

ADVISORY COMMITTEE ON VOLUNTARY FOREIGN AID

PUBLIC MEETING

January 10, 2001

"A NEW AGENDA FOR FOREIGN AID"

Welcome and Introduction, William S. Reese, ACVFA Chair

Mr. Reese welcomed the ACVFA members, the staff of the U.S. Agency for International Development (USAID), and the meeting participants. He remarked upon the progress that had been made during Ambassador Brady Anderson's tenure as USAID Administrator, and noted that one of his last acts as Administrator was to renew the ACVFA charter for two more years. Mr. Reese emphasized the ACVFA's commitment to continuing to provide serious, constructive and useful advice to USAID and other government agencies.

This meeting focused on three very important and timely issues:

- Public discussion of *U.S. Foreign Assistance Priorities: Recommendations of the Advisory Committee on Voluntary Foreign Aid*, a report for the new Administration's transition team.
- The PVO partnership with USAID – how it is managed and can be improved.
- An update on the central topic of the September 2000 ACVFA meeting: the HIV/AIDS pandemic.

Session One: *"U.S. Foreign Assistance Priorities: Recommendations of the Advisory Committee on Voluntary Foreign Aid"*

**Speakers: William S. Reese, ACVFA Chair
Peggy Curlin, ACVFA Vice Chair**

Mr. Reese highlighted key points of the report, emphasizing that it is not a white paper like those prepared by think tanks. Rather, it is succinct (in the hope that it will be read) and is designed to reflect the issues that the committee and its subcommittees have been working on over the past six to eight years. Just as the committee's work has been enriched by the thinking of PVO leaders, foundations, universities, and senior USAID staff who have worked

closely with ACVFA, so too has the report benefited from their thoughts. The report is offered in this spirit of cooperation.

The basic theme is that foreign aid has changed and the demands on it have changed. The report makes seven recommendations, the first of which encompasses the next six. These recommendations are to:

- Form a Bipartisan National Commission, with Presidential sanction and leadership, to examine foreign assistance and develop a new paradigm based on consensus.
- Increase the foreign aid budget.
- Shift the way USAID works from implementing to facilitating and empowering.
- Increase the emphasis on civil society development.
- Design USAID programs to achieve full integration of gender concerns and equitable participation of women.
- Recognize and track the link between humanitarian assistance and long term sustainable development issues.
- Launch a more comprehensive and better-funded assault on the HIV/AIDS pandemic.

Mr. Reese presented an overview of the first three recommendations:

A Bipartisan National Commission

The basic purposes and long-term goals of America's foreign aid program require new definition and clarity consonant with our values and national interests. It is clearly time for a Bipartisan National Commission on International Cooperation, established under the leadership of the President and joined by members of Congress, to undertake a comprehensive review of the U.S. foreign aid program and to build a national consensus around foreign aid. There is no question that we must build a new constituency for foreign assistance. A University of Maryland study demonstrated that the American public consistently overestimates what is spent on foreign aid. There are some successful public education efforts, funded by USAID and the private sector, but much more should be done. This effort requires Presidential leadership, but no President in recent years has discussed these issues with the public.

Increase the foreign aid budget

Increased long-term investments in development assistance are necessary now to avoid paying for the large outlays that will be required in the future when states fail because of lack of attention. There has been a 40 percent drop in real spending on foreign aid since the mid-1980s - this is seriously inadequate to serve U.S. interests. That is significant for a country that is an eminent world power. The United States lags behind all the major donor countries, and our per capita contribution is even lower. Moreover, Congressional earmarking to support specific programs is a serious problem. Congress restricts the way funds can be spent, which limits USAID's ability to put its human resources and those of its partners to

work most effectively. This issue also needs the attention of the President. The Committee would like to see a bipartisan consensus to increase foreign aid, similar to the consensus obtained in the last calendar year when conservatives and liberals alike united on the issue of debt forgiveness for African countries as the right and moral thing to do.

Shift the way USAID works from implementing to facilitating and empowering

USAID has been moving toward a role of development facilitator over the past eight-to-ten years. This trend occurred as USAID staff decreased and the capabilities of its partners, both U.S. and indigenous, increased. Although the decline in staffing creates serious difficulties for the Agency, the new role presents an opportunity for USAID to work differently and more effectively with all of its partners - PVOs, universities, cooperatives, and private businesses. The new mode of facilitator would also allow USAID, as one of many U.S. agencies involved in foreign aid, to take on a leadership role in facilitating cooperation among these agencies.

