FY 2017 planned program level?

Answer. The U.S. Agency for International Development (USAID), through the U.S. Global Development Lab (Lab), the Feed the Future Innovation Labs, and innovation teams in Bureaus and Missions, continues to build an adaptable organization focused on bringing new partners and the best ideas to the Agency to transform development. With Fiscal Year (FY) 2019 funds, the innovation hubs will work to find transformative solutions to accelerate measurable results, increase the effectiveness of our programs, engage new actors, take advantage of advancements in science and technology, and maximize the impact of taxpayer dollars.

The Lab brings four core capabilities to the Agency: open and directed innovation, private-sector partnerships, digital development, and research and development (R&D). Through the Transformation, we plan to carry forward these core capabilities and maintain a space for discovery, testing, and experimentation around innovation, technology, and science for development; integrating tools and approaches that have proven successful in their corresponding practice areas; and strengthening the systems and processes necessary for applying innovative approaches to USAID's work.

Question. What is the current status of Feed the Future Innovation Labs?

Answer. The U.S. Agency for International Development (USAID) currently funds 22 Feed the Future Innovation Labs, which create a unique network supported by over 70 top U.S. colleges and universities that work with research and educational institutions in developing countries. The Feed the Future Innovation Labs are on the cutting edge of efforts to research, develop, and take to scale effective technologies that address challenges posed by a climactic shocks and the need to feed a growing global population with safe and nutritious food. The Feed the Future Innovation Labs also provide short- and long-term training, which reaches the current and next generation of scientists in our partner countries.

USAID recently extended or launched new Feed the Future Innovation Labs for Collaborative Research in Sorghum and Millet; the Reduction of Post-Harvest Loss; Small-Scale Irrigation; Fish; and Legume Systems Research. Several new Innovation Lab awards that address one or more goals of the U.S. Government's Global-Food Security Strategy are under review as part of USAID's competitive procurement process: Inclusive and Sustainable, Agriculture-Led Economic Growth; Strengthened Resilience Among People and Systems; and A Well-Nourished Population, Especially Women and Children. USAID continues to announce new opportunities for funding to Feed the Future Innovation Labs.

Question. What do you envision to be the role of U.S. universities in reducing world hunger and malnutrition?

Answer. U.S. universities contribute significantly to advancing our shared goal of reducing world hunger and malnutrition. The Feed the Future Innovation Labs funded by the U.S. Agency for International Development (USAID) pair the research and academic excellence of U.S. universities with research and educational institu-

tions in over 30 partner countries in the developing world. Together, they use advanced genomics, integrated pest-management, and other tools to create improved, stress-tolerant varieties of wheat, sorghum, millet, and legume crops, and more-efficient, sustainable cropping, livestock, aquaculture, and horticulture systems. These innovations improve nutrition, boost production, decrease post-harvest losses, and increase food safety. Better market connections, crop storage, and formulation and implementation of agricultural policy, in turn, raise incomes, increase food security, and improve the nutritional status of households in the countries in which we invest.

Question. Will USAID continue to support Feed the Future? If so, should USAID allocate more resources to keep U.S. universities engaged in this work to battle global hunger?

Answer. Yes, the administration, including the U.S. Agency for International Development (USAID), will continue to support Feed the Future. The initiative is showing results, and producing concrete evidence that ending hunger is possible with the right interventions and investments. Feed the Future is a proven, catalytic investment in food security built on engagement with the private sector in the United States and abroad, promoting and disseminating innovation, and strengthening the capacity of national governments in target countries to lead.

USAID continues to look for innovative ways to bring U.S. universities into efforts like Feed the Future. In alignment with the U.S. Government's new Global Food Security Research Strategy, Feed the Future's Research and Development portfolio funds numerous research and capacity-building programs carried out by Universities, including partnerships with the 22 Feed the Future Innovation Labs. In addition to USAID, other Federal grant-making science agencies, such as the National Science Foundation and the National Institute of Food and Agriculture at the U.S. Department of Agriculture, have expanded the scale and scope of U.S. university research programs to address global hunger. Additionally, university researchers serve on advisory boards for, and conduct external evaluations of, the Feed the Future Innovation Labs. We also engage the U.S. university community through the presidentially appointed Board for International Food and Agricultural Development (BIFAD), which advises the USAID Administrator on issues pertinent to food security in developing countries. Of the seven members of BIFAD, four represent the U.S. university community. USAID will continue to allocate resources to U.S. universities to fund and support these engagements.

Question. What are the current Feed the Future focus countries, and how are they selected?

Answer. The current Feed the Future Target Countries are Bangladesh, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Mali, Nepal, Niger, Nigeria, Sénégal, and Uganda. "Target Countries" are those in which Feed the Future concentrates resources and technical support, and where we judge that our investments have the greatest potential to achieve sustainable improvements in food security and nutrition; build resilience; and promote sustainable, inclusive growth.

