# Testimony of Alfonso E. Lenhardt, Acting Administrator, U.S. Agency for International Development, House Committee on Foreign Affairs March 17, 2015

Thank you Chairman Royce, Ranking Member Engel, and Members of the Committee. I am pleased to join you to discuss President Obama's fiscal year 2016 budget request for the United States Agency for International Development (USAID).

Thanks to bipartisan support in Congress and from the American people, USAID is responding to unprecedented development challenges, including some of the most pressing events unfolding on the world stage today. By partnering to end extreme poverty, reduce state fragility, and promote resilient democratic societies, we help developing countries transform into peaceful, open, and flourishing partners for our nation.

In West Africa—where the Ebola epidemic threatened tens of thousands of families—we continue to lead an international coalition to tackle the outbreak with a strategy driven by evidence, innovation, and data. Led by our Disaster Assistance Response Team, we worked with the Department of Defense and the Centers for Disease Control and Prevention to mount the largest U.S. response to a global health crisis in history—coordinating thousands of U.S. Government personnel working across the region. We helped our partners recruit, train, and equip hundreds of frontline healthcare workers. We created a pipeline of critical supplies, such as protective suits and generators, and set up data systems to report precise information on new cases in real time. And we launched aggressive local information campaigns, educating vulnerable communities on how to prevent infection. In Liberia—once the heart of the epidemic—new cases have been reduced from more than 50 per day at the peak to zero new reported cases in the last two weeks. In Guinea and Sierra Leone, we are continuing to fight the epidemic with a focus on building local capacity.

In Central America—where countless children flee their homes to escape gangs, violence, and bleak economic opportunities—we are building the foundation for safe and vibrant communities. We are now deepening our partnerships with local governments, companies, and civil society in the Northern Triangle countries of El Salvador, Honduras, and Guatemala, and we are leveraging new resources and partnerships to amplify our assistance. As set forth in the Strategy for U.S. Engagement in Central America, we are reducing violence, lowering youth unemployment, and spurring broad-based economic growth in fragile towns across the region. We are also focusing on fostering public sector accountability, transparency, and effectiveness, which will ensure that our gains are sustainable.

In Syria and Iraq—where the world's most pressing humanitarian crisis rages on—we are helping millions of displaced people regain a sense of security. Today, we are providing life-saving aid by opening schools, building shelters, and providing nutritious meals. We are also working hand-in-hand with the international community to root out instability, monitor emerging conflicts, and ensure the safety of civilians caught in conflict.

In Ukraine—where citizens are working to establish a stable and sovereign democracy—we are supporting constitutional reforms and citizen dialogues with local authorities that can lead to a more transparent and responsive government. We are also bolstering Ukraine's fragile economy, particularly by improving energy efficiency, strengthening trade, and fighting corruption.

In the Philippines—where recent typhoons have devastated communities—we are building resilience to natural disasters. Instead of simply responding to crises by alleviating suffering and providing food in an emergency, we are shifting our focus to help prevent widespread devastation in the first place. In the wake of Typhoon Haiyan, we not only reached nearly three million people with emergency food aid, but also built response systems that will protect against future shocks. When Typhoon Hagupit hit a year later, towns quickly deployed stockpiles of fuel and chemicals for water treatment—ensuring that damaged communities stayed safe from water-borne diseases.

For less than one percent of the federal budget, the foreign assistance request by President Obama drives strategic engagement in the Middle East and North Africa, as well as across Asia-Pacific and Latin America. It preserves the gains we have made in Afghanistan, building upon the heroic efforts of our Nation's frontline civilians and service members. And it helps vulnerable communities from Ecuador to Ethiopia develop and strengthen their resilience to conflict and natural disasters.

USAID's approach is embodied in our mission statement: We partner to end extreme poverty and promote resilient, democratic societies while advancing our security and prosperity. It emphasizes our commitment to helping the world's most vulnerable people move from dependency to self-sufficiency while strengthening U.S. national security.

# FOCUSING ON ACCOUNTABILITY AND RESULTS THROUGH A NEW MODEL

The FY 2016 budget request for USAID managed or partially managed accounts is \$22.3 billion, seven percent above the FY 2015 enacted funding for these accounts.