ACVFA Vice Chair Peggy Curlin presented an overview of the last four recommendations. She emphasized that the report not only reflects ACVFA's work over the past year, but is also a synthesis of the lessons learned from the experience of PVOs and USAID staff as development practitioners. It represents hours of work and consensus building.

Increase the emphasis on civil society development

ACVFA firmly believes that strengthening civil society is central to what USAID has done and should do in the future. Building the capabilities of civil society organizations is essential to achieving the development and humanitarian objectives in USAID's strategic plan. While USAID has been at the forefront in supporting civil society, in practice it has not placed high enough priority on strengthening civil society across sectors, or on maximizing synergies and linkages among sectors. Civil society development is important in its own right, as well as for strengthening service delivery.

Design USAID programs to achieve full integration of gender concerns and equitable participation of women

Enhancing program effectiveness by focusing on gender is another major issue that represents many hours of work by the Advisory Committee and USAID colleagues. Gender is a genuine crosscutting theme that influences all aspects of development. Development efforts have a greater impact on family, community, and national well being when women are empowered. As USAID's Strategic Plan notes, gender equality is emphasized for both efficiency and equity reasons. It is important in maximizing the economic development potential of a society and in ensuring the full participation and rights of all its citizens. ACVFA has been closely involved in USAID's effort to mainstream gender. In 1996, ACVFA, with senior staff at USAID, worked on a plan of action to integrate gender considerations into all agency programs and policies as well as into staff orientation and technical training. In May 2000, ACVFA sponsored an assessment of the plan and found

that while USAID has made significant progress in mainstreaming gender in its goals and operations, more remains to be done. Further progress will depend upon clear and consistent leadership on gender issues in USAID/Washington and in the field.

Recognize and track the link between humanitarian assistance and long term sustainable development issues

Regarding humanitarian assistance, the report calls for strengthening the critical link between emergency response and long-term development. Complex humanitarian crises stemming from ethnic wars will continue and will place ever-greater demands on development assistance. Questions about how best to facilitate transition from crisis and immediate humanitarian aid, to peaceful transition and long-term development must be resolved. USAID understands the humanitarian /development linkages that are vital to longer-term peace and stability in troubled environments. If the transitions are to be most effective, a strong, if not dominant, USAID voice at the table when humanitarian assistance plans are being made is in order.

Launch a more comprehensive and better-funded assault on the HIV/AIDS pandemic

Eight years ago, AIDS was not viewed as a serious threat to development. Today it is seen as a barrier that could eliminate the work that all development agencies in the world have done over the last few decades. The HIV/AIDS pandemic is not solely a health issue, but rather, a crosscutting theme that affects all sectors and threatens economic and political stability. This calls for increased investments of funds and creativity in multisectoral programming. Programs that are health-defined must also be gender-specific and must include education and training at all levels. Legislative restrictions that limit USAID's flexibility in using HIV/AIDS funds are a serious concern. Such earmarks bar the way for civil society to take on a greater role in preventing the disease and treating its effects. The civil society sector has been so far seriously underutilized in the response to HIV/AIDS. ACVFA's September 2000 meeting drew attention to these concerns. USAID and its nonprofit partners are prepared to make a rapid and committed response to the pandemic.

Audience Discussion

Mr. Reese called for comments on the report, including agreement and disagreement, as well as specific ideas on how to disseminate its messages.

Audience reaction to the report was consistently positive. The first questioner expressed disagreement with the recommendation that USAID shift from implementer to enabler for two reasons: first, the term "enabler" has a negative connotation in the social services. Secondly, implementation is where USAID is most effective; in fact, the Agency just won a Hammer award for performance management. Problems could arise in shifting performance management and evaluation to the voluntary sector, since non-profits are generally less equipped for these functions. Another audience member pointed out that this recommendation seems somewhat inconsistent with the recommendation on humanitarian

assistance, which calls for USAID to take a more hands on approach and to be more involved in coordination and evaluation.

