

Written Statement of Carol Spahn, Chief Executive Officer of the Peace Corps
House Committee on Foreign Affairs
“The Administration’s FY23 Budget Request for the Peace Corps, U.S. International Development Finance Corporation, and Millennium Challenge Corporation”

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Chairman Meeks, Ranking Member McCaul, and distinguished members of the Committee, thank you for the opportunity to discuss the Administration’s budget request of \$430,500,000 for the Peace Corps in Fiscal Year (FY) 2023. This funding level supports the Peace Corps’ ongoing work to return Volunteers to service abroad following the unprecedented isolation and disruption caused by the COVID-19 pandemic.

Given the compounding crises facing the world today, the Peace Corps is perhaps even more important now than it was at the agency’s inception 61 years ago. We are ready to meet the moment. Volunteers, who began returning to service this March, will partner to provide critical last-mile support to communities to recover from global health and development setbacks caused by COVID-19, face the impending food security crisis caused by Russia’s unprovoked and brutal war in Ukraine, adapt and build resilience to climate change, promote and participate in programs that address the underlying drivers of conflict, and provide leadership development and other opportunities to the largest generation of youth in history. Your support, and that of the Americans you represent, is essential as we build on a strong foundation and send Peace Corps Volunteers back to overseas service.

The fundamental premise of the Peace Corps is that our Volunteers promote world peace and friendship, one relationship at a time, by living and working together with people in communities around the world. Since 1961, more than 240,000 Americans have learned over 170 local languages, integrated into innumerable cultures, and worked side by side – across differences – at the grassroots level. The positive outcomes of such partnerships last far beyond the individual service of Volunteers; the skills, perspectives, and relationships developed build a lifetime commitment to service.

The connections created through Peace Corps service have resulted in an increasingly linked and committed network of community members, partners, returned Volunteers, and staff. These are creative problem solvers who tap into the ability of individuals at all levels to become changemakers. This has been the case for decades, and has become even more evident in unprecedented ways over the past two years. The Peace Corps community created a virtual network for information and support to host families and refugees from Ukraine after Russia launched its full-scale invasion of Ukraine, answered the call to support vaccination efforts here in the U.S. and abroad, and promoted digital learning across borders and within entire countries to provide just a few examples.

The Peace Corps is so much more than a Volunteer service agency. Its ethos of sharing America with the world, and learning from and with the global community fosters an ability to adapt, to interact across cultures with humility, and to take action in a spirit of deep mutual respect and partnership – all critically important skills in today’s world.

Time and time again, U.S. Ambassadors tell me that the Peace Corps is some of the most cost-effective, people-to-people diplomacy that we have, and that it pays dividends for decades, both here in the United States and abroad. This sentiment has been echoed by many foreign diplomats, leaders, and local community members who were personally impacted by Peace Corps Volunteers, have seen them in action, and are eagerly awaiting their return.

Demand for Peace Corps Volunteers from countries around the world remains strong and, following the agency’s implementation of country-specific COVID-19 monitoring and health system assessments, extensive safety protocols, strengthened programming, and enhanced volunteer support systems, Volunteers are now

back in person in 16 countries. We anticipate being back in 30 countries by the end of the fiscal year. In addition, we have been piloting virtual service over the past two years and, while it will never replace service overseas, it is a vital option for advanced technical and expert support, complementing the work of in-person Volunteers. That is why the agency is so grateful to this Committee for supporting full authorization of virtual service as a new form of volunteering.

To continue this transformative people-to-people diplomacy, the Peace Corps is making strong, strategic investments in the future. The FY2023 budget request reflects the reality of safely returning Volunteers to service in a world that has fundamentally changed. We are deploying Volunteers with carefully thought-out pandemic protocols, new training structures, housing arrangements, transportation options, mental health services, improved security and sexual assault prevention programs; and other critical support. The bulk of this budget request funds the infrastructure that enables this deployment: the recruitment and training of Volunteers, the health and security systems to care for them during service, the maintenance of Peace Corps offices, volunteers, and staff in more than 60 countries, and the information technology (IT) services needed for a global agency.