We are focused on maximizing the value of every dollar. Over the past five years, we have made difficult choices about where our work will have the greatest impact—shifting resources and personnel to better advance our mission of ending extreme poverty around the world.

Since 2010, USAID Missions have reduced the number of program areas from nearly 800 to 512 in this budget—or by 35 percent. USAID global health program areas have been phased out of 23 countries. In 2010, the Feed the Future portfolio had 56 countries, it currently has reduced the total number of countries by 25 to 31.

Under USAID Forward, we have transformed our Agency into a more efficient, nimble, and accountable enterprise. We revitalized our policy and budget capacity; strengthened monitoring, evaluation, and accountability; and embraced science, technology, and public-private partnerships across our programs.

These reforms are at the core of our new way of doing business—one that has a relentless focus on delivering real, measurable results on behalf of the American people.

Despite progress made, we have a ways to go. So we are working to be more efficient and effective as a learning organization. Today, our major programs are independently evaluated, and those evaluations—both positive and negative—are available right now online, with many accessible via an iPhone app. At least half of these evaluations have led to mid-course corrections. Through evaluations in Haiti, for example, we have harnessed data to target community vaccination drives and nutrition supplements in the most vulnerable neighborhoods. According to Haiti's latest Demographic and Health Survey—the gold standard for tracking public health progress—these efforts have helped drive under-5 child mortality down by more than 20 percent over the past 15 years, despite the earthquake.

We have taken concrete steps to ensure that our Missions are generating reliable and current data on our performance—which improves accountability, increases our impact, and cuts costs. We also created robust platforms and training seminars to ensure our data is held to the highest standards of precision, timeliness, and validity, even as we work in remote and restrictive environments.

At the same time, we created contractor compliance systems that have already executed over 230 suspension and debarment actions—25 times the number the Agency executed just a few years ago. In Afghanistan, we have kept over \$645 million from being awarded to those who did not meet our vetting requirements.

At a time when great ideas and inspirational leadership come from every corner of the world, we are supporting innovative solutions that will lead to sustainable development. Today, we are embracing direct partnerships with change-agents who have invaluable in-country knowledge, networks, and expertise.

This focus on small and local partners has delivered dramatic results. Last year, we worked with 1,150 local organizations in 74 countries—and our Agency partnered with more American small businesses than ever before. As a result of our partnerships, for example, a teaching hospital in Kenya hired a U.S. university to continue its HIV/AIDS research. And a farmers' association in Guatemala became our signature partner in strengthening food security for 32,000 families.

Through our Development Credit Authority (DCA), we are leveraging resources from the private sector to seed small businesses—\$769 million in 2014 alone. Since 1999, DCA has unlocked \$3.7 billion in private capital, with more than half of that in just the last four years. With 98 percent of all loans repaid, it is supporting a global community of entrepreneurs and unlocking new business opportunities for the United States.

To accelerate our momentum, other initiatives are leveraging DCA's unique capabilities. For instance, less than two years since the launch of Power Africa, USAID has mobilized over \$170 million in financing for projects across the continent, ranging from hydro power systems to rooftop solar battery charging stations.

# ACCELERATING DEVELOPMENT THROUGH SCIENCE, INNOVATION, AND PARTNERSHIP

In the past, we identified problems and designed solutions by ourselves. Under our new way of doing business, we are now throwing open the doors of development with a suite of open competitions, prizes, and partnerships to source, test, and scale proven solutions.

This past year, we launched the U.S. Global Development Lab—a groundbreaking investment in the power of science, technology, innovation, and partnerships to bend the curve of progress. It will generate, test, and scale breakthrough solutions to complex development challenges, while attracting private sector investment to improve the sustainability of our efforts.

With a diverse array of partners—from Cargill to Coca-Cola, Texas A&M to Johns Hopkins, CARE to Catholic Relief Services—the Lab is investing in high-impact innovations, like low-cost infant resuscitation devices and new personal protective suits for Ebola health care workers. In doing so, it accelerates success in areas where our progress has fallen short of our ambitions.

