

**THE STATE OF AMERICAN INFLUENCE IN 2023:
GREAT POWER COMPETITION AND PERSISTENT
CRISES IN AN ERA OF BUDGET CONSTRAINTS**

HEARING

BEFORE THE

**COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES**

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THE STATE OF AMERICAN INFLUENCE IN 2023: GREAT POWER COMPETITION AND PERSISTENT CRISES IN AN ERA OF BUDGET CONSTRAINTS

Wednesday, May 17, 2023

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 2:15 p.m., in room 210, House Visitor Center, Hon. Michael McCaul (chairman of the committee) presiding.

Chairman MCCAUL. So, the Committee on Foreign Affairs will come to order. The purpose of this hearing is to discuss the USAID Fiscal Year 2024 budget request and explore the myriad of challenges facing the United States and its humanitarian and development professionals around the globe. I now recognize myself for an opening statement.

First of all, I want to thank you, Administrator Power, for joining us today. I've really enjoyed working with you over the past 2 years and I look forward to continuing to work with you in your new role as chairman and in my new role as chairman and—

[Laughter.]

Chairman MCCAUL. I'm just—can I just say it's been a long day? And I've been reading so many of these tags and sometimes the words just—but I'm glad I'm the Chairman and you're the Administrator.

Ms. POWER. I have a few questions for you, sir.

[Laughter.]

Chairman MCCAUL. And I do not have a subpoena for you today. So just wanted to say that as well.

OK. Let's start this whole thing over.

USAID is the U.S. Government's primary humanitarian and development assistance organization in the world. They are the people who bring food to starving children, bring medicine to the sick and dying, help rebuild schools and bridges and roads when war or natural disasters have washed them away and we're seeing quite a bit of that today.

In other words, Administrator Power, you are the face of America's soft diplomacy and that's a very important face. We have our hard power with our weapons this committee deals with and we have our soft power and that's your department.

So, therefore, I think it's critical that USAID have a cohesive strategy to grow America's soft influence while using U.S. taxpayer money effectively and as efficiently as possible.

The budget you have submitted to our committee has some good provisions to project American leadership. It does include funding for the Global Fragility Act, legislation that I championed and introduced.

This bipartisan program pushes the U.S. Government to take a more long-term approach to preventing conflict by looking at its root causes. Unfortunately, though, much of the budget reads more like a wish list rather than a strategic document to promote American leadership through our generosity.

The Chinese Communist Party poses a generational threat to the United States of America, I think, on both sides of the aisle, and you as well recognize this. They use the debt trap diplomacy through Belt and Road, broken promises to woo leaders around the world, and to some extent they are succeeding.

Now, USAID is one of the primary agencies this government can use to confront the malign influence of the CCP. Yet, the President places higher priority on cutting carbon with his request for \$11 billion in the climate finance than he does on building much needed infrastructure in Africa.

In fact, I at the Milken Institute met with about 12 ministers of finance from Africa and bankers, and I asked all of them have you worked with the Development Finance Corporation.

I know that's not perhaps, your direct portfolio. But every one of them—no one raised their hand. In fact, none of them have worked with the DFC. That's maybe another issue for another day.

Also, this budget makes it harder, I think, for our partners to do business with USAID by expanding requirements for the so-called DEL. These further slow the pace of USAID's core contract and grant-making business.

The budget is also not clear on how USAID plans to spend the requested \$400 million for the Countering PRC Influence Fund and that fund could be a valuable tool to counter the CCP if done correctly as Congress intended.

So, in short, our foreign aid must serve as a clear alternative to the CCP and our adversaries while also saving lives and projecting U.S. global leadership around the world.

Now I'd like to turn to Afghanistan, where the Biden Administration's chaotic and deadly withdrawal left a moral stain on this country and created a massive humanitarian crisis.

We know for a fact that taxpayer funding aid is flowing to the Taliban fighters and loyalists rather than suffering Afghan women and children. In fact, the ranking member and I met with some Afghan women this morning, including Ambassador Roya Rahmani, and we have some thoughts on that and I'll turn to that when I ask you a question.