Committee members noted that there is no inconsistency between the role of evaluator and that of enabler. While an enabling agency would not actually carry out projects, it would continue to have an oversight role, including the essential functions of evaluating progress and results and auditing. This recommendation reflects a trend that has been occurring within USAID over the past 8-10 years in response to the reality of staff cuts that have reduced USAID's field presence and its capacity to operate as it has in the past. At the same time, there has been a parallel trend of dramatic growth of civil society, both in terms of the number of organizations and their capability to partner on development projects. These partners have derived great benefit from the government's emphasis on results and can provide the same level of technical quality and ability to measure results as USAID. The Committee believes this trend should continue.

Other audience members concurred with the recommendation for a revised role. One indicated it was "right on the mark," noting that it would be helpful to flesh out the specifics of what a facilitating role would mean. For example, such a role would capitalize on USAID's effectiveness at the policy level and would allow USAID to assume a coordinating role with multilateral institutions and other federal agencies involved in foreign assistance. This participant urged the Committee to disseminate the response to the report widely within the NGO community to deepen the discussion.

Others pointed out that this shift in role has been a global development trend and that there is a need for PVOs and NGOs to move further in this direction as well. The recommendation does not undermine USAID's valuable role, but rather lends force to the premise that development occurs through the efforts of grassroots organizations. Moving more purposefully in the direction of this trend would mean that USAID could continue to play an even more important role in working with governments. There are precedents in Europe for development agencies to move into enabling roles. Participants also noted that the recommendation should not imply that USAID is not necessary, or that it should have generalist facilitators. Whatever agency carries the weight of foreign assistance in the new administration should have technical strength.

There was discussion of the tension between USAID's results orientation and its role in working as an enabler to build the capacity of civil society organizations and institutions. The latter role requires a long timeframe and agreement on indicators for measuring intangibles like capacity building. Audience members cited lessons from European development agencies, the Inter-American Foundation, the African Development Foundation, and the Charities Aid Foundation that provide useful insights into the actual nature of enabling relationships on the ground and the indicators for measuring results in this often intangible area. The Inter-American Foundation and the African Development Foundation have 30 years of experience in playing this role. Both have been enablers, not implementers, and have always worked through local groups.

ACVFA member Herschelle Challenor noted that the recommendation regarding USAID's role also has to do with the level at which the agency functions. Taking the recommendation a step further could imply that USAID should be a cabinet-level post as an international cooperation agency. An audience member emphasized that whether Cabinet-level or not, a strong and independent development assistance agency is a critical and positive element in U.S. foreign policy.

A number of participants spoke about the recommendation for strengthening the constituency for foreign aid, noting that some of the responsibility for this rests with the third sector. A participant informed the audience about a recent initiative - the Development Education Working Group, formed by the International Development Conference, the National Peace Corps Association, InterAction, and others. This working group, which may lead to an alliance, is setting up a website and listserve, and is planning a conference to be held in January 2002. Several other audience members cited examples of ongoing work. One participant reinforced the point made earlier that the development community could learn from the strategies used by the successful Jubilee 2000 campaign last year in which a group of NGOs persuaded the Administration and Congress to adopt a program of debt relief for the poorest developing countries.

Another participant pointed out that new messages, such as American security interests, might be needed. He reminded the audience that President Eisenhower had sold the interstate highway system as the "National Defense Highway System." Several others agreed that linking development assistance to U.S. national interests is critical. Empirical data that supports a strong foreign aid program, as well as facts and figures to illustrate the declining budget would be helpful, as would more details about why Congressional earmarking presents special problems for USAID, beyond those experienced by other federal agencies whose budgets are also earmarked. A representative of Bread for the World said that her organization's Hunger 2001 report, which is more detailed than the ACVFA report, elaborates on some of the points raised. She encouraged other members of the audience to use it in their discussions.

A representative of the American Federation of Teachers called for the development of curriculum materials on international development and foreign aid. Such materials, which do not exist or are not readily available, would be enormously useful to the constituency of U.S. teachers who are eager to get them. ACVFA member Jim Henson added that teachers colleges (where teachers are trained) should include materials on "how to teach globally" in their own curriculum

Other audience members noted that the report could be strengthened by more attention to the following points:

- The importance of economic growth for poverty alleviation, particularly in view of recent studies of the impact of growth on poverty alleviation;

- The need for investment in Africa and for debt relief, given that some developing countries still devote well over 50 percent of their budgets to debt repayment. This will also have a positive effect on civil society development, since debt relief can be recycled to grants for local NGOs;
- The private sector has become increasingly involved in social investment that benefits development. USAID's role should include engaging the private industry in partnerships that involve PVOs and capitalize on their diversity;
- The importance of distinguishing between activities that merely target women and examination of the gender implications of all kinds of programs. For example, moving beyond rhetoric in mainstreaming would involve looking at the gender impact of economic growth and financial reform programs; and
- Along with the emphasis on civil society, the need to strengthen public administration at the federal and local government levels, where investment has diminished in recent years.