Based on the requirements of the Global Food-Security Act of 2016, the U.S. Government selected Feed the Future's Target Countries based on the following criteria: Level of need, potential for our programs to spur growth, opportunities for partnership, opportunities for regional efficiencies, commitment by host governments, and the availability of U.S. Government resources. In addition to the 12 Target Countries, Feed the Future funds food-security investments in 35 Aligned Countries. "Aligned countries" are responsible for meeting three of the six requirements for Feed the Future's Target Countries: 1) designating a single interagency point of contact from any Feed the Future Department or Agency at the U.S. Embassy; 2) aligning Feed the Future programs with the goals, objectives, and approaches outlined in the Global Food-Security Strategy (GFSS); and, 3) reporting results on applicable GFSS indicators annually.

Question. There was a six month delay in release of the IPM Innovation Lab's 2018 fiscal year funds. How do you propose to avert this delay in the future?

Answer. Once Congress passes and the President signs the annual appropriations bill that contain funding for the U.S. Agency for International Development (USAID), the Agency undertakes a multi-step process of finalizing obligations to individual awards (grants, cooperative agreements, and contracts), which can take considerable time. We continue to pursue the most-efficient solutions to ensure we can make funds available for programming as quickly as possible.

Question. What steps should USAID take to "scale-up" its successful programs?

Answer. The Global Development Lab, the Bureau for Food Security (BFS), and other Operating Units across the U.S. Agency for International Development (USAID) fund the scale-up of successful programs by financing innovators, entrepreneurs and researchers to test and develop their solutions. The Global Development Lab is actively engaged in conversations with private and public partners around the dissemination of USAID-funded innovations, and works to remove barriers and create incentives around the adoption of these solutions into USAID's larger programming.

In addition, through the Transformation, USAID will further facilitate the scale-up of successful programs. The proposed Bureau for Development, Democracy and Innovation (DDI) will incorporate the core capabilities of the Global Development Lab, and will be better-positioned to affect the design and implementation of programs across the Agency. DDI's connections to the Missions would also foster the testing and greater adoption of promising innovative tools and approaches.

Competing with China and Russia

> *"China's official development assistance to African countries has increased by more than 780% since 2003. Last year, President Xi Jinping pledged $124 billion for a new global infrastructure and development initiative called "One Belt One Road." Your testimony stated that you "are shaping an Agency that is capable of leveraging our influence, authority, and available resources to advance U.S. interests."*

Question. Do you agree that China has a similar goal with its development practices?

Answer. The People's Republic of China is reorganizing its foreign assistance to align more closely with its foreign-policy objectives of expanding influence and securing markets, as demonstrated by the dramatic increase in Chinese aid and loans to Africa since 2003. China's development practices often create dependent relationships with recipients, exclude citizens from participating in decision-making, and are not sustainable. The U.S. Government structures its foreign assistance in such a way that it (i) offers strategic partnership, not strategic dependence; (ii) advocates for free, open, and enterprise-driven development to build resilient market economies; (iii) promotes citizen-responsive governance, and advances democratic norms and institutions; (iv) saves lives; and, (v) strengthens the resilience of vulnerable communities and their environments. The difference in philosophy and outcomes could not be clearer.

Question. Has China's strategy steadily improved its standing as a development partner of choice?

Answer. The People's Republic of China increasingly has positioned itself as a friendly development partner given the flexible infrastructure financing and construction resources it offers. Recipients also know that the Chinese Government will not raise human rights, democracy, or corruption as concerns. However, the Chinese development policy is still evolving. Both China and recipient countries are grappling with the reputational risk of unsustainable Chinese investments over the long-term. Given these concerns, many developing countries are becoming more cautious in their engagement with China, and seek to continue their foreign-assistance relationship with the United States and other partners. Countries in which the U.S. Agency for International Development (USAID) operates are seeing the benefits of the long-term investments made by the United States and other donors. Our greatest successes often come with partners that share our approach of supporting local efforts in health, citizen-responsive governance, transparency, and democracy to help advance strong economic growth and development. Given the U.S. Government's focus on self-reliance and strategic partnership, we expect developing countries to maintain strong relationships with the United States even after they transition out of a traditional development-assistance relationship.

Question. If so, are you concerned that these U.S. cuts to development programs provide an opening for countries like China and Russia to exert additional influence?

Answer. The People's Republic of China and the Russian Federation continue to seek ways to exert influence throughout the world, including through the use of their foreign assistance. Nevertheless, the U.S. Agency for International Development (USAID) retains its position as the world's premier development institution, with world-class expertise and convening power that our partner countries value. USAID also encourages our allies and partners to promote strategic partnerships, citizen-responsive governance, and long-term sustainability in their planning, which can help counteract Chinese and Russian influence.

Question. Is Chinese development strategy helped if the U.S. development programs are reduced abroad?

Answer. Although the People's Republic of China is expanding and deepening its reach outside its borders, its foreign-assistance efforts are still developing, and are markedly different from those of the United States. Unlike the Chinese model, our assistance reaffirms a commitment to support nations on their Journeys to Self-Reliance, which results in enduring partnerships secured by shared ideals, interests, and mutual respect.