But the women are hurting and they're left behind. USAID and the U.S. State Department cannot tell us also exactly how much money is flowing to them and we need to know that.

When you were here in July 2021 I warned that President Biden's decision to pull out of Afghanistan would limit our ability to conduct oversight of assistance directed there and I think we're seeing that today.

That went forward and now it's very difficult to track this assistance. At the same time the Taliban has banned Afghan women

from working for the groups dispersing aid in the country. The NGO's cannot even hire women because of the Taliban's strict enforcement and this greatly diminishes the ability to get aid to the women and the children who need them the most and it further limits our oversight capabilities.

The U.S. must adamantly oppose these new rules. We must work with our friends and allies to pressure the Taliban to lift this ban. Hard-fought gains to advance women's rights and promote democracy and stability in Afghanistan were wiped out by President Biden's horrible decision to withdraw unilaterally against the advice of top generals and the intelligence community.

So I think it's incumbent upon the President and his top officials like you to fix this problem.

Looking at the Western Hemisphere, the crisis at our southern border, as you know, is the worst I've seen in my entire career. I believe it's a direct cause and effect from this Administration rescinding the migrant protection protocols known as remain in Mexico.

USAID plays and must continue to play a critical role in combating the root causes of this migration and, again, going back to DFC I'd like to see more private investment in Central America to stem the tide and get to the root cause. You know, the U.S. is and has long been the largest foreign aid donor but we must do this strategically.

We cannot do this alone, and I think the premise for foreign assistance is that 1 day we will not have to give foreign assistance once we can stabilize.

As the U.S. does more the Biden Administration must urge our partners to step up as well.

So again, Administrator Powers, thank you so much for being here. Appreciate what you do. I know you travel a lot. You go into some dangerous hotspots.

I know you had a trip planned to go to Africa and the Sudan region, which is war torn as we speak and the violence and the killing there is absolutely devastating and I know you're doing your best to help get assistance to those who need it the most.

So with that, the chair now recognizes the ranking member.

Mr. MEEKS. Thank you, Mr. Chairman.

Thank you, Administrator Power, for joining us today to discuss President Biden's Fiscal Year 2024 budget request for international affairs and the U.S. Agency for International Development.

Administrator, the agency you lead is an indispensable component of the United States' national security that is vital to American global leadership.

As I've said before, the foreign assistance that the USAID administers is not a handout but a strategic investment in our future and I cannot think of it being in any better hands and led by you with all that you have done and accomplished and continue to do.

Your focus and your dedication is a merit to all of us and in fact it is something that leads the world. When you show up—as indicated by the chairman, you go to different places—it shows the very best of America and I want to thank you for that.

The tools also that the USAID has its safeguards U.S. interests in promoting stability, strengthening democracy, and fostering eco-

conomic growth, all of which cultivates strong United States partners and directly contributes to our own security and prosperity.

A key component of the Biden Administration's National Security Strategy is an emphasis on strategic competition. America simply cannot win this competition without soft power.

Victory in this competition will not be defined by military strength alone. It will be about ideas, values, economic development, technology, health, and multilateral systems.

This competition is not happening in China or Russia. It's happening, actually, in Latin America and the Caribbean. It's happening in the Indo-Pacific. It's happening on the continent of Africa, and to win the competition, first and foremost, we need to show up.

But leadership is a choice and, unfortunately, the choice that many of my Republican colleagues have made clear is that House Republicans' vision for America's role in the world is not, in fact, leadership but retreat and isolationism.

Now, do not just take my word for it. Let's just read the Republican budget proposals. If House Republicans had it their way they would slash the U.S. foreign assistance and the budget of USAID by up to 22 percent, effectively surrendering the high ground to our adversaries, who will be more than willing to fill that void.

Just check this out. China and Russia aren't slashing their international affairs budgets by nearly one-third. In fact, they are growing and expanding their foreign assistance programs, wielding them as a means to advance their national interests and exert influence on the global stage.

We are losing ground on the continent of Africa. For example, Russia now has more consulates than we do. We will lose ground. So we simply cannot allow our adversaries and competitors to gain ground and shape the world in their image and to their advantage while we stand idly by.

