

**Written Statement of Administrator Mark Green, U.S. Agency for International
Development (USAID)
House Foreign Affairs Committee
April 9th, 2019**

Introduction

Chairman Engel, Ranking Member McCaul, Members of the Subcommittee, thank you for this opportunity to discuss USAID's Fiscal Year (FY) 2020 Budget Request.

The FY 2020 request for USAID fully and partially managed accounts is approximately \$19.2 billion, an increase of \$2.4 billion, or 14 percent, over last year's request. It requests \$6.3 billion for global health and \$5.2 billion for the Economic Support and Development Fund. In terms of USAID's humanitarian assistance, it requests \$6 billion for the new International Humanitarian Assistance Account, which, with likely carryover, will allow us to maintain the highest level ever of U.S. humanitarian assistance programming.

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USAID remains focused on our core day-to-day work: helping support the world's most-vulnerable populations affected by humanitarian crises; promoting human rights, democracy, and citizen-responsive governance; and improving development outcomes in the areas of economic growth, education, environment, and health worldwide. Every day, our highly professional and dedicated staff work diligently to deliver sustainable development solutions and build self-reliance in partner countries, project American values globally, and advance our foreign-policy and national-security objectives.

I know that I cannot touch upon our work in each country in the limited time afforded me today, so allow me to discuss some of the themes and situations at the forefront of our attention.

Optimizing Humanitarian Assistance

The budget request reaffirms that Americans will always stand with people and countries when disaster strikes or crisis emerges. The FY 2020 U.S. humanitarian request will, with available carryover, provide an average of \$9 billion in both FY 2019 and FY 2020, allowing the U.S. to remain the single largest global donor and maintain the highest level ever of USG humanitarian assistance programming. The U.S. will not only continue our role as the world leader in humanitarian assistance, but we will also call on others to do their part and we will work relentlessly to assure that assistance is delivered as effectively and efficiently as possible.

Over the years, the responsibilities of the two USAID offices leading the bulk of our humanitarian assistance—Food for Peace and the Office of U.S. Foreign Disaster Assistance (OFDA)—have been sharply increasing. While they have often coordinated, they have worked in parallel, with separate budgets, separate oversight, and different strategies.

Our overseas humanitarian assistance, within USAID's new Bureau for Humanitarian Assistance, supports this Administration's commitment to optimize humanitarian investments. This will ensure a seamless blend of food and non-food humanitarian USAID assistance, better serving our foreign policy interests and people in need.

The budget also delivers on the President's commitment to optimize the effectiveness of the U.S. government's outdated and fragmented overseas humanitarian assistance. The proposal maximizes the impact of taxpayer dollars, helps more beneficiaries, and delivers the greatest outcomes to them by consolidating humanitarian programming in the new bureau at USAID while retaining State's lead role on protection issues, as well as the U.S. refugee admissions program.

Venezuela

Nowhere is America's leadership in humanitarian assistance more important, or more timely, than in our continued response to the man-made, regime-driven crisis in Venezuela. As you

know, the illegitimate dictator Nicolas Maduro has repeatedly blocked outside efforts to provide humanitarian relief to the millions of Venezuelan citizens in need. We continue to monitor the situation in Venezuela closely, where Maduro and his cronies have destroyed the country's institutions and economy, and created the largest cross-border mass exodus in the history of the Americas.

In response to Interim President Guaidó's request for assistance that could help him meet some of his people's urgent needs, USAID and State—with support from the Departments of Defense and others—have pre-positioned humanitarian assistance close to the border in Colombia, Brazil. USAID has also pre-positioned humanitarian assistance inside of Curacao, for eventual delivery into Venezuela. Since February 4, the U.S. Government has pre-positioned nearly 546 metric tons of urgently needed humanitarian assistance, including food aid, emergency medical items, hygiene kits, non-pharmaceutical commodities, water treatment units, and nutrition products.

At President Trump's instruction, we have closely coordinated these efforts with the international community. President Iván Duque of Colombia and President Jair Bolsonaro of Brazil, in particular, have been key allies in our efforts. The U.S. is grateful for our allies in the region who have stepped up to help the Venezuelan people in their hour of need.