Since FY2016, Congress has provided the Peace Corps with \$410 million annually, and we are grateful for this support. However, the reality of inflation means that 2016's \$410 million would be roughly \$490 million today. Just as the cost of living has increased in the United States, so it has worldwide. In Zambia, for example, the cost of Volunteers' living allowance, which covers food and other basic necessities, is estimated to increase by 45% since Volunteers were evacuated in 2020, and could go up even further due to the emerging food security crisis. These changing costs of doing business are reflected in our FY2023 budget request as we navigate a complex and evolving environment.

The FY2023 request of \$430.5 million sets the stage for us to advance the Peace Corps' mission at a critical moment in our collective history. It is an investment in people-to-people development and last-mile diplomacy following the greatest social and economic disruption in modern history. We are prepared to equip the next generation of American – and global – leaders with the adaptability and skills necessary to respond, recover, and help shape our shared future. And their contributions will have far-reaching ripple effects, right here at home and abroad.

We will accomplish our ambitious mission by investing in and focusing on our priorities: returning Volunteers to overseas service and advancing our strategic goals to reimagine service, advance equity, and deliver quality.

RETURNING VOLUNTEERS TO SERVICE

Adapting to the COVID-19 Reality

In preparation for the return of Volunteers, the Peace Corps has continuously monitored country-specific COVID-19 conditions against a robust set of medical, security, programmatic, administrative, and logistical guidelines to determine when and how Volunteers could safely return to each host country. The agency also established systems to continually monitor and respond to changing circumstances after Volunteers return to service.

One of the critical health and safety factors that determines when the Peace Corps will return to a country is the accessibility of medical evacuation options for Volunteers in the event of an emergency, including air ambulances and medical hubs. Due to country lockdowns and high demand for medical support during the pandemic, stable access to these essential services has been challenging. In response, we are working to open a new medical hub in Germany in FY2023 and anticipate opening a satellite hub to serve the Pacific in FY2024. Operationally, we are investing an additional \$2 million to support these hubs.

Regardless of location, Peace Corps service now includes specific COVID-19 mitigation protocols designed to evolve according to the conditions in each country. For Volunteers, these measures may include increased

travel restrictions, living in single-person dwellings rather than with a host family, or utilizing private transportation rather than public transit. All Volunteers are provided information on the additional risks that come with volunteering during a pandemic and will be required to adhere to agency standards for mitigating these risks, wherever possible. These mitigation measures require additional investments in order to help ensure the safety and well-being of Volunteers and community members.

In FY2023, we are also bolstering our investments in mental health services for Volunteers by \$2 million. COVID-19 and social identity-based stress have had major impacts on mental health in the United States, and the Peace Corps stands ready to support Volunteers, including through pre-clinical coaching services.

Returning Volunteers to Overseas Service

In March of 2022, we returned our first cohorts of Peace Corps Volunteers to service overseas in Zambia and the Dominican Republic. Today, just three months later, Volunteers are serving in 16 countries. By the end of FY2022, we expect to have approximately 1,000 Volunteers serving in 30 countries. We are intentionally ramping up operations with small initial intakes to ensure that our systems and protocols are functioning effectively.

The FY2023 budget request allocates funding for the agency to return 3,900 Volunteers to service by September 2023. The Peace Corps did not stop recruiting during the pandemic and has built up a robust pipeline. However, we do anticipate the need to recruit and invite more applicants to achieve similar levels of Volunteers in service as existed before the pandemic began. To that end, we are investing in a surge marketing and recruiting campaign that includes focused outreach to help ensure that our volunteer corps reflects the diversity of the United States.

This surge in recruitment capacity is critical because requests for the Peace Corps' programs have grown over the last two years, both in prior countries of service and in new countries. Almost every country that hosted Peace Corps Volunteers at the time of the COVID-19-related global evacuation has requested their return. In addition, in FY2022 we will reopen our post in Kenya to in-person Volunteers for the first time since 2014, and we will soon welcome Volunteers, for the first time ever, to Viet Nam. Additionally, seven governments have formally requested that the Peace Corps establish or reestablish Volunteer operations in their countries. Our first priority in meeting this demand in FY2023 is to rebuild the Volunteer corps at our existing posts. Without additional investment in the Peace Corps beyond FY2023, we may need to revisit our geographic footprint and Volunteer numbers.