So what do these cuts mean for Bangladesh, where we have seen a dramatic improvement in maternal and child health indicators and on labor rights? Or in Senegal where our work with smallholder farms through Feed the Future has significantly decreased food insecurity, improved livelihoods, and helped send a generation of girls to school? Beyond how these budget cuts play into the hands of our adversaries let's also talk about how they will directly hurt the American people.

These cuts will damage U.S. economic competitiveness. Our economy is not isolated. In fact, it is deeply integrated into a global marketplace. A reduction in foreign assistance weakens the very countries we rely upon as trading partners, undermining economic stability and inhibiting our ability to expand into new markets.

Furthermore, a thriving economy at home requires a prosperous and stable world abroad. These budget cuts are a recipe for global instability. This year a record 339 million people are in need of humanitarian assistance, an increase of more than 25 percent since just last year.

At a time of unprecedented global humanitarian need the Republican budget proposal would kneecap U.S. humanitarian operations worldwide, from Sudan to Ukraine to Venezuela, and jeopardize

our capacity to respond to new and emerging natural disasters and conflicts.

The consequence would be scores of lives lost, mass migration, and a vacuum where terrorists thrive. So if we are serious about global stability, American competitiveness, and promoting American values we need to fully fund the President's budget request for foreign assistance and provide sufficient resources for the people power that USAID needs.

We also need a regular legislative vehicle to update the tools and authorities of USAID. Under my chairmanship in 2021 we passed a State Department authorization bill for the first time in 20 years. We should similarly regularly update the authorities of USAID as we do for other critical agencies responsible for the United States national security.

So I urge my colleagues on both sides of the aisle not to allow this short-sighted and perilous Republican budget proposal to take us backward and I urge you to recognize the dangers of standing in place.

We need to move forward together to support robust and sustained investment in USAID and other foreign assistance programs.

So thank you, Madam Administrator, for your focus on these issues and I look forward to a productive discussion on how we can work together to strengthen our commitment to United States global leadership.

And I yield back.

Chairman MCCAUL. The gentleman yields back.

Let me just say, first, to the members on my side of the aisle that I—the order in which I recognize Republican members today will be different than usual because there were several members who were unable to ask Secretary Blinken questions at our April budget hearing.

Therefore, after the ranking member and I ask questions I will first recognize Republican members at the first row, not the bottom row—the first row of the dais—who were unable to ask Secretary Blinken questions, in fairness to you.

My first question—what am I saying? Where's my script?

[Laughter.]

Chairman MCCAUL. Like I said, it's been a very long day. Other members are reminded that opening statements may be submitted for the record.

We're pleased to have the nineteenth USAID Administrator, Samantha Powers, before us today. Your full statement will be made part of the record and I'll ask you to keep your remarks as close to 5 minutes as possible.

With that, you are recognized.

STATEMENT OF THE HONORABLE SAMANTHA POWER, ADMINISTRATOR, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Ms. POWER. Thank you, Mr. Chairman. Thank you, Ranking Member Meeks, and to all of you for being here today and to all distinguished members of the committee.

Before I start with my prepared statement I just want to take a moment to acknowledge the embassy personnel and escorting police forces in Nigeria who lost their lives yesterday and to extend my deepest sympathies and, of course, the sympathies of the American people and I'm sure all of you to their loved ones who are grieving this devastating loss.

Their convoy was brutally attacked while en route to a U.S.-funded distribution of emergency humanitarian assistance to people who were displaced by last year's historic flooding.

Other members of the convoy are still missing and the State Department is working closely with Nigerian authorities to locate them. The individuals who were killed paid a great service to both our country and their own and they should be remembered as heroes who dedicated their lives to building a better future for the people of Nigeria.

I sincerely hope that we can honor their memory both by holding those responsible—by holding responsible those behind this atrocious act and by continuing to foster greater peace, prosperity, and stability in Nigeria and beyond.

Unfortunately, as you all well know, such violence is not unique to Nigeria and, indeed, the decades of development gains that have laid a foundation for an era of relative peace, relative stability, and relative prosperity are at serious risk globally.