> *This year's National Defense Strategy emphasizes strategic competition with Russia and China; however, it's unclear whether our foreign assistance is aligned to work in parallel with this strategy. For the first time, USAID was made a regular member of the National Security Council (NSC) Deputies Committee in 2017.*

Question. Has China's increased practice of gaining influence through development projects been a topic of any interagency conversations USAID has been involved with in relation to national security, including at NSC meetings or during the formulation of the administration's National Defense Strategy? Do you believe that USAID's input and expertise is adequately being factored into implementation and execution of the National Defense Strategy and the administration's National Security Strategy?

Answer. The U.S. Agency for International Development (USAID) advances a free, open, and inclusive development model that promotes self-reliance and partnership as a clear alternative to the often-opaque and mercantilist transactions promoted by the People's Republic of China that result in dependence. USAID has been extensively engaged in national-security discussions related to China's attempts to increase influence through development projects and loans.

USAID is committed to playing a strong role in achieving the vision of the President's National Security Strategy (NSS). Following the release of the NSS, USAID worked closely with our counterparts at the U.S. Department of Defense (DoD) as they developed the National Defense Strategy (NDS). The collaborative interagency engagement resulted in the incorporation into the NDS of USAID's input and equities. The NDS directly states that DoD will " ... assist the United States Agency for International Development (and others) ... to identify and build partnerships to address areas of economic, technological and informational vulnerabilities.and will strive to consider ways to apply the military instrument differently to better enable diplomatic, informational, and economic elements of national power." USAID continues to engage interagency colleagues from the DoD, the U.S. Department of State, the National Security Council and others to align messaging and ensure close coordination in support of the NDS and NSS. USAID is also liaising closely with DoD on the recent Stabilization Assistance Review and the civilian-military priorities of USAID's Transformation.

> *Your written testimony says that USAID is "strengthening democratic governance abroad. [and] .includes targeted investments in Europe and Eurasia that will support strong, democratic institutions and vibrant civil society, while countering the Kremlin's influence in the region". EUCOM has the Russia Strategic Initiative and the Russia Influence Group, which is designed to be a joint EUCOM-State Department effort with State as the "coordinator" on countering Kremlin influence. The FBI also has a separate Russian influence taskforce as does DHS. In your March letter to me responding to my concern about Russian interference in Latin American elections, you highlighted USAID's new global strategy to "Counter Kremlin Influence."*

Question. Is USAID participating in a State Department-led interagency coordination process to counter Russian influence? If so, at what level, and how often is such coordination taking place?

Answer. The U.S. Agency for International Development (USAID) regularly coordinates with the interagency in our efforts to counter Russian influence in Europe and Eurasia. USAID participates in the Russian Influence Group's Senior Leader Steering Board, co-chaired by the State Department and the European Command (EUCOM) of the U.S. Department of Defense, regional workshops, and monthly meetings. I would be happy to provide a more-detailed account of the level and frequency of our coordination with the State Department and EUCOM in another setting.

Question. What specifically is USAID doing to ensure that its Counter Kremlin Influence program is working in coordination with DOD and EUCOM's efforts?

Answer. The U.S. Agency for International Development (USAID) shared our Countering Kremlin Influence (CKI) Strategy in Europe and Eurasia with the National Security Council, the U.S. Department of State, the European Command (EUCOM) of the U.S. Department of Defense (DoD), and the rest of the interagency. We have regular and frequent communications with DoD and EUCOM on this issue, and participate in the Russia Strategic Initiative and the Russia Influence Group.

USAID also has a Senior Development Advisor (SDA) assigned to EUCOM in Stuttgart, Germany, with whom we communicate regularly. Our SDA participates in EUCOM's Countering and Deterring Russia Line of Effort Working Group, and has briefed the members on USAID's CKI Strategy and regularly coordinates with them on our programming in this area.

USAID is also a formal part in EUCOM's Theater Campaign Order. The Order tasks USAID to "conduct development and economic assistance programs in support of diplomatic engagement in the countries in [EUCOM's Area of Responsibility] (especially Armenia, Azerbaijan, Georgia, Moldova, Serbia, and Ukraine) that address corruption and governance issues in partner countries which make them more susceptible to malign influence and associated criminal elements."

EUCOM's Director of Operations and Director of Interagency Partnering, along with our SDA, addressed USAID's Mission Directors in Europe and Eurasia on countering Russian malign influence during meetings in Kyiv in June 2017.

RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD
SUBMITTED TO HON. MARK GREEN BY SENATOR EDWARD J. MARKEY

I recently introduced the International Human Rights Defense Act, which would permanently establish a Special Envoy at the State Department to focus on the human rights of lesbian, gay, bisexual, transgender and intersex (LGBTI) persons—a position that was created by the last administration, but which has never been codified in law. I was pleased to hear your commitment to LGBTI issues, stated repeatedly in a variety of forums, but I'd like to hear more specifics:

Question. USAID has a non-discrimination provision in all its grants and contracts. How does USAID enforce this non-discrimination provision? Will you commit to ensuring that USAID grants and contracts are LGBTI-inclusive? Does USAID have a funding plan for LGBTI human rights for the coming year or years? How does LGBTI human rights figure in to your plans for reorganizing your agency? Where will those issues fit in to the broader picture?