Contributing to COVID-19 Response and Recovery

The U.S. COVID-19 Response and Recovery Framework represents a whole-of-government effort to both combat the spread of COVID-19 and to recover from its impact, which has set back health and development progress around the world. The Peace Corps is partnering to provide last-mile support to these efforts.

As Volunteers return to service, they will continue to work within our six established sectors – agriculture, community economic development, education, environment, health, and youth development – and will engage with partners around the globe to support COVID-19 response and recovery. These efforts include providing information and access to COVID-19 vaccines, combating COVID-19 mis- and dis-information, sharing prevention guidelines and methods, and training community members on health promotion techniques. For example, Volunteers in Sierra Leone will work with partners to raise awareness and dispel myths about vaccines and assist with administrative and logistical support for COVID-19 vaccination campaigns.

Education Volunteers will work with teachers to develop, adapt, and/or pilot educational resources that mitigate educational disruptions resulting from COVID-19. For instance, Volunteers serving in the Dominican Republic are supporting communities to overcome challenges that have been attributed to the educational and

economic shocks of the pandemic. These Volunteers are helping to recover literacy skills, address increased school drop-out rates, and prepare young adults for the workforce.

Volunteers may also provide training to communities on household-level support activities, such as money management or food security. Others will work with partners on community-led economic recovery efforts. For example, Volunteers in Ghana will work alongside local counterparts to co-train individuals on food security and nutrition to help build household resilience. In Namibia, Volunteers and their partners will conduct trainings to support income-generation activities and strengthen employability skills to help mitigate the economic setbacks caused by COVID-19.

This critical COVID-19 response and recovery work also includes staff support of host country development priorities. Staff have worked extensively to mitigate the spread of COVID-19 via community vaccination events and other activities. For example, Peace Corps staff in the Philippines have worked hand-in-hand with the United States Agency for International Development (USAID) to raise awareness and share health information, resulting in the vaccination of more than 10,000 people.

Our in-country staff have also maximized their roles as community and partner conduits by extending project and technical support to local efforts in support of food security, digital learning, and other priority areas. In Cambodia and Georgia, staff have worked closely with teachers to build digital teaching skills and practice methodologies that are critical for recovering from educational setbacks caused by COVID-19 disruptions. These are just a few examples of how our staff rose to the occasion to support their communities since March 2020.

Supporting Climate Change Adaptation

Recognizing the immediate and urgent effects of climate change, which disproportionately impact many of the countries where the Peace Corps serves, we are working to support host country community efforts to adapt to the impacts of climate change, mitigate the severity of those impacts, and build resilience.

In 12 countries, Volunteers working in the environment sector will collaborate with host country partners to help protect the environment and help communities become more resilient to environmental shocks and stresses. This work will promote environmental education and awareness; strengthen capacities of individuals and organizations in natural resource planning and solid waste management; and intertwine environment, poverty reduction, and gender equity issues by supporting environmentally sustainable income-generating activities.

In 15 countries, Volunteers working on agriculture projects will increase the capacities of smallholder farmers to apply improved, evidence-based, contextually appropriate, and sustainable agricultural practices and technologies. All agriculture projects employ a “climate-smart” approach to improving smallholder farming by promoting practices and technologies that intensify production without negatively impacting the environment.

We are also working alongside host country partners to identify opportunities to expand this programming to leverage Volunteers’ work in all sectors and service models in order to fight the many disparate challenges of climate change.

Food security has also been impacted by both climate change and Russia’s unprovoked war in Ukraine, and the agency’s food security programming reaches thousands of food and nutrition insecure households and communities in over 40 countries. Guiding the Peace Corps’ food security-related work is a comprehensive strategy to reduce food and nutrition insecurity and to increase resilience of individuals, households, and communities, including stresses related to climate change, and health including COVID-19.

REIMAGINING SERVICE

In FY2023, we will focus on continued collaboration with host country partners in our traditional sectors while co-creating responses to evolving development priorities. Expanding service options and models will enable the Peace Corps to better meet the needs of countries and place Volunteers with a variety of skills and experiences.