During our lifetimes it is wonderful, actually, to behold that the United States has helped accelerate tremendous progress in reducing extreme poverty around the world and fighting disease and addressing hunger, getting kids into school and fueling democracies' rise.

But now many of those very same trends have moved into reverse. The pandemic decimated health systems, leading to a resurgence in diseases from measles to tuberculosis. It also battered many nations' finances.

After a decade of heavy borrowing and, more recently, rising inflation exacerbated by Putin's war, 60 percent of the world's poorest countries are at or near debt distress, and natural disasters are increasing in frequency and intensity, leading to a sharp rise in humanitarian needs.

The upshot of all of this is stark. For the first time in decades, literally since the late 1950's, human life expectancy is on the decline while extreme poverty is on the rise.

At the same time, democracies everywhere are under attack. Our rivals are using transnational corruption, digital repression, disinformation, and in Ukraine actual artillery and missile fire to undermine freedom, to elevate autocrats, and to curry favor.

A quarter of the world's population face conflict, a rate not seen since World War II, with the horrific violence in Sudan serving as just the latest example.

It is a daunting list of challenges and I know that some and maybe even some here today question whether the United States should be taking on these challenges through our development investments or whether the scope of the challenges is too great to make a meaningful difference.

But the fact is our national security, our prosperity, hinges on this work. Deprivation and indignity abroad can fuel resource com-

petition, political fragility, and extremism that endangers us here at home. Disease outbreaks can cross oceans, as we have seen so recently, and recessions in foreign markets can threaten our own economic growth.

If we do not lead efforts to take on these challenges, as the chairman alluded to and as Ranking Member Meeks did as well, the People's Republic of China and Putin are ready to step in, whether through opaque loans on unfavorable terms or with mercenaries in tow.

An international order that values democracy and human rights and respects international borders is not a given. Indeed, authoritarian actors are challenging and aiming to reshape it. We have to invest in the stable and more humane world that we need.

USAID is truly privileged to have a leading role in tackling the most significant challenges of our time in close coordination with our interagency partners advancing diplomacy and defense and we are grateful to the American people and to you for giving us the resources to make a major difference.

That said, we know that to drive progress on the scale that we need in this era in this moment we have to bring other countries, the private sector, multilateral institutions, foundations, and local organizations in our partner countries along with us.

So USAID has set out a new reform agenda aimed at delivering progress beyond our development programs, using our expertise, our convening power, our advocacy, to draw in others to leverage more resources, to spark innovation, and to inspire broader movements for change.

The Biden-Harris Administration's Fiscal Year 2024 request of \$32 billion for USAID's fully and partially managed accounts will allow us to make more of that transformative impact and, again, we recognize that we have to use any resources we get as leverage to pull in others.

We will invest in countries experiencing democratic openings, helping them show that democracy delivers tangible results for citizens. We will work with nations to attract private sector investment and drive broadly shared economic growth.

We will support countries that are rebuilding their decimated health systems and we will meet growing humanitarian needs not just with emergency assistance but with long-term investments in resilience and, crucially, we will invest in USAID's work force to carry out this ambitious agenda.

Since 2019, because of the State of the world and the generosity of this body, our operating expense funds have increased at half the rate that our programming has grown, giving us more to do with fewer people and resources.

So we are incredibly grateful, again, for those plus-ups in programmatic money and resources spent out in the world. But our team and our staffing needs to keep up. This budget that we have proposed for Fiscal Year 2024 will help us invest in the people and the systems that we need to power an agency that is nimble and responsive.

We know that with the United States leading the way the world can drive meaningful progress against our toughest challenges because we have decades of gains in global health, in education, and

in prosperity to prove it. It is on us now to resume that progress.
Thank you so much.
[The prepared statement of Ms. Power follows:]

Written Statement of
U.S. Agency for International Development Administrator Samantha Power
House Foreign Affairs Committee
May 17, 2023

Thank you Chairman McCaul, Ranking Member Meeks, and other distinguished members of the Committee.

The challenge the world faces today is clear: The decades of development gains that have laid the foundation for an era of relative peace, stability, and prosperity are at serious risk.