Our Development Innovation Ventures (DIV) program—established to find, seed, and scale cost-efficient innovations—has invested in more than 100 ideas across 35 countries, such as a \$10 device that prevents the leading cause of maternal mortality. In East Africa, for instance, DIV is supporting an innovative chlorine dispenser system that is providing access to clean drinking water to approximately 3 million people across East Africa, with the goal of reaching 2 million more. In doing so, it will save 3,200 children from preventable deaths—all at just two percent of the cost of existing approaches.

We recently took this model to a new level by launching the Global Innovation Fund, an international impact investing partnership that will apply venture capital-style rigor to invest in high-potential development solutions. In addition, over the past four years, we have launched six Grand Challenges for Development competitions to generate game-changing ideas on issues including maternal and child health; clean energy for agriculture; childhood literacy; water for food production; and open government—with nearly half of the submissions coming from the developing world.

For example, we recently initiated a *Fighting Ebola* Grand Challenge for Development to generate new tools to help frontline health care workers provide better care. In just two months, USAID received more than 1,500 ideas from a global community of innovators—from reengineered personal protective suits to lotions that repel the virus. One award nominee is Johns Hopkins University, which created a personal protective suit prototype with easy-to-open zippers and a built-in cooling fan that runs off a cell phone charger. While the old suits took 22 steps and 15 minutes to take off safely, these new ones come off in less than 60 seconds, all in one fluid motion.

Taken together, these initiatives have the potential to redefine the way we work around the world. Our Agency's open competitions have received more than 10,000 applicants, and nearly 70 percent of them have never worked with us before. Our staff is working hand-in-hand with new partners—epidemiologists, students, and engineers alike—to build a global community of humanitarians dedicated to our mission of ending extreme poverty.

Through our new way of doing business, we are tapping into talent everywhere to transform lives faster, and more efficiently, than ever before. In more than 70 countries, USAID is delivering extraordinary results across critical areas, from agriculture to power.

#### REDUCING HUNGER AND EXTREME POVERTY

In this request, \$1.02 billion is devoted to Feed the Future, the U.S. Government's global hunger and food security initiative, of which \$978 million is requested in USAID and State accounts. Built on decades of bipartisan support for U.S. foreign aid, Feed the Future has evolved into a global movement designed to end hunger and extreme poverty through business, science, and partnership.

Through Feed the Future, we have supported our partner countries to increase agricultural productivity, expand markets, and increase rural incomes. In 2013 alone, we reached nearly 7 million farmers with new technologies that boost harvests—and, working in concert with USAID's Global Health and Food for Peace efforts, we improved the nutrition of 12.5 million children.

These efforts are paying off in the form of increased yields, higher incomes, and more dynamic economies. In 2014, our efforts enabled smallholder farmers in targeted countries to earn more than \$530 million in new sales of agriculture products—representing a three-fold increase over the previous year.

In Zambia, we improved access to better seeds and fertilizers, contributing to a record maize harvest that was 30 percent larger than the year before. In Ethiopia, we helped drive down stunting rates by 9 percent in just three years—resulting in 160,000 fewer children suffering from one of the most crippling effects of malnutrition. In Bangladesh, we contributed to an almost 15 percent reduction in stunting during the past three years across the two regions where Feed the Future is focused—resulting in an estimated 100,000 fewer stunted children.

Three years ago, President Obama elevated food security to the global stage, creating a landmark public-private partnership with the G8 called the New Alliance for Food Security and Nutrition. Representing a shared commitment among African leaders, donors, and private sector, the New Alliance has leveraged \$10 billion in investment from 200 companies—the majority from local African firms, including farmer-owned businesses.

Feed the Future is also at the forefront of our Agency's effort to build resilience. Today, we are promoting cutting-edge technologies and management practices that increase crop and livestock production—even in the face of unpredictable conditions and shocks. In places like the Horn of Africa, we are using drought and flood-resistant seeds and better livestock management practices to protect harvests and preserve economic stability. Not only does this dramatically reduce widespread hunger and stunting, but it empowers local farmers and herders to invest in their assets, which helps them move from dependency to self-sufficiency.