Mr. Reese turned the discussion to dissemination of the report. ACVFA member Bill Fuller noted that many PVOs in the audience do a fine job marketing their organizations and programs and should have good ideas for distribution. He suggested, for example, that the boards of PVOs receive a copy of the report, that a press release be considered, that individuals might do op-ed pieces, and that selective visits be scheduled with members of Congress and the new Administration.

Several others expanded on Mr. Fuller's comments. ACVFA member Elise Smith suggested that press releases and cover letters be tailored for specific audiences, such as networks of American women (these could mention points raised by meeting participants depending on the audience). It was generally agreed that personal contact would be the best way to disseminate the report. ACVFA member Lester Salamon noted that wide distribution of the report would require resources from the PVO community. There was consensus around a suggestion to create a working group from among the participants at the meeting to develop an action plan for dissemination.

Session Two: "USAID-PVO Partnership Issues"

Speakers: **Bob Chase, ACVFA Member, Co-Chair, USAID-PVO Partnership Working Group**
 Ann VanDusen, Deputy Assistant Administrator, Bureau for Policy and Program Coordination, USAID, Co-Chair, USAID-PVO Partnership Working Group
 Margaret Goodman, Consultant, USAID-PVO Partnership Best Practices Study
 Mark Ward, Director, Office of Procurement, USAID
 Ken Schofield, Deputy Assistant Administrator, Bureau for Policy and Program Coordination, USAID

Mr. Chase explained that the Partnership Working Group is truly a joint committee composed of six senior USAID career staff and an equal number of ACVFA members. Formed last summer, the group determined that it would work on the following three issues, with the goal of developing discrete and actionable recommendations over a six-month timeframe: (1) a study of best practices that characterize the partnership in particular sectors, such as microenterprise; (2) joint training of PVO staff with USAID staff; and (3) acquisition and assistance (A&A), which is fundamental to the way USAID and its partners work together.

Ms. VanDusen emphasized that the working group tried to identify issues it could cover relatively quickly. Its first order of business was to review past recommendations on partnership and then to document best practices as ways of building a better partnership. Part of this effort included identifying obstacles and irritants, two of which have been procurement issues and results and indicators.

Before turning to the partnership study, Ms. VanDusen reported on progress on joint training. Although ACVFA and others have long encouraged the Agency to develop training sessions in which USAID staff and partner staff could be trained together, it has been difficult for USAID to respond because of the lack of administrative funds for training for its own staff. USAID's Human Resources managers have been working hard on USAID staff training and have accepted the working group's proposal to open up the newly developed procurement training to representatives of NGOs. Two spaces will be available in each session. Additionally, a number of Managing for Results courses will be opened up. The issues are how to select the participants and ensure that they will have the opportunity to participate actively in the sessions and that they will train others. This spring USAID is sponsoring training on how organizations work in emergency response and how to anticipate emergencies. Because the NGO community is so critical to Agency programs in this area, USAID would like at least 10 NGO participants in that course.

Ms. Emira Woods of InterAction thanked ACVFA for its help in arranging the joint training, and said that InterAction has agreed to be the clearinghouse for the training slots. There will be a lottery if the response is too great. The number of slots available is an issue, but InterAction will disseminate information on the courses through its newsletter and briefings.

The training sessions will take place in Washington and in the field, and are open to the entire NGO community, not just InterAction members. Ms. Woods reiterated that NGOs should participate in shaping the content of the courses to ensure that they are relevant.

USAID-PVO Partnership Best Practices

Margaret Goodman, author of the USAID-PVO Best Practices report (which was available to the audience) described the findings of her study. Ms. Goodman had interviewed USAID and PVO/NGO staff in December 2000, focusing on certain program areas and bureaus that reflect good practices. The study's scope included PVOs, NGOs, and cooperative development organizations. Other non-profits and universities could not be consulted within the timeframe, but the findings would be generally applicable to these organizations. The overall tenor was that the relationship is positive and has been on a positive trend over the last several years. Best practices fall into two major categories: good communications and opportunities for mutual learning.