During our lifetimes, the United States has helped accelerate tremendous progress in reducing extreme poverty, fighting disease, addressing hunger, getting kids in school, and fueling democracy's rise.

But now, many of these trends have moved into reverse. The pandemic decimated health systems, leading to a resurgence in diseases from measles to tuberculosis. It also battered many nation's finances. After a decade of heavy borrowing and more recently rising inflation—exacerbated by Putin's war—60 percent of the world's poorest countries are at or near debt distress. And natural disasters are increasing in frequency and intensity, leading to a sharp rise in humanitarian needs. The upshot of it all is stark: For the first time in decades, human life expectancy is on the decline—while extreme poverty is on the rise.

At the same time, democracies everywhere are under attack. Our rivals are using transnational corruption, digital repression, disinformation—and in Ukraine, actual artillery fire—to undermine freedom, elevate autocrats, and curry favor.

It's a daunting list of challenges. And I know some question whether the United States should be taking on these challenges through our development investments, or whether the scope of the challenges is too great to make a meaningful difference.

But the fact is our national security hinges on this work. Deprivation and indignity abroad can fuel resource competition, political fragility, and extremism that endangers us here at home. Disease outbreaks can cross oceans, and recessions in foreign markets can threaten our own economic growth.

And if we don't lead efforts to take on these challenges, the People's Republic of China and Putin are ready to step in, whether through opaque loans on unfavorable terms, or with mercenaries in tow.

An international order that values democracy and human rights and respects international borders is not a given. Indeed, authoritarian actors are challenging and aiming to reshape it. We have to invest in the stable and humane world we need.

USAID is privileged to have a leading role in tackling the most significant challenges of our time, in close coordination with our interagency partners advancing diplomacy and defense. And we are grateful to the American people—and to you—for giving us the resources to make a major difference.

That said, we know that to drive progress on the scale we need, we have to bring other donor countries, the private sector, multilateral institutions, foundations, and local organizations in our partner countries along with us. So USAID has set a new reform agenda aimed at delivering progress beyond our development programs—using our expertise, convening power, and advocacy to draw in others, leverage more resources, spark innovation, and inspire broader movements for change. The Biden-Harris Administration's FY 2024 request of \$32 billion for USAID's fully- and partially-managed accounts will allow us to make more of that transformative impact.

Alongside our partners, we'll invest in countries experiencing democratic openings, helping them show that democracy delivers tangible results for citizens. We'll work with nations to attract private sector investment and drive broadly shared economic growth. We'll support countries that are rebuilding their decimated health systems. And we'll meet growing humanitarian needs not just with emergency assistance, but long-term investments in resilience.

And, crucially, we'll invest in our workforce to carry out this ambitious agenda. Since 2019, our operating expense funds have increased at half the rate that our programming has grown—giving us more to do with fewer people and resources. But this budget will help us invest in the people and systems we need to power an Agency that is nimble and responsive.

We know that, with the United States leading the way, the world can drive meaningful progress against our toughest challenges—because we have decades of gains in global health, education, and prosperity to prove it. It's on us, now, to resume that progress.

A few months ago, President George W. Bush posed a question. "What's the role of a great country in the world? Is it to look inward? Is it to think about how to solve big problems?" As he said, "We all decided to work together to solve big problems." Let's continue that legacy.

Thank you.

Chairman MCCAUL. Thank you, Administrator Power. I now recognize myself for 5 minutes of questioning.

As I mentioned, we met this morning with Afghan women leaders in the movement against the Taliban and it was very powerful testimony that we heard. I worry not only about the American citizens still left behind, the Afghan partners left behind, the interpreters that are now being hunted down by the Taliban.

We left our biometrics on them behind and they go door to door checking biometrics to hunt and kill those that we promised we would protect.

But when you get to the women and the girls it's probably the most depressing thing to see women who have never lived under Sharia law now subjected to this depravity. They cannot go to school past sixth grade. They have no rights. They're treated like property. They cannot leave the house. It's really disgraceful.

With our assistance going into Afghanistan without a presence there, which we do not have, as you know, makes it very difficult to control that situation.