#### ENDING PREVENTABLE DEATHS

Thanks to strong bipartisan support for our global health efforts, we are saving more lives than ever before. In this budget, USAID and the Department of State are requesting \$8.2 billion in funding for global health to help realize goals that were once inconceivable: ending preventable maternal and child death, protecting communities from the spread of infectious diseases, and creating an AIDS-free generation. Of this total, the USAID Global Health account request is \$2.8 billion and the State PEPFAR account request is \$5.4 billion.

Instead of trying to work everywhere at once, we've already narrowed our focus to the 24 countries that account for more than 70 percent of maternal and child deaths globally. Last June, at our *Acting on the Call* summit, we released Action Plans for each of our priority countries and management scorecards that are all reviewed quarterly which will set the pathway to realize our vision of saving the lives of up to 15 million children and nearly 600,000 women by 2020.

We are harnessing this momentum by continuing to support an array of ambitious programs. Just last month, the United States committed \$1 billion to Gavi, the Vaccine Alliance, over four years—subject to Congressional approval—to help immunize 300 million children and save at least 5 million lives by 2020. Over the past decade, the President's Malaria Initiative has contributed to dramatic reductions in childhood mortality rates in all of the original 15 PMI focus countries, ranging from 16 to 50 percent. And PEPFAR recently announced that it is now supporting life-saving antiretroviral treatment for 7.7 million men, women, and children—helping to cut new HIV cases by more than 50 percent since 2005.

# INCREASING ACCESS TO POWER IN AFRICA

The FY 2016 budget request includes \$76.7 million for Power Africa. Less than two years ago, President Obama launched Power Africa, a public-private partnership that aims to double access to power—and unlock American private sector investment—across sub-Saharan Africa. To do so, we are embracing a transaction-focused approach that mobilizes new sources of private capital, trains local entrepreneurs, and encourages countries to make energy sector reforms. As a result, it not only facilitates significantly larger pools of funding for energy projects; it also ensures that firms and countries alike abide by international rules to prevent corruption and adhere to internationally recognized social, labor and environmental standards.

As part of Power Africa, more than 4,000 megawatts (MW) worth of power projects have financially closed—mostly financed by private resources—and another 15,000 MW worth of transactions are in the planning stages. For every \$1 the U.S. has committed, the private sector has committed almost \$3. To date, over 90 private sector partners have stepped forward with more than \$20 billion in commitments.

At the recent U.S.-Africa Leaders Summit, President Obama announced that the United States is tripling its goal for Power Africa to 30,000 MW of new electricity generation and bringing at least 60 million household and business connections online.

In Ethiopia, Power Africa is supporting the nation's first private power project—a geothermal energy facility that has the potential for upwards of 1,000 megawatts worth of clean energy capacity. In Nigeria, we're partnering with a local university to build a renewable, off-grid hydropower plant—expected to provide electricity to more than 10,000 rural students, professors, and community members.

# BUILDING RESILIENCE TO CLIMATE CHANGE

The Global Climate Change Initiative (GCCI) invests in climate-resilient, low-emission development that is critical to sustainable global economic growth and stability. The USAID request of \$348.5 million for bilateral programs will strengthen resilience to the impacts of climate change, increase access to clean energy, and reduce emissions from deforestation and land use. These bilateral investments complement the President's commitment to the Green Climate Fund.

These efforts help to address a significant challenge to our national security and economic prosperity. According to leading reinsurance company Munich Re, over the past decade, natural disasters have cost the world an average of 106,000 lives and \$184 billion per year. More than three-quarters of global disasters are weather-related events—such as droughts, floods, storms and heat waves—that are expected to become more intense, less predictable, and increasingly frequent with climate change.

While we cannot prevent these types of shocks from happening, we can work more strategically to ensure these disasters do not devastate families or set back hard-won development gains.

This spring, we launched the Global Resilience Partnership with the Rockefeller Foundation and the Swedish International Development Cooperation Agency. The partnership will focus on regions known for recurring crises, particularly the Horn of Africa, the Sahel, and South and Southeast Asia. Through a network of regional hubs, the Global Resilience Partnership will source, test, and scale innovative solutions that are tailored to local needs—like crowd-sourced data collection tools and cutting-edge storm warning systems.