Building on the Virtual Service Pilot

In the fall of 2020, the Peace Corps launched a Virtual Service Pilot (VSP) as an innovative way to sustain connections between host country partners and returned Volunteers and to advance the Peace Corps' mission during the COVID-19 pandemic. VSP assignments maintain the Peace Corps' signature, people-to-people approach to international development while also leveraging technology to extend the opportunity to engage with additional communities that may be inaccessible. It can also provide opportunities to serve for Americans who – for various reasons – medical, financial, family, or otherwise – cannot commit to an assignment abroad.

To date, more than 430 participants have engaged in virtual service at 43 posts in all six program sectors. Participants donate five to fifteen hours a week of their time, and have participated in engagements that include: co-training youth on COVID-19 mitigation measures and healthy lifestyles; co-facilitating entrepreneurship and business skills training; co-designing training for English clubs; and sessions on forest gardening. We anticipate sustained interest from posts, even as they prepare for Volunteers to return to service in person, and estimate that between 100 to 120 technical experts will be requested by host countries every quarter in FY2023. Given the rapidly evolving digital environment, we also anticipate substantial opportunity for expansion in the future.

The Peace Corps is grateful for the Committee's support of the Peace Corps Reauthorization Act, which will enable us to make this complementary volunteer pilot permanent and help us meet the global demand for experienced Volunteers with targeted technical expertise. Currently, the pilot is open only to returned Volunteers. With additional authorities, we would explore the option to offer the opportunity to more Americans than ever before and to explore hybrid models.

Supporting Volunteerism

Just as formal service is a transformative opportunity in the U.S., it is equally powerful overseas. As part of our Strategic Plan, the Peace Corps will expand support for the development of local and national volunteer service programs and pilot new models to work alongside these programs. This is work the Peace Corps has engaged in for decades and is currently underway in several countries, including Georgia and Costa Rica. We are also connected with implementers to offer support and lessons learned to help inform the launch of a major program in Central America.

As we move forward, engagement – especially of youth around the world – in formal service opportunities will be a powerful and cost effective investment. Right now, there are 1.8 billion youth between the ages of 10 and 24. This group is referred to as the largest generation of youth in history, 90 percent of whom live in developing countries. In addition to the work of Peace Corps Volunteers – the vast majority of which involves the engagement of youth through schools, clubs, camps, and other activities – expanding youth service programming with host country national partners helps us further localize development at the grassroots level to build skills and provide pathways to employment.

ADVANCING EQUITY

The Peace Corps is focused on “Advancing Equity” by promoting Intercultural Competence, Diversity, Equity, Inclusion, and Accessibility (ICDEIA) through a deliberate practice and culture of ICDEIA for everyone who works in service of our agency's mission. In our FY2023 budget, we are investing \$1 million to further integrate this critical work into our systems and culture.

Cultivating a Diverse, Inclusive, and Equitable Workforce

The Peace Corps is powered by individuals who openly share their unique identities and backgrounds and are eager to learn and understand the lived experiences of others. We are committed to fostering a diverse, inclusive, and equitable workplace at every level of our agency. To accomplish this, we are reviewing our policies, practices, procedures, and programs with an equity lens. This includes the standardization, integration, and measurement of equitable and inclusive processes across Peace Corps' core business practices. We have also added staff to coordinate this work and to support efforts to increase the diversity of the agency's workforce and volunteer corps.

For example, we have prioritized recruiting and retaining a diverse senior staff team, increasing the percentage of senior staff identifying as members of Black, Indigenous, and people of color (BIPOC) communities from 6% to 38% from 2020 to 2022. And we know it is not enough to just recruit BIPOC staff, we are also working to create an inclusive environment to retain those staff members. This includes mandatory training on unconscious bias for all agency staff and systemically addressing structural barriers in Peace Corps' policies, processes, and procedures organization-wide. To that end, we have also engaged in a barrier analysis approach to uncover and remove barriers to equal employment opportunity at all levels of our workforce. Employing this ongoing, data-driven approach allows us to continuously assess the state of equal opportunity at the Peace Corps.