We will continue to support Interim President Guaidó's efforts to deliver aid to his people in Venezuela, and also continue to support Colombia and other countries that are hosting Venezuelans who have fled. To date, the U.S. has provided more than \$195 million in assistance to Venezuelans and host communities in the region. That funding has supported the provision of urgently needed food, health care, protection, and shelter, to both Venezuelans and host communities. USAID also funds local organizations involved with human rights, civil society, independent media, electoral oversight, and democratic political processes, and the democratically elected National Assembly. We are not alone in this effort. Many of our close allies have pledged support, and many private citizens have already contributed assistance to the region, as well.

The United States stands with those who are yearning for a better life and a true democracy. We know the answer to Venezuela’s crisis must be human liberty and democracy; Venezuelans deserve a return to democracy, rule of law, and citizen-responsive governance.

We also stand with the Cuban people who have suffered for six decades under an authoritarian regime – the same regime plays a crucial and destabilizing role in supporting Maduro and his cronies. The United States funds democracy programs that help the capacity of the independent Cuban civil society, support the free flow of uncensored information to and from the island, and provide humanitarian assistance to political prisoners and their families.

In response to requests by Cuban civil society activities during the Summit of the Americas in April 2018, USAID identified an additional \$750,000 in FY 2017 funds to increase humanitarian support for Cuban political prisoners and their families, and to provide additional communications tools to civil society activists.

Tropical Cyclone Idai

USAID mobilized quickly in response to the devastating impact of Tropical Cyclone Idai on Mozambique, Zimbabwe, and Malawi.

Torrential rains have covered nearly 2,750 square miles of land in water—that’s an area larger than New York City, Philadelphia, and the entire state of Delaware combined. Sadly, nearly 600 people have already lost their lives and nearly 2 million people are in desperate need of assistance.

USAID has deployed a Disaster Assistance Response Team (DART), which includes health, food security, shelter, and water, sanitation, and hygiene experts to provide technical advice and make assessments in real time. To prevent the spread of cholera and other waterborne diseases, USAID is airlifting relief supplies including water treatment units, water storage containers, and latrines.

In order to reach those communities who have been cut off by the storm, we've also requested the unique capabilities of the U.S. Department of Defense U.S. Africa Command to provide airlift and logistics support for our humanitarian response. The U.S. military has flown 34 flights and transported nearly 322 metric tons of relief supplies including food and medical supplies, vehicles, as well as USAID disaster experts and aid workers.

Our teams are monitoring the situation closely and will continue to adjust our efforts in close coordination with the Government of Mozambique, the U.S. Centers for Disease Control and Prevention, and other response actors to assess needs and provide assistance to the affected populations

Outbreak of Ebola in the Democratic Republic of the Congo (DRC)

Since the declaration of the outbreak on August 1, 2018, health officials have recorded at least 1089 confirmed and probable cases, including 679 deaths, in DRC's North Kivu and Ituri Provinces as of April 1, 2019. The U.S. Government deployed a Disaster Assistance Response Team (DART) to the DRC to augment the ongoing Ebola response efforts. These disaster and health experts from USAID and the U.S. Centers for Disease Control and Prevention (CDC) within the U.S. Department of Health and Human Services (HHS), are working with partners to provide robust life-saving assistance and support affected populations. The DART is coordinating with the DRC Ministry of Health, the World Health Organization, other donors, and key actors to support a coordinated effort, encourage sustained resourcing and fair burden-sharing, and ultimately end the outbreak. USAID assistance primarily focuses on breaking the chain of transmission, including through preventing and controlling infections, surveillance and case-finding, contact-tracing, case-management, and raising awareness in communities about how the virus is transmitted.

This response is a priority for the U.S. Government, not only because we are committed to supporting those affected, but also because effective efforts to contain and end the outbreak will prevent it from spreading throughout the broader region and beyond, including the United States.

Rohingya Crisis in Bangladesh and Burma

Bangladesh now hosts one million Rohingya refugees from Burma in the world's largest refugee camp. Over 740,000 of these refugees arrived in the wake of an ethnic cleansing campaign conducted by Burmese security forces that began in August 2017. Last May, I went to Bangladesh and Burma's Rakhine State to observe firsthand the daily burdens and suffering facing Rohingya communities. In many ways, it's the harshest situation I've seen in my time at USAID. The United States is the largest single donor of humanitarian aid to this crisis and stands as a beacon of hope to Rohingya.

