

**Statement of Michele Broemmelsiek
Vice President, Overseas Operations
Catholic Relief Services**

**To the House Appropriations
Subcommittee on State, Foreign Operations and Related Programs**

Thank you, Chairwoman Granger and Ranking Member Lowey for this important hearing. I am Michele Broemmelsiek, Vice President for Overseas Operations of Catholic Relief Services (CRS). CRS urges funding levels of at least FY 2012 levels for the poverty-focused humanitarian and development accounts, specifically PEPFAR (DOS/OGAC); Development Assistance, Maternal Health and Child Survival, Nutrition, Vulnerable Children, HIV/AIDs, and Malaria and other infectious diseases (USAID); Migration and Refugee Assistance and Emergency Refugee and Migration Assistance (DOS/PRM); International Disaster Assistance (AID/OFDA); Millennium Challenge Account (MCC); Contributions to International Peacekeeping and Peacekeeping Operations (DOS/IO); and International Development Association (Treasury). CRS has a broad range of matters to discuss with the committee, but today will focus on reforms affecting humanitarian and development assistance.

Without regard to race, creed, or nationality, CRS' programs in nearly 100 countries address food security, agriculture, HIV and AIDS treatment, health, education, civil society capacity building, emergency relief, and peacebuilding. CRS often partners with institutions of the local Catholic Church, as well as other local civil society groups. These partnerships connect us to communities inaccessible to the local or national government and provide the kind of local knowledge that sustains solutions.

Reflections on Foreign Aid Reform Elements Based on CRS' experience

Many of USAID's ideals align with CRS' focus on the poor and our integral human development

approach. CRS welcomes the reforms within USAID to increase its efficiency and effectiveness. Based on longstanding partnerships with local partners, we offer a few reflections on USAID's reforms related to country ownership and capacity building.

Country ownership In implementing country ownership, USAID to date has emphasized governments; CRS recommends defining country ownership more broadly to include civil society. Experience in the 20 Feed the Future focus countries illustrates this point. Most Feed the Future country plans have been largely based on plans written by national governments. With certain exceptions, Zambia being most notable, engagement with civil society has been inconsistent and limited. As a member of the Civil Society Representative Group within the Comprehensive African Agriculture Development Program (CAADP) process, CRS has led efforts to organize civil society input into Feed the Future planning. These efforts have been met with minimal receptivity. We will continue to promote civil society engagement, but it is critical that Feed the Future engage civil society and ensure they have meaningful input in country plan development, implementation, and evaluation.

Implementation and Procurement Reform (IPR) also impacts country ownership. Trained USAID staff should select and justify procurement instruments based on clear criteria of development effectiveness. Cooperative agreement instruments 1) meaningfully engage implementing organizations and, most importantly, local partners, communities, and beneficiaries in the design of programs; 2) provide flexibility to respond to realities on the ground and adjust as conditions change; and 3) often entail a funding contribution by the implementing organization. Contract instruments do not. CRS appreciates USAID's attention to IPR; we applaud recent clarification that the agency collaborate with whichever partner provides the best development outcome, whether local NGOs, local government, or international NGOs.

Capacity Building CRS firmly supports USAID's objective of local capacity strengthening. However, success depends on the local context. Too much money spent too quickly or used poorly can undermine governance and sustainability of local groups. Finally, successful capacity building takes time and a gradual process of accompaniment from experienced partners.

Capacity building of local partners has been CRS' model since our founding 70 years ago. CRS has built the local capacity of our partners in communities across the globe. CRS' Track I grant for PEPFAR illustrates the time, treasure and technical assistance needed to successfully transition on a larger scale. Since 2004, CRS has been a prime grantee for AIDSRelief, a project supporting 19 local partners working through 276 health facilities in ten countries. The program delivered HIV care and treatment to more than 700,000 people, including nearly 400,000 who enrolled on lifesaving antiretroviral therapy. These cost effective and efficient programs achieved quality care with low mortality, low loss to follow up and high viral suppression rates.

To greatly increase the number of people on treatment, we must greatly increase the number of facilities offering treatment. This will require investment in infrastructure, equipment, supply chain, and human resources. Cost efficiencies have enabled us to treat more patients at existing funding levels. Yet the cost of adding new facilities outstrips these efficiencies.

PEPFAR has also supported meaningful, sustainable transitions to locally-owned programs by encouraging partner countries to lead and share the responsibility for building strong health systems. In 2008, PEPFAR began shifting focus from emergency response to long-term sustainability and country ownership. By 2012, 14 of our AIDSRelief local partners had become prime grantees and now receive PEPFAR funds directly from US government agencies.

We recently met with many of these local partners to discuss the transition. They emphasized that the key to success is continued capacity strengthening beyond the formal transition. Only when local partners take full responsibility for the program do they fully appreciate the strengths and skills needed. They continue to grow the clinical, management, strategic information, laboratory, and supply chain skills required to sustain services. Therefore, transition to country ownership requires that we continue to provide expert technical assistance to all local partners – including Ministries of Health, civil society and faith-based health networks - until they sustain the successful patient outcomes achieved at the time of transition. An abrupt or premature end to this accompaniment will jeopardize patients.

The Administration now seeks a further transition to local government ownership; our partners in South Africa have begun this process. Many other countries are not yet ready for this challenge, lacking staff, funding and infrastructure. We and our local partners are concerned that an exclusive focus on government-to-government support may leave out faith-based health networks with vast expertise in HIV care and treatment. All interested stakeholders must be brought to the table. Civil society organizations support national efforts; they offer complementary services, in many places assisting those the government does not reach; they help ensure accountability; and they advocate for strategies that match needs on the ground. The World Health Organization estimates that in some developing areas, anywhere from 30% to 70% of care may be delivered by faith-based hospitals and clinics.

The urgent need to protect Humanitarian Assistance

While the reforms referenced above will help to make US assistance more efficient and effective, we would be remiss not to mention the increasing necessity for humanitarian assistance. CRS and our partners were among the first organizations to respond to the crisis in Mali, thanks in

part to our presence there. Early on, USAID's Office of Food for Peace quickly approved transfers from an ongoing Title II development project to help internally displaced persons. The flexibility allowed rapid response, but illustrates a serious tradeoff: potential future gains from development programs that protect and expand food security may well be compromised when resources must be shifted to emergency response.

US global leadership in humanitarian response fulfills our moral obligations and spurs other donors. Yet, humanitarian needs globally outpace assistance: in Syria alone, humanitarian needs have doubled since the President's Budget Request for FY 2013. A strong response to these crises is critical, but has strained the US government's humanitarian assistance accounts.

Recommendations

Even during the most challenging of budget times, the poverty-focused international humanitarian and development assistance funded by this subcommittee lives out the generous values of the American people. As the official humanitarian relief and development agency of the Catholic community in the United States, CRS see those values in Americans' donations to our work. To further enhance this work and make it more efficient and effective:

- 1) Congress should continue to oversee USAID reforms to ensure appropriate use of funding instruments that enhance sustainability, responsiveness, and mutual ownership of projects and results; enhanced participation of civil society actors in country ownership; and predictable and adequate funding for transitions to local ownership; and
- 2) appropriators should continue to fund international poverty-focused humanitarian and development assistance to save lives overseas, restore livelihoods and link to development, particularly given the intensifying humanitarian crises today.