In Africa—home to some of the world's fastest-growing economies—we have reduced risk of disasters for more than 27 million people by harnessing innovative tools, like underground water mapping. And from Brazil to Indonesia, we are partnering with the Consumer Goods Forum—representing 400 companies and \$3 trillion in annual sales—to support the Tropical Forest Alliance 2020, which works to green supply chains and end tropical deforestation.

Recognizing that the adverse impacts of climate change can exacerbate instability, we are exploring new kinds of partnerships, research, and technologies. This past year, we conducted a groundbreaking exercise with U.S. Special Operations Command to map security threats against human deprivation in the Sahel, home to resurgent extremist groups. What we found was startlingly clear: the migration of people, arms, and illicit drugs mapped clearly to areas with food insecurity and water shortages. Today, we are using the results from this recent exercise as the foundation for joint civilian-military planning in other areas of crisis.

# **EXPANDING ACCESS TO QUALITY EDUCATION**

With our commitment to accountability, innovation, and local leadership, our education programs are making a critical difference in fragile communities across the globe. Our request for Basic Education is \$600 million, an increase of 12.4 percent over our FY 2015 request.

Since we launched our Education Strategy in 2011, we have designed or realigned over 100 programs. Thanks to a relentless focus on making evidence-based investments and delivering measurable results, we have reached more than 30 million individual children over the past four years alone. These efforts have given some of the world's most vulnerable children a rare chance to realize their potential.

In a year of unprecedented global crises, we have targeted our efforts to children whose schooling has been disrupted. After nearly 300 schoolgirls were kidnapped in Nigeria, we moved rapidly to put in place an education crisis response program to expand quality education opportunities for displaced and out-of-school children in conflict-affected northeast Nigeria. In Jordan, we are supporting local officials to provide education through the public school system to more than 100,000 child refugees—including 60,000 girls—who have been forced to flee violence. And when the Ebola epidemic shut down schools for months in Liberia, we used community radio stations to broadcast education programming into half of the entire country, every morning and night. Today, we are supporting local officials as they transition millions of children back into the classroom.

We are also harnessing the power of innovation to not only educate more children, but support more local teachers. Last month, we released a new round of grants through our *All Children Reading* Grand Challenge—a competition to create scalable, low-cost education technologies. In Zambia, for instance, we are supporting an online training platform for early-grade reading teachers.

At the same time, we are supporting whole-of-government initiatives like *Let Girls Learn*, which will improve access to quality education for adolescent girls in the face of various barriers. Following the historic U.S.-Africa Leaders Summit, we are expanding the Young African Leaders Initiative across the continent. Today, we are establishing four Regional Leadership Centers that will help thousands of African students enroll in local universities and receive vocational training.

By investing in the skills and self-sufficiency of vulnerable children, we can brighten the future for millions of communities shackled by extreme poverty and conflict. With widespread illiteracy estimated to cost the global economy more than one trillion dollars this year alone, these programs not only advance America's standing as the world's development leader in education, but also energize the global economy.

# INCREASING ACCESS TO CLEAN WATER AND SANITATION

Today, more than 750 million people lack access to clean water. Over 840,000 die each year from a water-related disease—more than the entire population of San Francisco.

With a budget request of \$228 million, we will continue the implementation of our firstever Water and Development Strategy, which lays out a precise plan to enhance access to water for health and water for food. Over the next four years, we will sustainably improve the water supply for 10 million people, and reach 6 million people with access to improved sanitation. To reach these ambitious goals, we are leveraging new resources and tapping into the unique capabilities of local leaders.

In Indonesia, we are on track to improve sanitation and water services for over two million people. In Ghana, we partnered with the Coca-Cola Company, Rotary International, and local organizations to build wells and pipe systems that gave more than more than 112,000 people access to clean water for the first time. And with more than 17 million people in Kenya lacking access to safe water, we partnered with local banks to extend loans towards local water and sanitation projects. This past year, we leveraged the largest commercial loan for the water and sanitation sector in Kenya's history. With it, nearly 75,000 people have access to better water services.

# RESPONDING TO HUMANITARIAN CRISES

Today, we face unprecedented humanitarian crises that challenge us to work even harder—and move even faster—to save as many lives as possible.