Ms. Goodman cited the following components of good communication:

- Objective, honest discourse in a non-judgmental environment.
- Good listening skills, involving feedback. There doesn't have to be agreement on all points but there should be recognition that what everyone said was heard.
- Open channels for informal and formal conversation.
- Willingness to engage in dialogue at key points in the development cycle.
- Creative use of websites and interactive discussion groups.
- Regular meetings.
- Timeliness. When input is sought on an issue, the requests should leave enough time to provide a thorough and thoughtful response without undue delay.

Opportunities for encouraging mutual learning involve the following:

- Support for capacity building.
- Creative approaches to evaluation. It's important to recognize and publish lessons learned, so that organizations can share their approaches.
- Issue discussions where both sides can sit down and work together.
- Formal and informal joint training.
- Development and utilization of networks for continued capacity building and organizational development.
- Support for regional and sub-regional activities.

Ms. Goodman described some specific examples of best practices. She cited the Office of Private and Voluntary Cooperation, particularly its capacity building and mentoring role, as a best practice. PVOs interviewed emphasized the style and accessibility of PVC's relationship with them as a model for other USAID offices to follow. Other best practice examples included: networks such as SEEP (Small Enterprise Education and Promotion) and the Child Survival Collaboration and Resources Group (CORE), which share lessons learned and build the capacity of their members and also serve as a voice for their members with other

agencies, such as the United Nations; use of Annual Program Statements to solicit proposals; and circulating Requests for Applications in draft for comment. Ms. Goodman also cited the Europe and Eurasia Bureau's use of electronic media and outreach to partners as good communication practices that enhance partnership. Although most of the recommendations were directed toward USAID, Ms. Goodman voiced a suggestion for NGOs: be more systematic in developing and promoting common positions. She concluded by noting that she would accept comments on the draft and provide a final version to ACVFA.

Acquisition and Assistance (A&A) Issues

Ken Schofield, Deputy Assistant Administrator, Bureau for Policy and Program Coordination, USAID, described the acquisition and assistance issues that were of concern to the USAID-PVO Partnership Working Group. The group had decided to focus on six issues that were perceived to hinder the partnership and that could be addressed within a reasonable time frame. The six issues were:

- Data on A&A trends.
- Joint training on procurement.
- Evaluation of the use of Indefinite Quantity Contracts (IQCs).
- Guidance to USAID's Strategic Objective (SO) teams on the choice of instrument, i.e., whether and when to use a grant or contract.
- Need for updating the past performance information database.
- Need for a mechanism for ongoing consultation on USAID's A&A policies.

Mark Ward, Director, Office of Procurement, USAID, reported that USAID has developed a new data reporting system for its overseas field missions called MPICS, which will provide figures on trends in acquisition and assistance. The NGO community has been interested in whether USAID is using contracts more often than in the past, and what percentage of funding is programmed through non-profits. The MPICS data from USAID Missions is now being checked for accuracy. When the USAID Mission figures are finalized and added to the USAID Washington data in February, the Agency will have worldwide picture of acquisition and assistance trends to report to the NGO community. For this meeting, Office of Procurement staff compiled informal figures that show a decline between 1992 and 2000 from 49 percent to 40 percent of total procurement awarded through contracts. Mr. Ward mentioned another statistic that provides a picture of USAID's workload - the number of actions processed by the Office of Procurement has increased dramatically, but the number of staff has not kept pace. This is a serious issue that affects timely procurement.

Noting that training had already been discussed, Mr. Schofield turned to the choice of instrument issue. The NGO community has questioned whether USAID staff need new, more useful guidance on when to use assistance (grants and cooperative agreements) and when to use contracts. The guidance is neutral - that is, it does not express a preference for either instrument but suggests the factors that should be taken into consideration in making that decision based on local circumstances. In most cases, both instruments will be necessary to get the job done.

Mr. Schofield also discussed USAID use of Indefinite Quantity Contracts (IQCs) and whether this mechanism is achieving its intended purpose of streamlining procurement. The Working Group is considering an evaluation to determine this. Regarding the need to update the contractors' past performance database, Mr. Ward reported that his office is undertaking a massive effort to bring records up to date. He noted that the database does not contain information on assistance - whether to collect such information, and how to do it, might be an issue for the Working Group.