Our efforts continue to focus on measures that will improve the situation for Rohingya in Rakhine State, as well as Rohingya refugees and host communities in Bangladesh. While providing life-saving assistance is critical, we also undertake programming to encourage the Burmese government to address the underlying causes of tension and violence, which are essential for there to be lasting justice. It's also a necessary step if that beautiful country is to fulfill the promise of its far-from-fully-realized democratic transition.

Support for Religious and Ethnic Minorities

The \$150 million in USAID and State Department funding that this budget requests will help us continue our important assistance to those religious and ethnic minorities in the Middle East, and other regions, whom ISIS sought to extinguish. We believe that freedom of religion and conscience are an essential part of our national character, and an essential attribute of any country that seeks to be prosperous, democratic, and just.

Democratic Backsliding

Another significant challenge we face in many regions is democratic backsliding. Rarely these days do authoritarian leaders oppose elections outright. Instead, as we've seen in capitals from Caracas to Phnom Penh, they use sophisticated tools and methods to bend elections to ensure their grip on power is maintained. Subverting civil society and independent media, manipulating

vote tabulations, and other anti-democratic ploys are all too often undermining hope for everyday citizens to be able to shape their future through the ballot box. USAID will continue to fund programming that aims to counter authoritarian impulses, nurture the capacity of civil society to advocate for an agenda of liberty, and advance fundamental freedoms worldwide.

Many parts of the world have seen an exponential growth of predatory financing dressed up as development assistance. China and Russia have been by far the greatest, though not the sole, sources of such financing. This form of financing often leads to unsustainable debt, eroded national sovereignty, and even the forfeiture of strategic resources and assets.

As part of an Agency-wide strategic approach, USAID will soon unveil a Framework to help us counter malign Kremlin influence, especially in Europe and Eurasia. This budget request prioritizes \$584 million in State Department and USAID foreign assistance to support that work and our efforts to aggressively communicate the stark differences between authoritarian financing tools and the approach that we and our allied donor nations use.

Our approach is true assistance that helps partner nations build their own self-reliance and a more dynamic, private enterprise-driven future. We aim to help partner countries recognize the costs of alternative models, like those of China and Russia, that can weaken confidence in democratic and free-market systems, saddle countries with unsustainable debt, erode sovereignty, lead to the forfeiture of strategic assets ignore the needs and concerns of local communities, and further the militaristic ambitions of authoritarian actors.

Indo-Pacific Strategy

America's security and prosperity at home is closely tied to a stable and free Indo-Pacific Region, and this request includes over \$1 billion in State Department and USAID foreign assistance to protect U.S. interests and promote open, transparent, and citizen-responsive governance across the Indo-Pacific.

In Asia, USAID plays a key role in advancing the U.S. Government's Indo-Pacific Strategy (IPS), particularly the economic and governance pillars, and the latter's headlining Transparency Initiative. America's vision for a free and open Indo-Pacific region is one in which all nations are sovereign, strong, and prosperous. Together with our U.S. Government partners, and in coordination with like-minded donor partners, USAID helps advance the IPS by strengthening governance in areas critical to achieving this vision—primarily with regard to bolstering economies and free markets, supporting democratic institutions and transparency promoting human rights and empowered citizens, and fostering incentives that address the region's substantial infrastructure gaps—foremost in energy, transportation, and digital connectivity sectors. By promoting open, transparent, rules-based, and citizen-responsive governance across Asia, the IPS mitigates the influence of predatory countries while unlocking private-sector-led growth that helps drive sustainable development and increase partner countries' self-reliance. As part of this strategy, USAID is playing a leading role in the interagency.

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At USAID, we are proud of our role as the world's premier development agency. We are just as dedicated to ensuring that we maintain that leadership role in the years ahead. In order to prepare ourselves for the future, in late 2017, we initiated a series of interconnected reforms we call *Transformation*. Aimed at shaping a USAID worthy of both American global leadership and the talented, dedicated staff who work for us around the world, *Transformation* will allow us to strengthen our core capabilities, increase efficiency, and ultimately, improve outcomes while reducing costs. This budget request closely aligns with and supports implementation of these plans.