Answer. As the Administrator of the U.S. Agency for International Development (USAID), I have made clear that inclusion is one of the Agency's core values, and that non-discrimination towards beneficiaries is a basic principle of development. As such, I commit that USAID will continue to implement its comprehensive non-discrimination policies for beneficiaries of our grants, cooperative agreements, and contracts.

USAID will implement our non-discrimination policies for beneficiaries of acquisitions awards (contracts) and assistance awards (grants and cooperative agreements) the Agency makes to both for-profit and non-profit organizations. The policies, which include protections on multiple bases (including, but not limited to, sexual orientation and gender identity), are reflected in non-discrimination award terms included in all USAID contracts, grants, and cooperative agreements since late 2016. Further, contractors include the non-discrimination clause in all sub-contracts, and assistance awards recipients include the provision in all sub-awards and contracts. As is the case with other terms or conditions of USAID-funded acquisition or assistance awards, in the event of non-compliance USAID seeks appropriate remedies as specified in the award terms and conditions. Finally, USAID employees receive training on the content of, expectations for, and employee responsibilities related to USAID's non-discrimination policies, including non-discrimination policies for beneficiaries.

In Fiscal Year (FY) 2018, USAID's Center of Excellence on Democracy, Human Rights and Governance within the Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA/DRG) has a) obligated FY 2017 funds into a global project that provides training and strategic-messaging support for civil-society organizations (CSOs) that are working to address discrimination and stigma against lesbian, gay, bisexual, transgender and intersex (LGBTI) persons; and, b) provided funding to the USAID Mission in Bangladesh for a country-level project to help a local CSO advance protections from anti-LGBTI violence and discrimination.

Subject to the availability of funds, in FY 2019 USAID has a plan to program $3,000,000 in FY 2018 funds to support data-collection and research, communications efforts to reduce stigma, context-specific projects in the most-difficult climates for LGBTI communities, and emergency-response grants to help protect LGBTI people in developing countries from violence and discrimination. As the implementers of USAID programs generally cooperate with, and leverage the financial and technical contributions of, other donors, the Agency is actively engaging with current and other potential partners to expand the impact of USAID's planned contributions.

USAID's Transformation incorporates USAID's commitment to help protect LGBTI people from violence and discrimination. The proposed Bureau for Development, Democracy and Innovation (DDI) would consist of multiple Centers, including the Youth and Inclusive Development (YID) Hub and the Center for Democracy, Human Rights and Governance. DDI/YID would aim to maximize the impact of USAID's investments by ensuring that the needs of marginalized groups—including LGBTI people—are part of the Agency's policies, strategy-development, and programming. Agency coordinators for marginalized groups, including an LGBTI Coordinator, would be based in DDI/YID under the Transformation. DDI/DRG would lead the Agency's efforts to achieve self-reliant, citizen-responsive, democratic societies that respect human dignity, the rule of law, and rights (including by protecting the rights of marginalized populations such as LGBTI people).

ADMINISTRATOR'S ACTION ALLIANCE FOR PREVENTING SEXUAL MISCONDUCT (AAPSM)

USAID has zero tolerance for sexual misconduct, including harassment, exploitation or abuse of any kind among staff or implementing partners. In March 2018, USAID Administrator Mark Green established the Action Alliance for Preventing Sexual Misconduct (AAPSM), an intra-Agency alliance charged with leading our work on addressing sexual misconduct in all forms, including harassment, exploitation and abuse. As part of the AAPSM launch, the Administrator hosted a Forum on Preventing Sexual Misconduct, which brought together senior USAID staff, the USAID Inspector General, and representatives from key partners — including NGOs, for-profit contractors, and United Nations (U.N.) agencies.

GOALS

Prevent Sexual Exploitation and Abuse

- Work across the globe to protect our beneficiaries and advance human dignity by preventing sexual exploitation and abuse;
- Elevate the voice of survivors of sexual abuse and exploitation by putting their wishes, rights and well-being at the forefront of our efforts; and
- Review and revise our existing policies and procedures to strengthen accountability and compliance, in consultation with our external partners and beneficiaries.

Prevent Workplace Sexual Harassment

- Promote zero tolerance of sexual misconduct, including sexual harassment, at USAID by strengthening the Agency's policies and procedures for effectively reporting and responding to incidents of sexual harassment;
- Foster a respectful culture at USAID that does not tolerate sexual misconduct or harassment, and that values reporting, respects survivors, and prevents retaliation; and
- Demonstrate accountability to USAID employees and stakeholders by using data to measure success.

