Testimony of Samuel A. Worthington President and CEO InterAction

Chairman Granger, Ranking Member Lowey, and members of the Subcommittee: I am here today representing the nearly 200 U.S.-based international development and humanitarian nongovernmental organizations (NGOs) that form InterAction's membership. Thank you for the opportunity to testify, and thank you for your work to guide this subcommittee in this extraordinarily challenging budget environment. I am here to advocate for the poverty-focused development and humanitarian programs that are funded through the Department of State and the U.S. Agency for International Development.

With ongoing developments in the Arab world as well as crises in Mali, Somalia, Yemen and Syria, this is a crucial time to demonstrate strong U.S. leadership in global development, humanitarian aid and support for people seeking their democratic rights. You have an opportunity now to make a long-lasting impact, particularly as we approach the 2015 target date for the Millennium Development Goals and lay out the post-2015 development agenda.

We understand that you don't set your subcommittee's spending allocation, and are faced with very tough choices as you try to distribute limited resources to many valuable programs. We appreciate your hard work to ensure the highest possible allocation for the State, Foreign Operations Appropriations bill and look forward to working with you as you begin to set out the funding priorities for Fiscal Year 2014.

I want to underscore the value of the poverty-focused accounts, in the hope that you will give them the attention they deserve as you make your funding choices.

InterAction's members work in a variety of sectors: water and sanitation, health, refugee

assistance, food security, the environment, youth and basic education, to name just a few. Yet we are united in our belief that the U.S. government can play a vital role in helping the world's poorest and most vulnerable, so that they can build better lives for themselves and create a more stable and prosperous world.

We therefore encourage you to support critically important investments in both humanitarian assistance and in long-term development. The latter includes the Global Health accounts, the Millennium Challenge account, the multilateral accounts and the Development Assistance account, which comprises, for example, funding for food security, basic education, and water and sanitation programs. On the humanitarian side, we urge your support for International Disaster Assistance, the refugee accounts and peacekeeping efforts. These humanitarian investments are classic examples of doing well by doing good: They represent the compassion of the American people to those stricken by disaster and war and are a long-term investment in a more stable, prosperous world while at the same time engendering goodwill toward the United States.

Natural disasters, armed conflict, drought and famine have unfortunately increased global humanitarian need dramatically. The resulting humanitarian crises are of a magnitude rarely witnessed in recent years, with more people displaced by conflict in the past 15 years than at any other period. As a result, many people lack access to the most basic elements of survival and dignity: health care, safe shelter, clean water, nutritious food and education.

An infusion of funds is needed now more than ever to respond to the mounting humanitarian calamity in Syria, where one-fifth of the population requires humanitarian assistance and 2 million people have been displaced by the war. At the same time, more

than 700,000 people have fled to neighboring countries and North Africa, and they are in desperate need of aid. Greater international commitment is critical, and yet the response to Syria puts a strain on already overstretched U.S. humanitarian assistance accounts dedicated to ongoing crises such as those in Mali, the Democratic Republic of the Congo, Sudan and South Sudan. Moreover, current funding levels also mean that the U.S. government would be hard-pressed to respond to any unexpected crises, like the 2010 earthquake in Haiti. As Americans, we have a moral obligation to help those most in need. As such, it is imperative that the committee funds humanitarian accounts so that we are not put in the impossible position of choosing to save lives in one country but not another.

At the same time, we recognize the constraints of the current budget environment. Like most Americans, we support responsible steps to ensure the government's fiscal health, and we support spending cuts that will not harm our national interests or values and will help balance the budget in the long term. Cutting poverty-focused foreign aid, representing less than 1 percent of the total U.S. budget, is not the way to balance our budget. Having seen the base International Affairs (150) budget cut 15 percent over the last two years, there is nowhere left to cut.

Not only do these accounts fund vital programming, but they often do so through cooperative agreements with private organizations such as InterAction's NGO members, who bring their own money to the table, thereby leveraging private contributions and creating much bigger "bang" for the taxpayer "buck." In 2010, the latest year for which we have data, U.S. NGOs managed \$14 billion in private cash contributions and gifts-in-kind. Fully 70 percent of our funding is from private, rather than public sources.

During the U.N. General Assembly last year, then-U.S. Secretary of State Hillary

Clinton announced that InterAction members planned to spend \$1 billion in food security

projects over the next three years. Such a pledge demonstrates the significant contributions
that our members make to improve people's lives. We hope Congress and the

administration will leverage our efforts to do even more. In particular, we feel that the

USAID-NGO relationship could benefit from greater engagement and communication.

InterAction is holding ongoing discussions with USAID to improve the relationship

between the agency and the NGO community, with the goal that NGOs be viewed as

partners rather than merely implementers. We therefore hope you will work with our

community to map out a strategy for engaging U.S. and international civil society as full

partners in U.S. government development cooperation efforts.

We are encouraged by efforts in Congress and the administration to increase aid effectiveness, transparency and local capacity. We support the principles underlying these efforts, and we believe that our community has a great deal to offer, with decades of experience, local knowledge and relationships with NGOs overseas. Partners in development, such as the U.S. government and the private sector, can achieve more when they leverage our community's footprint, knowledge and connections around the world.

I would like to close with just one story of the success we've seen through collaboration between the U.S. government and international NGOs. In a rural village outside of Lusaka, Zambia, USAID and World Vision – one of the largest faith-based organizations in the world – have partnered to improve access to clean water and sanitation facilities by building a solar-powered well to serve the school and individual households for the first time. World Vision also worked with the community to set up

councils to maintain the well and the associated latrine, to educate children on proper hygiene, and to ensure that soap is always available.

The well – just one small project in one community – had immediate and profound impact: For one family, the new spigot of clean water in their front yard – piped via the solar-powered water well – allowed them to grow food for themselves and bring in around \$600 in income annually. They suffered less often from water-borne diseases and diarrhea after learning proper hygiene practices. Their fourth-grade daughter now gets to school on time each day because she no longer must collect water miles from home in the morning.

This is just one example of the work being done with foreign aid dollars to create the circumstances to improve hygiene, health, education and incomes. Just imagine the opportunities that will be available to children in the village that weren't available just a few short years ago.

NGOs work tirelessly to meet the needs of the poorest and most vulnerable in a way that is responsible, sustainable and effective, but cuts to the poverty-focused development and humanitarian assistance accounts will endanger projects like these. This U.S. government, working alongside global NGOs, can help the world's poorest build better lives for themselves and contribute to a healthier, more humane, stable and prosperous world.

In closing, I want to express sincere gratitude for your efforts to reduce extreme poverty and suffering around the world.

http://www.hudson.org/files/publications/2012IndexofGlobalPhilanthropyandRemittances.pdf

ii InterAction analysis of members' 2009 IRS Form 990s.