When I last appeared before this Committee on April 24, 2018, I provided an overview of several planned initiatives in our *Transformation* framework. After nearly 100 consultations with many of you, your staff, and colleagues across Capitol Hill, we have since launched our reform agenda and submitted nine Congressional Notifications related to the Agency's new structure. Our structure is closely tied to other internal reforms, and will provide the necessary enabling environment, within USAID, to ensure this vision takes root. I ask for your support on our

remaining Congressional Notifications on our *Transformation*, and am eager to answer any questions you might have.

Country Roadmaps: Defining and Measuring Self-Reliance

In pursuit of our vision of a day when development assistance is no longer needed, we are now orienting our work around the concept of fostering *self-reliance* in partner countries. USAID defines “self-reliance” as a country’s ability to plan, finance, and implement solutions to its own development challenges. In order to understand where a country is going in its journey to self-reliance, we need to understand where they are on that journey and where they’ve come from. To that end, and after consultations with USAID employees, external partners and other shareholders, we pulled together 17 objective, third-party metrics across the political, economic, and social spheres. They fall into two broad categories: commitment, or the degree to which a country’s laws, policies, actions, and formal and informal governance mechanisms support progress toward self-reliance; and capacity, which refers to how far a country has come in its ability to plan, finance, and manage its own development agenda.

We then assembled these metrics, country-by-country, as “Country Roadmaps” for all 136 low- and middle-income countries as classified by the World Bank. These Roadmaps were rolled out in August 2018 for socialization with partner governments.

These Roadmaps serve several purposes. First, again, they help us identify approximately where each country is in its development journey, a crucial first step in orienting our in-country approach around the concept of self-reliance. Second, they help inform our strategic decision-making and resource allocation processes and ensure that we better focus USAID’s investments. As we better align our strategies and our budgets, we look forward to working with you, and your colleagues, to ensure we have the appropriate mix of resource allocations. Third, because they use objective, open-source data, the Roadmaps provide USAID with a common touchstone for use in dialogues with country and development partners. Fourth, the metrics help signal to USAID—and the broader U.S. Government—when a country has made enough development progress such that we should pursue a new, more enterprise-centered phase in our partnership.

In October 2018, we published the Country Roadmaps online at [USAID.gov](https://www.usaid.gov). I welcome you to take a look.

Diversifying Our Partner Base, and Engaging New and Underutilized Partners

Metrics provide us with critical insight, but, ultimately, it is our in-country partnerships that advance our mission. Tapping into the innovation and resources of the private sector, and working with a full breadth of stakeholders, is critical to achieving sustainable development outcomes and building self-reliance. Many locally established actors—such as education institutions, non-profits, faith-based organizations and for-profit enterprises—have long engaged in their own efforts to build capacity, increase accountability, and provide services in countries prioritized by USAID. They are natural allies in our development mission, and this request includes \$20 million towards a New Partnerships Initiatives to expand our partner base.

Historically, these groups have often struggled to compete for USAID funding because of burdensome compliance and solicitation requirements, the imposing dollar size and scope of our awards, and unfamiliarity with USAID’s terminology and practices. On our end, we have admittedly lacked a sustained commitment to mobilizing new and local partners. The result has been a dwindling partner base. In Fiscal Year (FY) 2017, 60 percent of our obligations went to 25 partners, and more than 80 percent of our obligations went to just 75 partners. The number of new partners has decreased consistently since 2011.

With the launch of USAID’s first-ever Acquisition and Assistance (A&A) Strategy last December, we seek to reverse this trend, and tap into the good ideas and innovative approaches that we know exist in underutilized partners. Included in the core tenets of our strategy are more collaborative approaches to partnership, prioritizing innovation, and building the commitment and capacity of new partners. By diversifying our partner-base, we will not only incorporate new ideas and approaches into our tool-kit, but we will also strengthen locally led development—a core component of each country’s Journey to Self-Reliance.

Strengthening Private-Sector Engagement

While there will always be an important role for traditional contracting and grant-making in our work, we can accelerate and amplify our efforts and outcomes by increasingly applying market-based solutions to the development challenges we aim to address. At USAID, we have long recognized that private enterprise is the most-powerful force on earth for lifting lives out of poverty, strengthening communities, and building self-reliance. But until recently, the Agency lacked a formal, overarching policy to guide and galvanize our engagement with the private-sector.

