

AMENDMENT TO H.R. 5300
OFFERED BY MR. CASTRO OF TEXAS

At the appropriate place, insert the following:

1 **SEC. __. DIRECTOR FOR EFFECTIVENESS IN FOREIGN AS-**
2 **SISTANCE.**

3 (a) ESTABLISHMENT.—There is established in the
4 relevant foreign assistance agency a Director for Effective-
5 ness in Foreign Assistance, who shall be responsible to the
6 relevant senior official for matters related to improving the
7 effectiveness of foreign assistance, including through the
8 use of evidence.

9 (b) RESPONSIBILITIES.—In addition to the respon-
10 sibilities described in subsection (a), the Director for Ef-
11 fectiveness in Foreign Assistance shall—

12 (1) use economic theory, evidence, and tools
13 with respect to the relevant foreign assistance agen-
14 cy's foreign assistance work across all sectors;

15 (2) serve as the principal advisor to the head of
16 the relevant foreign assistance agency on issues re-
17 lated to the prioritization and expanded use of evi-
18 dence to improve the effectiveness and outcomes of
19 development and humanitarian assistance of the

1 United States, including related to policy, manage-
2 ment, and procurement; and

3 (3) such other related duties as the relevant
4 senior official they are responsible to may from time
5 to time designate.

6 (c) **ADDITIONAL RESPONSIBILITIES.**—The Director
7 for Effectiveness in Foreign Assistance shall, as appro-
8 priate, provide advice to the head of the relevant foreign
9 assistance agency and relevant agency officials on assist-
10 ance and projects over \$75,000,000, other than security
11 assistance provided under the Foreign Assistance Act of
12 1961, to ensure that the design, management, and pro-
13 curement of agency assistance programs are informed by,
14 and consistent with, principles of cost-effectiveness and
15 evidence-based decision making.

16 **SEC. __. OFFICE OF EFFECTIVENESS IN FOREIGN ASSIST-**
17 **ANCE.**

18 (a) **ESTABLISHMENT.**—The head of the relevant for-
19 eign assistance agency shall establish an Office of Effec-
20 tiveness in Foreign Assistance, which shall perform such
21 functions related to agency-wide efforts to improve the ef-
22 fectiveness of foreign assistance as the relevant senior offi-
23 cial the Director for Effectiveness in Foreign Assistance
24 is responsible to may prescribe.

1 (b) HEAD.—The Director for Effectiveness in For-
2 eign Assistance shall be the head of the Office of Effective-
3 ness in Foreign Assistance.

4 (c) FUNCTIONS.—The Office of Effectiveness in For-
5 eign Assistance shall, as appropriate—

6 (1) increase the use of economic theory, evi-
7 dence, and tools, including insights from behavioral
8 science, with respect to the agency's assistance
9 across all sectors—

10 (A) to improve the cost-effectiveness of
11 agency assistance programs; and

12 (B) to support agency partner countries in
13 preventing and responding to macroeconomic
14 challenges;

15 (2) expand the generation and use of rigorous
16 evidence by the agency across agency programs—

17 (A) to improve the impact and cost-effec-
18 tiveness of development and humanitarian as-
19 sistance of the United States; and

20 (B) to contribute to the creation of global
21 knowledge that other development and humani-
22 tarian actors can leverage to improve the effec-
23 tiveness and outcomes of their efforts;

1 (3) lead efforts to promote the use of rigorous
2 evidence to inform and improve agency assistance
3 programs;

4 (4) support agency operating units in using rig-
5 orous evidence to inform policy and program design
6 and implementation, including by—

7 (A) assessing and advising on whether the
8 design of assistance programs and interventions
9 are supported from prior evidence of impact,
10 from a preponderance of counterfactual evalua-
11 tions and systematic analysis of such evidence,
12 when appropriate; and

13 (B) if interventions do not have strong
14 prior evidence, assessing the strength of the
15 theoretical case for why the proposed interven-
16 tion is better than existing evidence-based ap-
17 proaches, and conducting a rigorous evaluation,
18 such as a randomized trial, when appropriate;

19 (5) convene and coordinate units, divisions, and
20 programs focused on evidence to ensure that knowl-
21 edge of how to use and generate rigorous evidence
22 is shared and implemented across the agency;

23 (6) provide input related to cost-effectiveness
24 and use and generation of rigorous evidence on
25 agency policies and technical guidance; and

1 (7) perform such other duties as the Director
2 may from time to time designate.

3 (d) DEFINITIONS.—In this section—

4 (1) the terms “cost-effective” and “cost-effec-
5 tiveness,” with respect to a process, technology, pol-
6 icy, or service, means that the process, technology,
7 policy, or service produces more impact, in terms of
8 development or humanitarian outcomes as estab-
9 lished by rigorous evidence, for the same cost or pro-
10 duces the same impact, in terms of development or
11 humanitarian outcomes as established by rigorous
12 evidence, per dollar of cost as compared to another
13 process, technology, policy, or service;

14 (2) the term “innovation” means the develop-
15 ment and implementation of new processes, tech-
16 nologies, policies, or services that are designed to
17 provide a greater impact or to be more cost-effective
18 than current practice;

19 (3) the term “rigorous evidence” means evi-
20 dence derived from impact evaluation methods that
21 incorporate counterfactual analysis to establish attri-
22 bution, such that the changes observed are causally
23 related to the intervention, including impact evalua-
24 tions methods such as randomized evaluations (also
25 known as randomized controlled trials);

1 (4) the term “scale up”—

2 (A) with respect to the application of an
3 innovation that is a proven solution in one con-
4 text, means the application of the innovation on
5 a greater scale or in a different context; and

6 (B) includes the application of a proven so-
7 lution in a different geographic region or a dif-
8 ferent sector or in the same region or sector but
9 at a different point in time or for a different
10 target population; and

11 (5) term “agency operating unit” means a bu-
12 reau, independent office, mission, or representative
13 office of the agency.