ACTIONS

In March and April 2018, Administrator Mark Green testified before the House Foreign Affairs Committee and Senate Foreign Operations Subcommittee on USAID's efforts to protect vulnerable populations and to advance human dignity by eliminating sexual misconduct in international aid. USAID has also taken the following actions since the launch of the AAPSM:

- Revised standard provisions for grants and contracts to clarify that our implementers' employee codes of conduct must be consistent with international standards on protection from sexual

exploitation and abuse, and issued guidance to acquisition and assistance implementing partners to reaffirm USAID's zero tolerance for sexual exploitation, abuse and fraud;

- Launched a mandatory, Agency-wide sexual harassment training, released an enhanced, mandatory counter-trafficking in persons (C-TIP) training, and piloted a new Unwanted Attention/Sexual Harassment and Bystander Intervention training for field staff;
- Reiterated our commitment to preventing sexual exploitation and abuse by endorsing the G7 Whistler Declaration on Protection from Sexual Exploitation and Abuse in International Assistance, and led the drafting and issuance of the Tidewater Joint Statement on Combating Sexual Exploitation and Abuse in the Development and Humanitarian Sectors; and
- Conducted intensive field consultations with USAID staff, partners and other stakeholders from around the world. Participants represented more than 100 countries and included more than 1,000 representatives from NGOs, 600 representatives from private contracting companies, and 150 representatives from public international organizations.

REPORTING

- USAID employees are required, and implementing partners are encouraged, to report all allegations of sexual misconduct that affect beneficiaries — whether the allegations involve USAID personnel, grantees or contractors — to the Office of the Inspector General at ig.hotline@usaid.gov. For grants, see Implementing Partner Notice #6; for contracts, see Implementing Partner Notice #10.
- Allegations of sexual exploitation and abuse that involve employees of USAID's grantees or contractors must be reported to the relevant USAID Agreement or Contracting Officer.
- All allegations of workplace sexual harassment at USAID — regardless of hiring mechanism — should be reported to the Office of Civil Rights and Diversity at ocrdmailbox@usaid.gov, or by telephone at 202-712-1110. All USAID managers are required to report allegations within 24 hours of becoming aware of them.

RESOURCES

USAID provides an AAPSM toolkit that includes fact sheets and flowcharts about sexual harassment and sexual exploitation to our employees, partners and beneficiaries. For more information about the AAPSM, contact aapsm@usaid.gov.

USAID
FROM THE AMERICAN PEOPLE

USAID STAFF & IMPLEMENTING PARTNER REPORTING OF SEXUAL EXPLOITATION AND ABUSE

Sexual exploitation and abuse occurs when people in power exploit or abuse vulnerable populations for sexual purposes. If an aid worker uses their position of authority to solicit sexual favors in exchange for benefits, this constitutes sexual exploitation. If an aid worker uses force or coercion to engage in sexual acts with a beneficiary, including kissing or groping, this would constitute sexual abuse.

IF YOU WITNESS, EXPERIENCE OR LEARN OF SEXUAL EXPLOITATION AND ABUSE IN THE WORKPLACE OR THE FIELD INVOLVING STAFF OR BENEFICIARIES

NOTE: *When reporting an allegation of sexual exploitation or abuse, or any other form of misconduct, the person reporting does not have to specify the category into which the conduct falls. When in doubt, report!*

Report immediately to both

USAID OFFICE OF INSPECTOR GENERAL (OIG)
Online: https://oig.usaid.gov/content/oig-hotline
Email: ig.hotline@usaid.gov
Telephone: 1-800-230-6539 or 202-712-1023

USAID CONTRACTING OFFICER OR AGREEMENT OFFICER

WHAT HAPPENS NEXT?

- USAID may direct partners to take specific steps to address an actual or alleged violation, and may impose special conditions or take other remedial actions.
- Where implementing partner employees are involved, partners must consult with the Mission Director on a course of action, and the Ambassador may direct the removal of a U.S. citizen from the country and require termination of any employee from an award.
- OIG may also investigate and take action.

NOTE: *This flow chart is for informational purposes only. Implementing partners should always look to the terms and conditions of their awards and follow supplementary Agency guidance.*

JUNE 2018

USAID
FROM THE AMERICAN PEOPLE

ALL USAID AWARDS WITH CONTRACTORS AND NGOS CONTAIN PROVISIONS THAT ADDRESS THE FOLLOWING VIOLATIONS OF SEXUAL EXPLOITATION AND ABUSE:

TRAFFICKING IN PERSONS (TIP)	EMPLOYEE MISCONDUCT	CHILD ABUSE, EXPLOITATION OR NEGLECT
• Recruitment, transportation, transfer, harboring or receipt of persons by means of force, fraud, threats or coercion for the purposes of sexual exploitation or forced labor • Procuring commercial sex acts • Using forced labor	• Sexual activity with children • Exchange of anything of value for sex, sexual favors or other humiliating, degrading or exploitative behavior • Conduct inconsistent with UN standards on sexual exploitation and abuse (Section 3 of ST/SGB/2003/13)	• Any form of physical or sexual abuse • Emotional ill-treatment • Neglect or insufficient supervision • Trafficking • Exploitation that results in actual or potential harm to the child's health, well-being, survival, development or dignity