Last year was the first time in our Agency's history that we were called on to manage four large-scale emergencies simultaneously, in addition to the Ebola epidemic: Iraq, Syria, South Sudan, and the Central African Republic. In 2014 alone, our Office of U.S. Foreign Disaster Assistance responded to 49 disasters in 42 countries. The willingness of our staff and partners to head into the heart of a crisis to save lives—regardless of danger or difficulty—is one of the most profound expressions of who we are as Americans.

Syria remains the world's most devastating humanitarian crisis. There are now more than 7.6 million displaced people inside Syria—and approximately 3.8 million refugees now live in neighboring countries, placing unprecedented stresses on an already fragile region. Despite the dangers inside Syria, we have supported nearly 300 field hospitals, clinics, and medical points that have treated more than 2 million patients. Emergency food assistance, programmed through the office of Food for Peace, has reached more than 3.2 million people both inside Syria and refugees in neighboring countries.

In Iraq, we are working hand-in-hand with local, military, and non-profit partners to assist vulnerable communities under assault from the Islamic State of Iraq and the Levant. For example, as militants threatened to starve thousands of families trapped on Mount Sinjar, we worked alongside the U.S. military to air-drop 128,000 ready-to-eat meals and nearly 134,000 liters of safe drinking water to the besieged victims.

In South Sudan, more than half of the population is in need of humanitarian assistance. This year, over 2.5 million people are experiencing acute levels of food insecurity, and tens of thousands of children are at risk of severe malnutrition. We are leading the international

community to bring critical assistance to communities on the brink of famine—delivering life-saving food, water, and medicine to families trapped by endemic conflict.

As we face this array of complex crises, our investments will complement President Obama's plan for food aid reform, which ensures that we can deliver life-saving assistance to more hungry people—in less time, and with the same resources. That is why this budget calls for the flexibility to use up to 25 percent of P.L. 480 Title II for lifesaving tools, like food vouchers and local procurement—in addition to U.S. commodities—which will allow us to reach two million more people. Most food aid will remain sourced from the U.S., sustaining the unique partnership between American food producers, the maritime community, and humanitarians— all united in an effort to save families in their greatest hour of need. We look forward to working with Congress this year to enact this historic proposal.

# ADVANCING DEMOCRACY, HUMAN RIGHTS, AND GOVERNANCE

But as we respond to urgent crises, we also continue to build the foundation for enduring peace and prosperity in fragile environments. That is why this budget provides \$2.4 billion for democracy, human rights, and governance programs—a 19 percent increase from the FY 2015 request. With this investment, we will protect freedom of expression, improve accountability, and expand equality in fragile democracies. But doing so does not just mean monitoring elections. It also means fighting corruption and protecting the rights of all citizens.

In Afghanistan, for instance, we created a \$175 million incentive fund using FY 2012 and FY 2013 funds to hold the Government of Afghanistan accountable for long-term development goals—including advancing support for women and girls, fighting corruption, and establishing an improved electoral framework. The FY 2016 budget request includes significant additional funding to support a similar approach focused on conditions based incentives. In Ukraine, we are supporting anti-corruption reforms that can lead to a more transparent, stable, and responsive government. And in eight countries—from Tanzania to Bangladesh—we launched the SPRING Initiative, which will seed and scale new technologies to improve the economic outcomes of up to 200,000 girls over the next five years.

We also continue to support democratic transitions through the Open Government Partnership—an innovative international partnership between governments and civil society to encourage transparent, effective, and accountable governance. Launched by President Obama and seven other heads of state in 2011, 65 countries are now part of the Open Government Partnership. Our modest annual contributions of \$350,000 to support the secretariat have yielded more than 2,000 national commitments to improve governance in 65 countries that are home to more than two billion people.

#### **REGIONAL FOCUS**

# Afghanistan

This request is tailored to support Afghanistan's continued progress even while international assistance levels begin gradually declining—particularly by maintaining gains in health,

education, and gender equality; promoting economic growth; and improving stability by supporting more accountable and effective Afghan governance.