Recruiting and Retaining a Volunteer Corps Representative of the United States

The Peace Corps is taking a comprehensive approach to recruiting and retaining Volunteers who reflect the diversity of America. This work requires us to look deeply at policies and systemic issues to address barriers to service that can be removed or reduced, with the ultimate aim of connecting more Americans with the opportunity to serve.

To better understand these barriers, particularly given that COVID-19 has disproportionately impacted communities of color, the Peace Corps is launching a comprehensive review/study in FY2023 that will form the basis for targeted interventions. One known barrier is the cost of physical exams, lab work, immunizations, and mental health evaluations required for the medical clearance component of the Volunteer application process. As of March 2022, Peace Corps applicants can be fully reimbursed for all eligible expenses required for medical clearance. We expect that this policy change will make the biggest financial impact for potential Volunteers who are more likely to drop out of the application process due to pre-service costs. Further, we have examined the readjustment allowance that Volunteers receive following service to ensure that it is consistent with increases in the cost of living. We have increased these payments accordingly and, after two years of service, a Volunteer will now receive \$1,400 more than they would have in FY2020, an adjustment that makes a difference as Volunteers prepare to start post-service life.

A more diverse and equitable Peace Corps creates a more skilled and representative pool of candidates for careers in public service. We estimate that approximately 5,000 returned Volunteers work across the federal government, with the vast majority of them at the Department of State and USAID. We are working to further bolster that pipeline of qualified candidates interested in careers in federal service. We are very grateful for the Committee's support of extending returned Volunteers' non-competitive eligibility for federal service from one to two years via the Peace Corps Reauthorization Act. We anticipate that this will enable even more returned Volunteers who are interested in continuing their service to do so through employment in the federal workforce.

DELIVERING QUALITY

The FY2023 budget request also advances our strategic priority to deliver consistently on our health, safety, and service commitments. Over the last two years, we evaluated and invested in our systems and processes to strengthen our foundation for Volunteers' return to service in a new era.

Standardizing Post Processes, Procedures, and Tools

Our staff extend critical support to our Volunteers, equipping them with the training and tools necessary for successful community integration and safe and productive service. Staff empower Volunteers to connect across cultures and make lasting and measurable development progress together with their host communities. In addition to strengthening policies and procedures, the agency is investing in standardization and technology to modernize and create efficiencies. These efficiencies are improving information sharing among posts, more clearly communicating expectations to Volunteers, and more closely coordinating work among agency-wide teams. This work will ultimately allow for greater customization of programming and support services, as appropriate to the local context, and provide more time for staff to dedicate to direct Volunteer support efforts.

Proactive Quality Assurance.

The Peace Corps is committed to building out the systems and structures necessary to proactively identify and resolve issues and to enhance safety and security, medical services, compliance, and overall quality. To that end, we have expanded our compliance function, adding enterprise risk management as well as headquarters, regional, and post level quality assurance positions, at an anticipated cost of \$4 million.

Through intensive, agency-wide focus over the past 18 months, the Peace Corps has also undertaken a disciplined, systematic response to recommendations from the Office of Inspector General (OIG). I am proud to say that we reduced the number of open recommendations by 80 percent, from 255 in September 2020 to 46 in June 2022. This includes all of the recommendations directly related to the Peace Corps' Sexual Assault Risk Reduction and Response (SARRR) program. Every recommendation that we have closed represents a systemic improvement. As a result of these efforts, we have enhanced training, improved communication to Volunteers about services offered, and built in accountability checks.

The FY2023 budget proposal also requests an additional \$1 million to enhance the critical operations of the OIG, whose critical work bolsters the effectiveness and efficiency of our agency.

Strengthening Sexual Assault Prevention, Risk Reduction and Response Efforts

For more than a decade, the Peace Corps has engaged in work to minimize the risk of sexual assault and to respond appropriately when crimes occur. We are called to do everything within our power to help reduce this pervasive global issue and to support our Volunteers. Over the last two years, this has included further strengthening our systems and programming and broadening our approach to align with best practices based on sexual assault research and guidance from organizations like the Centers for Disease Control and Prevention and the World Health Organization.