But we would like to have some assurance—we're a very generous, generous nation—with money going in that is not going directly to the Taliban but, rather, to where it needs to go and I would say primarily the women and the girls left behind.

The NGO's have a very difficult task. I spoke at the Munich Security Conference about this. The idea came up about why cannot we condition this aid on assurances from the Taliban that, No. 1, they will hire women as part of these NGO's to administer these assistance but they will also give that assistance to women and girls in Afghanistan. Seems to me we got a carrot and stick approach that if they do not do that then we just simply withhold the funding.

Ms. POWER. Thank you, Mr. Chairman, and thank you for meeting with those with those women. It's something I do at every occasion I can as well to be reminded of the human toll that the Taliban regime is exacting on people on the ground.

So let me take a few different dimensions of your question. I mean, for starters, on the humanitarian, which is where the bulk of USAID funding goes into Afghanistan, we work only with trusted international partners like the World Food Programme, like UNICEF.

While the U.S. does not have a presence in Afghanistan, as you rightly say, the World Food Programme, UNICEF, all of the major U.N. agencies still do.

Obviously, the Taliban edicts related to U.N. staff and women working are vastly complicating also what they do and causing them to engage at the highest levels in negotiations with the Taliban to get them to reverse that order.

What we're finding on the ground is that compliance with Taliban strictures related to women employees is uneven and so there are parts of the country where we have been able to work, where our partners have been able to work unimpeded, where women are still staffing those agencies, and where women beneficiaries are able to receive services or assistance.

But a number of our partners have, in fact, suspended assistance because they have been unable to have basic conditions of human-

ity and inclusion met and so I think the latest number I saw is five, actually, of our humanitarian—five of our 24 partners have had to suspend outright because it's just impossible to work in the way that they need to.

With regard to—and I know there's a lot more one can say on that—again, we have third party monitoring. We have remote monitoring. We do have safeguards—

Chairman MCCAUL. Because my time is expiring I want to—

Ms. POWER. Yes. Sorry, sir.

Chairman MCCAUL [continuing]. Let other members have time. I just—I can followup with you. I just think we have the power of the purse here and they can take it or leave it.

Ms. POWER. I think the challenge—

Chairman MCCAUL. They take it under our conditions.

Ms. POWER. Indeed. Oh, I think that's what our partners—

Chairman MCCAUL. Yes.

Ms. POWER [continuing]. That's a version of the attitude they're taking.

Chairman MCCAUL. Yes. And the question—the question really has to do with the PRC. You know, DFC has done a inadequate job countering the malign influence and that's why we created them and they will not loan—they will not have investments in anything that has to do with energy, fossil fuels.

It's got to be all green energy. It's got to have all these different value systems attached to it. In Africa it hardly makes any sense. It's not working is my point.

What is USAID doing to counter the Belt and Road Initiative and I know Amos Hochstein has left the State Department. Who's in charge of that?

Ms. POWER. Thank you, and I know we're short on time.

Amos has moved into, actually, the White House for a coordinating role on Belt and Road—on the global infrastructure partnership and I actually just met with him last week and the ambition around major infrastructure investments in Africa is definitely there.

Bringing the private sector, the DFC, the multilateral development banks, of course, is something that has to be done with urgency. You asked about USAID. Virtually everything we do stands in contrast with the Belt and Road model.

We are providing technical assistance to governments that are in debt restructuring talks because they've been saddled by—with so much debt, as you said in your opening statement, by the Chinese.

We are working to ensure a non-extractive approach to natural resource development. That is in contrast to the extractive approach that the PRC has backed in the past, and all of our support for—

Chairman MCCAUL. And my time has expired but let me just close with we have certain elements of power here—USAID, DFC, Millennium Challenge Corporation—and we need to coordinate this to effectively counter because I know the Ranking Member has had this experience—when you talk to the African nations, the Ambassadors, and they just say you're not here.

We do not have another alternative. But and if we're not there on the field China will fill that void and they are not only in Africa,

in that continent, and Indo-Pacific but in our own hemisphere, I think, here, and I look forward to working with you more on this.

And with that, I now recognize the ranking member.