Mr. Schofield concluded by affirming the willingness of USAID to participate in an ongoing consultative mechanism. He suggested that USAID's Acquisition and Assistance Advisory Panel, an internal working group, could be used as the channel for discussions on the USAID side.

Audience Discussion

Mr. Chase reported that InterAction has agreed to consider convening a panel of experts from among its members and other groups to work with USAID on acquisition and assistance issues in a consultative forum. ACVFA Vice Chair Peggy Curlin suggested that such a panel be creative and proactive and make a point of seeking out best practices, such as umbrella grants. Issues raised by the audience included the need to find an instrument for investments in innovations on the ground that are often carried out by small organizations with limited track records; the unequal distribution of work under IQCs; and the need for greater transparency and simpler language in the procurement process. Audience members inquired about the process for applying to USAID training, and indicated their interest in participating in the training design to ensure its relevance.

Session Three: ***"USAID HIV/AIDS Strategic Planning Framework
and its Implementation"***

Panel Co-Chairs: **Lou Mitchell, ACVFA Member, Chair, ACVFA HIV/AIDS
Working Group
Felice Apter, Population, Health and Nutrition, Bureau for
Policy and Program Coordination, USAID**

Speakers: **David Stanton, HIV/AIDS Division, Bureau for Global
Programs, USAID
Joyce Holfeld, Population, Health and Nutrition, Bureau for
Policy and Program Coordination, USAID
Patricia Ramsey, Deputy General Counsel, USAID
Hope Sukin, Africa Bureau, USAID**

Mr. Mitchell noted that recent reports in the media and from government agencies have emphasized that the global HIV/AIDS pandemic is a serious threat to U.S. national interests. A high-level USAID task force working intensively over the past six months has developed an expanded strategic response to the pandemic. Ms. Apter noted that the expanded response is a comprehensive effort in which all USAID Bureaus are involved.

USAID's HIV/AIDS Strategic Framework: David Stanton

Mr. Stanton gave a short history of the HIV/AIDS Rapid Response, beginning with the FY 2000 LIFE initiative, a \$100,000,000 multi-agency effort that provided the opportunity to expand partnerships and program areas. The four areas of focus are primary prevention, caring for children affected by AIDS, home and community-based care and treatment, and capacity and infrastructure development. USAID moved rapidly to develop a sound program strategy for the FY 2001 funding. The strengths of the process are that it has an interactive, inter-bureau involvement, staff commitment and cooperation, and high quality work. USAID is working toward international targets set collectively by the international community. The three-tiered strategy aims for: national-level impact in four "rapid scale up" countries; reduction in prevalence rates and transmission from mother to child and increased support services for people living with HIV/AIDS in 16 "intensive countries/sub-regions"; and maintenance of basic prevention and care services in 25 "basic" countries and several targeted sub-regions. In all countries there will be a major emphasis on monitoring and evaluation to demonstrate results.

***The Planned 2001 Budget in the Context of the Strategic Framework
and the FY 2001 Legislation: Joyce Holfeld***

Ms. Holfeld emphasized the urgent need for action in the face of very limited resources. For public health needs alone, UNAIDS conservatively estimates that between \$3 and \$5 billion is needed for care and prevention just in Africa. The international community's contribution for public health activities to fight AIDS in Sub Saharan Africa is around \$500 million, of which the U.S. share is about \$168 million. There is commitment at the highest levels of

government(s) to increase funding. This year \$330 million was appropriated for USAID, up from \$200 million. The budget includes earmarks for vaccine development, microbicides, the World Bank Trust Fund, and epidemiological profiles, leaving \$284 million available for USAID programming decisions.

Agency-Level Activities to Minimize Programming Delays for HIV/AIDS and Infectious Disease Funds: Patricia Ramsey

Ms. Ramsey described actions USAID is taking, at Congress' urging, to use existing authorities to expedite the process of acquisition and assistance. These include: authority for limited competition for new awards; extensions of existing awards for up to two years; use of special authorities to award to small businesses and small and disadvantaged businesses; use of wholesale mechanisms; and source-origin waivers (allowing procurement from foreign countries). Other streamlining measures include: authorizing additional personal service contractors for USAID/Washington; increasing mission directors' grant-making authority; and increasing use of the "grant under contract" mechanism. These actions reflect USAID's commitment not to approach the pandemic as "business as usual." Ms. Ramsey asked ACVFA to provide feedback on whether USAID is striking the right balance between streamlining measures and fair and open competition for USAID funds.