CODE OF CONDUCT IN HUMANITARIAN RELIEF OPERATIONS (IDA, TI, TITLE II FUNDING ONLY)*
Partners, contractors, NGOs and public international organizations must have codes of conduct consistent with the six core principles of the U.N. Inter-Agency Standing Committee Task Force on Protection from Sexual Exploitation and Abuse in Humanitarian Crises which:

- Affirm that sexual exploitation and abuse represents gross misconduct
- Prohibit sexual activity with children
- Prohibit the exchange of anything of value for sex, sexual favors, or other humiliating degrading or exploitative behavior
- Discourage relationships between humanitarian workers and beneficiaries
- Require reporting of allegations of sexual exploitation or abuse
- Require managers and staff to create and maintain an environment which prevents sexual exploitation and abuse

*IDA is International Disaster Assistance provided by the Office of U.S. Foreign Disaster Assistance or the Office of Food for Peace, TI is Transition Initiative funding provided by the Office of Transition Initiatives, and Title II funding refers to one of the funding sources provided by the Office of Food for Peace.

JUNE 2018

USAID
FROM THE AMERICAN PEOPLE

REPORTING HARASSMENT AT USAID

INCIDENT
Something uncomfortable about the workplace.

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EEO HARASSMENT V. NON-EEO HARASSMENT
EEO harassment is workplace behavior that violates EEO law and Agency EEO policy. It is unwelcome conduct that is so pervasive or severe that it creates a hostile or offensive work environment or results in a negative employment action. The behavior must also be related to race, color, religion, sex (including pregnancy, gender identity and expression), sexual orientation, national origin, age, disability, genetic information, marital status, parental status, veteran status, political affiliation or reprisal for engaging in protected activity. Non-EEO harassment is inappropriate behavior that violates USAID policy and that is outside the scope of EEO law or falls short of an EEO violation.

EXAMPLES OF EEO HARASSMENT
Offering an employment benefit in exchange for a date or sexual favor. Sexual touching, sharing sexually-oriented material, physical assaults, yelling racial slurs. Frequent compliments that are unwelcome, repeated casual touching, repeated unwanted date requests, nonstop offensive jokes, constant bullying, daily threats, never ending insults.

EEO Harassment | **Non-EEO Harassment**

EXAMPLES OF NON-EEO HARASSMENT
The conduct, though offensive, is unrelated to EEO bases and can include isolated or infrequent behavior, such as occasional unwelcome compliments, questionable jokes, limited bullying, nonviolent threats, insults, etc.

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Report to OCRD at ocrdharassment@usaid.gov
Mandatory Reporting: Managers, supervisors, and other management officials (e.g., AMS officers, EXOs, etc.) must immediately (or within 24 hours) report suspected EEO harassment. Though not required, all other employees are encouraged to report knowledge of harassment as well.
Voluntary Reporting: Aggrieved employees may choose to go through the EEO process (must be reported to OCRD w/in 45 days to pursue an EEO claim).

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Anti-Harassment Process
- OCRD facilitates the EEO process for an aggrieved employee.
- OCRD gathers evidence, enters findings, and recommends Agency actions.
- OCRD determines if a violation of EEO law or Agency policy has occurred, and HCTM/ELR remedies the violation.
- For information on the EEO complaints process, contact OCRD at orcdmailbox@usaid.gov.

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Report to HCTM at hctm.elr@usaid.gov
Employees should report non-EEO harassment to Human Capital and Talent Management/Employee and Labor Relations (HCTM/ELR) and/or their union or contracting company if applicable.

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Process
- ELR requests and receives documentation from employees (emails, voicemails, witness statements, etc.).
- ELR conducts an investigation.
- ELR determines if non-EEO harassment has occurred and recommends actions to appropriate management official.

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Disciplinary or Contract Action
Disciplinary action will be considered whenever harassment occurs—whether EEO or non-EEO—to hold harassers accountable and to prevent future incidents. Management officials evaluate each situation and consider the USAID Table of Offenses and Penalties in determining the appropriate penalty.

OCRD is a neutral arbiter and is not part of Agency management. OCRD can be contacted at 202-712-1110 or at ocrdmailbox@usaid.gov.

USAID's Staff Care works to ensures the well-being and work-life balance of the total USAID work force.
All employees can contact Staff Care about any workplace challenges at 877-988-7243 or support@usaidstaffcarecenter.net.
Services are available 24 hours a day/seven days a week via telephone, online or in person.

JUNE 2018

USAID
FROM THE AMERICAN PEOPLE

USAID'S POLICY AGAINST SEXUAL EXPLOITATION AND ABUSE

USAID has zero tolerance for sexual misconduct, including harassment, exploitation or abuse of any kind among staff or implementing partners. Sexual misconduct strikes at the very heart of development — respect for human dignity. In March 2018, USAID Administrator Mark Green established the Action Alliance for Preventing Sexual Misconduct (AAPSM) with two objectives: preventing sexual harassment in the workplace and protecting beneficiaries from sexual exploitation and abuse.