Our assistance in Afghanistan has helped produce remarkable gains. Back in 2001, Afghanistan had virtually no girls—and only 900,000 boys—enrolled in school. Today, more than 8 million children are enrolled in school, and over a third are girls. 40,000 Afghan women attend universities, training to be the doctors, engineers, and educators who will propel the country towards a more peaceful and prosperous future. This past year in Kabul, we officially launched Promote—the largest program in our Agency's history focused on empowering women. It will help 75,000 women achieve leadership roles in all parts of society, from business to academia to politics.

# Central America

Building on our strong legacy of progress in Latin America and the Caribbean, we are tackling the biggest drivers of instability by focusing on harnessing innovation, spurring economic growth, and strengthening democracy.

Last summer, thousands of Central American children left their homes to seek a better life. To address the root causes of instability, the President has requested \$1 billion for a new whole-of-government strategy for the region. In doing so, we will support a more democratic, secure, and economically integrated Central America—one that protects the safety of all citizens, provides greater economic opportunity, and has accountable public institutions. With a focus on embracing local leadership, the President's strategy will also align with the region's own plan, called the Alliance for Prosperity in the Northern Triangle.

We will target the underlying factors behind increased migration. In particular, we will support evidence-based initiatives that advance broad-based economic growth, accelerate rural development, and strengthen resilience across the region. For instance, we are partnering with companies like Chevron, Hanes, Cisco, Intel, and Microsoft to improve education and workforce training for at-risk youth across the region. In doing so, we can help thousands of vulnerable young people find jobs, return to school, or start their own businesses. We will also promote reforms that protect the rule of law, improve local governance, and strengthen citizen security in fragile communities. At the same time, we will closely evaluate human rights violations and the performance of the justice sector—ensuring that all citizens have access to basic services and protections.

# <u>Asia</u>

We continue to support the Asia-Pacific Rebalance through an array of robust initiatives that foster inclusive growth; protect universal rights; boost regional trade; strengthen democracy and governance; and improve access to education and healthcare.

In India, we are supporting a partnership with the Indian government, business and development organizations to improve clean water and sanitation services for millions of vulnerable people. In

Vietnam, we are partnering with Coca-Cola to launch a micro-finance and training program for women entrepreneurs. In Bangladesh, we are deploying an innovation in fertilizer called deep urea placement that has transformed over 600,000 hectares of land—leading to the first-ever rice surplus in the country's poorest state. And through the U.S. government's New Silk Road initiative, we are helping to strengthen connectivity between Afghanistan and its neighbors across Central and South Asia—by reducing trade barriers, building up regional energy markets, and improving infrastructure like roads, railways, and border crossings.

# ADVANCING AN EFFECTIVE MANAGEMENT AGENDA

The FY 2016 USAID request of \$1.7 billion for all Administrative Expenses enables the investments and successes outlined here.

With these investments, we will ensure that our staff is protected as they perform oversight in unpredictable and dangerous environments. We will ensure that our Missions are generating reliable data—which improves accountability, increases our impact, and cuts costs. And we will ensure that we are continuing to reform operations, improve management processes, and generate significant cost savings.

Yet, even at a time when USAID teams are on the frontlines of conflict in Ukraine, upheaval in Yemen, and an epidemic in West Africa, our request represents just 7 percent of our total resources—underscoring our relentless focus on efficiency and optimizing the use of taxpayer funding.

# **CONCLUSION**

Ultimately, our investment in development represents the vanguard of our economic strength, moral leadership, and national security. At the same time, it advances an unprecedented global fight to end extreme poverty.

Since the dawn of humanity, extreme poverty has crowded at the heels of progress—stifling hopes and undermining growth across the centuries. But today, we stand within reach of a world that was simply once unimaginable: a world without extreme poverty and its most devastating consequences, including chronic hunger and child death.

As President Obama said at the United Nations General Assembly, "America is committed to a development agenda that eradicates extreme poverty by 2030. We will do our part to help people feed themselves, power their economies, strengthen their policies, and care for their sick. If the world acts together, we can make sure that all of our children enjoy lives of opportunity and dignity."

Through our work, we are opening up new paths to prosperity, energizing the global economy, and reducing root causes of fragility and insecurity. In doing so, we are advancing the values that unite the American people and people throughout the world: a belief in the freedom, equality, dignity, and the potential of every individual.