USAID Partnerships: Hope Sukin

Ms. Sukin emphasized that PVOs are essential partners in implementing the initiative. PVO strengths are independence, roots in and outreach to the community, grassroots affiliations, partnerships with indigenous NGOs, and the capacity for response in prevention, care, and support. She noted that groups represented in the audience were fighting AIDS at the community level before USAID began its work in the area. Ms. Sukin cited several examples of successful existing partnerships with NGOs, and indicated that USAID is seeking also to develop new partnerships with faith-based organizations, historically black colleges and universities, domestic HIV/AIDS groups, and multi-sectoral organizations. She emphasized that to accelerate the U.S. government response, stronger and expanded partnerships will be needed.

Ms. Sukin reinforced the point made earlier that AIDS is a development problem requiring talent and expertise way beyond the health sector. USAID is seeking a multisectoral team approach involving governments, U.S. PVOs and local organizations so that in the next 10 years the work will continue in full force. To meet the challenge, additional funding will be required as well. USAID missions in Africa have reported that they could use twice the funding available to them (\$132 million) to work with NGOs in the field. The final level of funding for USAID programs is much lower than anticipated, and the unallocated funding is negligible. However, USAID is committed to working with NGOs and sharing lessons learned in the multisectoral approach.

Audience Discussion

Some members of the audience expressed concern about USAID's outreach to new partners, noting that outreach to traditional partners and to African NGOs has been limited. It was suggested that funding be provided directly to African organizations that have the necessary capacity and can meet accountability standards. As an example, African organizations have carried out many cost-effective initiatives in Uganda. Ms. Sukin emphasized that USAID has to work with its African partners and is developing strategies that involve intensive cooperation with local NGOs. In cases where there are many capable potential local partners, umbrella grant arrangements are used to reduce the management burden.

Many participants asked how to let USAID missions know of their work as prospective partners. Ms. Sukin suggested that organizations hold dialogues with USAID missions and be aware of new requests for proposals that will be issued. The RFPs and each mission's strategy are available on the USAID website.

Many other members of the audience commented on the value of working more closely with faith-based groups and churches on AIDS-related activities. A participant from Christian Connections for International Health applauded the USAID presentations and shared his excitement about the rapid mobilization of the Christian community for a more effective effort to address HIV/AIDS in Africa. He reported that there would be several conferences, including one in Kampala, Uganda, at the end of January to address churches' response to the pandemic in Africa.

There was much discussion of the need for multisectoral approaches to mitigate the social and economic impacts of the disease. A participant reported that 80 percent of the food grown in Africa is on small farms worked by women who are dying at alarming rates, yet agricultural programs are not addressing this. Several participants urged USAID to add a gender focus to HIV/AIDS programs. ACVFA member Peggy Curlin noted that resources are not being directed at young girls, who are becoming the most at-risk segment, yet program indicators require data from this age group. She urged more creativity in reaching girls between 15 and 24 (or even younger). Another participant noted the high infection rate among teachers, which is having a devastating effect on educational systems.

The USAID panelists pointed out that the Agency recognizes the importance of multisectoral programs and is supporting them to the extent it can within the confines of the legislative language, which strictly defines the uses of Child Survival and Disease Account (CSD) funds. Development Assistance (DA) funds may be used to support such activities, but these funds are in short supply. Several USAID missions are using creative approaches to ameliorate the impact of AIDS on other sectors; for example, the USAID mission in Zambia was the first to implement a strategy to address AIDS in education. Ms. Sukin suggested that participants interested in education contact Mr. Brad Strickland of USAID at 202-219-5050.

Addressing the health and social and economic aspects of HIV/AIDS will require substantial increases in both CSD and DA funds. There was agreement that the entire development budget, not only HIV/AIDS funds, must be augmented to address the pandemic effectively.

Panelists and participants alike noted the importance of documenting the disease's impact on other sectors and informing those who can make a difference in allocating funds.

Mr. Mitchell concluded by thanking the USAID panelists and reminding the audience to look positively at the tremendous upswing of activity that has taken place over the last two years.