We have expanded our approach from focusing on what Volunteers can do to keep themselves safe to a broadened perspective that recognizes the influence and impact of societal-level norms and behaviors surrounding sexual assault. This expanded approach enables us to tie all aspects of awareness, education, risk reduction, safety measures, and programming together. And it continues to require that we take into consideration and adapt to the dynamic and complex operating environments of the more than 60 countries where the Peace Corps serves. With this broadened lens, we have the opportunity to improve Volunteer safety, and connect our training and support structures to the work Volunteers do within host communities for longer-term impact.

Key to this shift is focusing on prevention work, which is the work we do to stop violence before it occurs. While our SARRR program has always incorporated many elements of prevention, the Peace Corps has not previously used this framework to address the root causes of sexual assault. During FY2022, the agency began calibrating its systems accordingly by making improvements to the sexual assault case management process, standardizing operating procedures for vetting and selecting host families, and standardizing site history files across every post. We also recently held summit for leadership of the independent Sexual Assault Advisory

Council (SAAC) to further delve into this programmatic shift, reflect on progress made thus far, and identify additional areas of improvement. In FY2023, we will invest \$4 million to add new staff positions, including a prevention specialist; conduct a gap analysis to identify areas for further strengthening the SARRR program; develop a comprehensive prevention strategy based on the analysis and existing programming; and further implement recommendations from the SAAC.

Securing Digital Information and Systems

Prior to the pandemic, budget constraints required financial tradeoffs that resulted in a limited investment in our IT to support the requirements for system-wide upkeep, modernization, and security. Our Federal Information Security Modernization Act of 2014 (FISMA) and Enterprise Risk Management systems were consistently under resourced and found by the OIG to have the lowest maturity level on the scale used to assess federal agencies.

Over the past two years, the Peace Corps has made a major investment to address major IT vulnerabilities. We have overhauled our security policies and procedures, increased our cybersecurity staff, and implemented security incident monitoring across our entire network. This led to the improvement of our FISMA rating, and these strategic investments have empowered users, secured information, and built a solid foundation. We still have work to do in this area and are committed to maintaining a strong network and modernizing our IT capacities to support the critical systems of our global organization. The agency is in the process of executing more than 30 projects to improve and maintain our IT infrastructure, strengthen the agency's security posture, refresh IT equipment for all staff, and enhance collaboration and communication tools for optimum knowledge management and efficiency. Maintaining this enhanced IT infrastructure will require continued, sustained investment.

As part of our upgrades, we recently launched the Security Incident Management System (SIMS) which tracks the full lifecycle of the agency's response to crimes against Volunteers and ensures the safety of our Volunteers. SIMS integrated two legacy systems in to one more robust and secure platform. Another system, the Volunteer Reporting and Grants (VRG) tool, integrates data from Volunteer reports and easily connects it with grants data to communicate the holistic impact of the Peace Corps and the return on the American taxpayer's investment. The new system is built on one common platform, is more secure, and empowers our staff to efficiently report on measurable outcomes, and share success stories regarding the work of Volunteers and their community counterparts.

CONCLUSION

The COVID-19 pandemic has changed our world. It has also reminded us just how connected we are. As we work together to rebuild our future, the world needs people who are willing to show up, to participate and collaborate, and to promote mutual respect and understanding. Whether contributing to global COVID-19 response efforts, cooperating with community members to advance sustainable development, or working to educate the world's next generation of leaders, Peace Corps Volunteers are meeting this moment and partnering with local communities to address the challenges – and benefit from the opportunities – of our time.

The FY2023 budget request of \$430.5 million will enable the Peace Corps to continue this transformative people-to-people diplomacy and development. It makes strong, strategic investments in modernizing our approach and adapting to our new reality; it funds critical new initiatives that will help us better share America with the world; and it redoubles our commitment to Volunteer health, safety, security, and effectiveness. The tremendous return on this investment benefits America and the global community alike, and your support is vital as we return Volunteers to service abroad, ready to once again play a critical role in building a better world, one relationship at a time. On behalf of our staff, the people we serve, and our Volunteers, thank you for your consideration of the Administration's budget request for the Peace Corps.