That changed last December with the launch of USAID’s Private-Sector Engagement Policy. The Policy serves as a call to action for all Agency staff and partners to increase and strengthen our work with commercial firms, and embrace market-based approaches to achieve outcomes. We seek ever-greater input from the private-sector, moving beyond mere contracts and grants to include more true collaboration—co-design, co-creation, and co-financing.

As part of this greater focus on private-sector engagement, USAID looks forward to a close partnership with the new Development Finance Corporation (DFC) established by the BUILD Act to mobilize financing, and this request provides \$50 million towards the new DFC. With close integration of tools such as the Development Credit Authority (DCA) and the Overseas Private Investment Corporation’s new equity authority and other reforms, the DFC will make private-sector engagement much more effective. We are working closely with OPIC and the White House to make the new DFC a reality. Through collaborative endeavors with our USG partners and the private sector, we seek to join up our respective expertise to tackle problems that neither could fully address alone.

We pursue greater engagement with the private-sector because it is sound development, it achieves better outcomes, and it leverages the vast, largely untapped resources of commercial enterprise throughout the world. But we also pursue it because it is good for American businesses. The world’s fastest-growing economies are largely in the developing world. USAID’s work to promote regulatory reform already helps level the playing field for American

businesses, by reducing their barrier to entry in these large markets. Combined with financing support from the new DFC, the U.S. can help bring these American businesses directly to the table to tackle specific challenges and further expand their opportunities.

This renewed emphasis on private sector engagement has already borne fruit. For example, last November, I signed a Memorandum of Understanding between USAID and Corteva, one of America's great agribusinesses. Together, we will tackle global hunger while simultaneously cultivating new markets for U.S. technology and expertise. I am excited to see what other partnerships emerge in the months and years ahead.

Women's Economic Empowerment

No country can meaningfully progress in the Journey to Self-Reliance if it has a gender gap that essentially shuns half its population. The development dividends of greater participation by women in the economy are numerous. Our experience shows that investing in women and girls accelerates gains across the full development spectrum, from preventing conflict to improving food security and economic opportunity.

The President's National Security Strategy clearly recognizes women's empowerment as a top foreign policy priority. On February 7, 2019, President Trump launched the Women's Global Development and Prosperity (W-GDP), and signed a Presidential Security Memorandum clearly and decisively linking the ability of women to participate fully and freely in the economy with greater peace and prosperity across the world.

In Fiscal Year (FY) 2018, we allocated \$50 million for W-GDP. This request goes further and includes \$100 million to support workforce development and skills training, greater access to capital, and changes to the enabling environment so that, around the world, all women have greater opportunities to reach their full economic potential.

Staffing

At USAID, our human resources are our most precious asset. Our professional, experienced, and dedicated corps of Foreign Service Officers (FSOs) are at the frontlines of what we do as an Agency. In recognition of that, USAID will continue to staff up and bring our Foreign Service workforce into greater alignment with strategic planning numbers and available Operating Expense budget allocations. Specifically, we are seeking to expand our overseas Foreign Service capability to better manage financial risk, increase program oversight, provide critical support for the President's Emergency Plan For AIDS Relief (PEPFAR), and fill technical positions that have been chronically short-staffed.

USAID is preparing to hire approximately 140 career-track FSOs between now and the end of FY 2020. Hiring 140 FSOs over the next two fiscal years and adjusting for attrition would bring the total FSO workforce by the end of FY 2020 to just over 1,700 FSOs. For USAID's Civil Service, USAID's Hiring Review and Reassignment Board, has approved the hiring of an additional 221 staff to be added to the General Schedule workforce, which stood at 1,181 U.S. Direct Hires (USDH) as of February 2019. USAID has also selected 10 finalists for the 2019 Payne Fellowship program.

In order to support USAID's mission, we seek to test a non-career personnel system that is more efficient and flexible than our current systems while also better for many program-funded staff, by improving benefits and professional development. Within this budget proposal, USAID is also requesting to pilot an Adaptive Personnel Project (APP) to develop an agile, non-career/at-will USDH personnel system that can rapidly hire, move, and retain a talented, program-funded workforce. APP would be a program-funded, direct-hire mechanism enabling federal benefits and inherently governmental authorities. The overall vision is to improve USAID's ability to hire the right talent, at the right time, in the right place, for the right duration of time.

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, 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.