WHAT IS SEXUAL EXPLOITATION AND ABUSE?

Sexual exploitation and abuse (SEA) occurs when people in power exploit or abuse vulnerable populations for sexual purposes. If an aid worker uses their position of authority to solicit sexual favors in exchange for benefits, this constitutes sexual exploitation. If an aid worker uses force or coercion to engage in sexual acts with a beneficiary, including kissing or groping, this constitutes sexual abuse.

According to the U.N. Secretary-General's Bulletin on Protection from Sexual Exploitation and Abuse, sexual exploitation refers to "any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another." Sexual abuse refers to "actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions."

All USAID awards with contractors or NGOs contain the following three provisions that address SEA:

EMPLOYEE MISCONDUCT

USAID implementing partners must ensure that their employees conduct themselves in a professional manner when carrying out awards, consistent with the standards for United Nations (U.N.) employees in Section 3 of the U.N. Secretary General's Bulletin - Special Measures for Protection from Sexual Exploitation and Sexual Abuse. In the event that an employee's conduct is not consistent with these standards, our partners must consult with the relevant Mission Director. The U.S. Ambassador may direct the removal of any U.S. citizen from the country and require termination of any employee from an award.

COUNTER-TRAFFICKING IN PERSONS (C-TIP)

USAID prohibits trafficking, the procurement of commercial sex acts, or the use of forced labor, consistent with Trafficking Victims Protection Act requirements. Violations of USAID's C-TIP policy must be addressed by implementing partners and USAID staff, and credible allegations of C-TIP violations must be immediately reported to USAID's Office of Inspector General. For awards over $500,000, USAID requires its partners to certify that they have compliance plans in place.

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CHILD ABUSE, EXPLOITATION OR NEGLECT

As a condition of receiving funding, Child Safeguarding Standards, included in all USAID awards other than contracts for commercial items, require recipients to abide by core principles that prohibit personnel from engaging in child abuse, exploitation or neglect; incorporate child safeguarding in project planning and implementation; and institute procedures to prevent and address violations. These protections stem from the U.S. Government Action Plan on Children in Adversity and the Assistance for Orphans and Other Vulnerable Children Act of 2005.

All USAID awards with contractors, NGOs, and public international organizations involving International Disaster Assistance (IDA), Transition Initiative (TI), and Food for Peace Title II (Title II) funds must contain the following provision:

CODE OF CONDUCT IN HUMANITARIAN RELIEF OPERATIONS

Implementing partners must — in advance of receiving IDA, TI or Title II funding — adopt a code of conduct to protect beneficiaries from sexual exploitation and abuse in humanitarian relief operations consistent with the six core principles adopted by the U.N. Inter-Agency Standing Committee on Protection from Sexual Exploitation and Abuse in Humanitarian Crises. Partners who receive IDA funds from USAID's Office of U.S. Foreign Disaster Assistance are also required to provide details on how the code of conduct will be implemented within a specific field project.

REPORTING

Implementing partners must consult with the relevant Mission Director and the Agreement or Contracting Officer when addressing SEA allegations involving their employees. USAID further encourages implementing partners to report credible allegations of sexual exploitation and abuse to the USAID Office of Inspector General.

Implementing partners are required to report credible allegations of trafficking, the procurement of commercial sex acts, or the use of forced labor to the relevant Agreement or Contracting Officer and the USAID Office of Inspector General.

USAID policy requires its employees to report suspected cases of sexual exploitation, whether by Agency personnel or implementing partners, to the USAID Office of Inspector General.

Complaints can be submitted anonymously with an online form through the Office of Inspector General Hotline website, by telephone at 1-800-230-6539 or 202-712-1023, by email at ig.hotline@usaid.gov, by fax at (202) 216-3801, or by mail to the following address: U.S. Agency for International Development, Office of Inspector General, P.O. Box 657, Washington, DC 20044-0657

WHAT HAPPENS WHEN EXPLOITATION/ABUSE IS REPORTED?

USAID may direct partners to take specific steps to address an actual or alleged violation, and may impose special conditions as part of its awards or take other remedial actions. Where implementing partner employees are involved, partners must consult with the Mission Director on a course of action, and the Ambassador may direct the removal of a U.S. citizen from the country and require termination of any employee from an award. The USAID Office of Inspector General may also investigate and take action as it deems necessary.

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USAID'S ANTI-HARASSMENT POLICY

USAID has zero tolerance for sexual misconduct, including harassment, exploitation or abuse of any kind among staff or implementing partners. Sexual misconduct strikes at the very heart of development — respect for human dignity. In March 2018, USAID Administrator Mark Green established the Action Alliance for Preventing Sexual Misconduct (AAPSM) with two objectives: preventing sexual harassment in the workplace and protecting beneficiaries from sexual exploitation and abuse.

WHAT IS HARASSMENT?

Harassment falls into two categories: Equal Employment Opportunity (EEO) harassment and non-EEO harassment. EEO harassment is workplace behavior that violates EEO law or Agency EEO policy. It is unwelcome conduct that is so pervasive or severe that it creates a hostile or offensive work environment or results in a negative employment action. The behavior must also be related to race, color, religion, sex (including pregnancy, gender identity and expression), sexual orientation, national origin, age, disability, genetic information, marital status, parental status, veteran status, political affiliation or reprisal for engaging in protected activity. Examples of EEO harassment include, but are not limited to: offering an employment benefit in exchange for a date or sexual favor, sexual touching, sharing sexually oriented material, physical assaults, yelling racial slurs, frequent compliments that are unwelcome, repeated casual touching, repeated unwanted date requests, nonstop offensive jokes, constant bullying, daily threats, and never-ending insults.

Non-EEO harassment is inappropriate behavior that is outside the scope of EEO law or Agency EEO policy and that falls short of an EEO violation. The conduct, though offensive, is unrelated to EEO bases and can be isolated (or infrequent) and includes, but is not limited to: occasional unwelcome compliments, questionable jokes, limited bullying, nonviolent threats, and insults.

Consensual relationships between employees outside the workspace are a special case. These consensual relationships are governed by 3 FAM 1527 and ADS 110, and are generally defined as dating or sexual relationships willingly undertaken by the parties, regardless of the genders of those involved. This definition does not apply to relationships formed as a result of coercion or intimidation. Employees are prohibited from having a consensual intimate relationship with those whom they directly supervise or evaluate. Demands for sexual favors in connection with employment decisions are also prohibited, regardless of whether there is a prior consensual intimate relationship.

Laws, executive orders, and/or USAID policies prohibit EEO and non-EEO harassment and cover anyone in the workspace, even if they are not USAID employees. A harasser may be situated at any level in relation to the victim, such as a direct supervisor, a supervisor from another area, a contractor employed by the Agency, a co-worker or a non-employee. What matters is the impact that the harassment has on others, not the intent of the alleged harasser.

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HOW USAID ADDRESSES HARASSMENT

The Office of Civil Rights and Diversity (OCRD) facilitates the EEO process for aggrieved employees and determines if a violation of EEO law or Agency policies has occurred. OCRD investigates allegations of harassment in the USAID workplace, which may extend to after-hour functions or activities that do not occur within the walls of an office, whether at the Agency's headquarters in Washington, D.C., or an overseas mission.

If a violation of EEO law or Agency policy has occurred, the Office of Human Capital Talent Management Employee and Labor Relations (HCTM/ELR) takes action to remedy the violation. The range of appropriate actions is case-dependent, but can include coaching/counseling, training or disciplinary action — up to and including removal for cause. Employees may also be disciplined for inappropriate conduct in the workplace, even if it does not meet the definition of illegal harassment.

USAID has a responsibility to comply with legal requirements to take prompt and appropriate action to both eliminate harassment and prevent it before it becomes severe or pervasive. Governing policies include: Anti-Sexual Harassment Policy 3 FAM 1525, Discriminatory Harassment Policy 3 FAM 1526, and Policy on Consensual Relationships 3 FAM 1527.

HOW TO REPORT HARASSMENT

If you have been a victim of or witness to harassment, or have been informed of harassment, contact OCRD as soon as possible by email at ocrdharassment@usaid.gov or by telephone at 202-712-1110 or fax at 202-216-3906. You may also report harassment to anyone in your supervisory chain. Supervisors and management officials (such as Administrative Management Officers and Executive Officers) must report harassment to OCRD within 24 hours of becoming aware of the allegation. Confidentiality will be maintained throughout the process to the extent consistent with adequate investigation and appropriate corrective action, but cannot be guaranteed. The goal is to provide the Agency with the information necessary, as soon as possible, to stop any harassing behavior.

Reporting harassment does NOT preclude an individual's right to engage the EEO complaint process and participate in EEO counseling. Contact OCRD for more information regarding EEO laws and Agency EEO policy or to report discrimination.

WHAT HAPPENS WHEN HARASSMENT IS REPORTED?

USAID's Anti-Harassment Policy ensures that the Agency takes immediate, effective measures to end the harassment. Any reported allegations of harassment, discrimination or retaliation will be reviewed and acted upon appropriately.

- OCRD will review and investigate reported allegations of harassment to determine if a violation of law or policy has occurred and will provide guidance to management officials regarding how to address the allegations.
- The review may include an inquiry conducted by management officials or OCRD. The inquiry may include individual interviews with the parties involved and, when necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

- After the inquiry is conducted, management will again meet with both parties separately and inform each of the outcome of the inquiry.
- If it is determined that a violation of law or policy occurred, HCTM/ELR reviews the matter to determine the appropriate course of action.

USAID is committed to a diverse and inclusive workforce where every employee is respected, valued, and can perform to their fullest potential.

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