Mr. MEEKS. Administrator Power, I want to do a couple of things real quick. But just following up on the chairman's statement about DFC, I was wondering—one of the things that I've been—I have been fighting for is to make sure that we give the DFC the authorities that it's been asking for, particularly in regards to—and I was supportive last term—the equity fix that it was looking at and has requested, and I think that that would help it. Just give me a quick—do you think that would help if we were able to fix the equity aspect of it?

Ms. POWER. I think that the resources that the U.S. Government as a whole has to bring to bear around infrastructure investment are way smaller than they need to be and that's in part because of the way that scoring is done.

It requires an actual appropriation to do things that might be done in a different way. So that's a long-winded answer but, in short, more resources are needed.

Mr. MEEKS. Let me ask this, and I'm going to—you know, because I want to get a lot in this short period of time that I have and I want to make sure that the American people are clear on the impact of the McCarthy-Republican budget cut proposals, and so I'm going to just ask a couple and then I'll get into a little bit more if I have more time yes or no questions.

Do you believe that the McCarthy budget cuts would damage U.S. competitiveness and our ability to combat the malign influence of China and Russia around the world? Yes or no.

Ms. POWER. Yes.

Mr. MEEKS. Do you believe that it is true that the Republicans budget cuts would result in at least 80 million fewer people receiving food aid through the emergency food security program and that the program could be severely reduced or even eliminated in entire regions including west Africa, southern Africa, and Central America? Yes or no.

Ms. POWER. Yes.

Mr. MEEKS. Do you believe that the McCarthy-Republican budget cuts that slash funding for programs that can—that combat democratic backsliding, support civil society, and independent media, counter corruption, and strengthen nascent democracies would benefit authoritarians around the world? Yes or no.

Ms. POWER. Yes.

Mr. MEEKS. And is it true that the Republican-McCarthy budget cuts would mean 13 million fewer children being vaccinated, resulting in an estimated 115,000 additional deaths, almost 900,000 children not being reached by essential nutrition services, and the spread of tuberculosis infections to an additional 6 million people reversing decades of progress and billions in U.S. taxpayer investments in global health? Yes or no.

Ms. POWER. Yes.

Mr. MEEKS. Thank you. So for all of these reasons the developing world must be at the core of our National Security Strategy and particularly on the continent of Africa, which is the youngest and fastest growing region on this planet.

Now, I have concerns about what's happening there because, unfortunately, Administration after Administration has failed to prioritize Africa—and I'm on this bandwagon in a very big way—and as a result the United States is facing a growing credibility gap on the continent and our interests are suffering as a result.

Now, I know and appreciate President Biden's work to organize the United States Africa Leaders Summit in December. But symmetry and rhetoric and high-level visits, for me, are not sufficient.

So, Administrator Power, as a member of the Biden National Security Council can you tell us what actions are you able to or are you taking to ensure that Africa is a priority for the Biden Administration?

Ms. POWER. Well, I think you know better than most, having seen some of these programs on the ground, the impact that, for example, PEPFAR or malaria work or anti-TB work, all the work in the global health space, the work not only distributing vaccines but getting shots in arms in COVID where we worked with, for example, Zambia to go from 15 percent coverage to 84 percent coverage over the course of a year. While the headlines are not capturing African vaccination rates, tremendous impact there of U.S. investments.

So I think you see that visibly. What's exciting about the African Leaders Summit, Prosper Africa, where you've been very involved, is the diaspora communities, the private sector, and the enthusiasm for investment on the ground.

USAID's piece of this right now is rather modest. But it's indispensable, which is how do you create a regulatory environment such that American businesses are going to want to make those investments, such that these big infrastructure projects can go forward.

What China does is they do nine to one loan to grant. What the United States does is we do nine to one grant to loan. But complementing using those grants catalytically and then bringing in over the top the World Bank, the other big infrastructure players, African private sector actors as well, that's where you're going to see the kind of visible infrastructure impact along the lines of what I think some of these leaders are hungering for.

Mr. MEEKS. I'm out of time. Thank you. But I just want you to know, Madam Administrator, that I am focused on making sure that we are investing on the continent of Africa, doing the kinds of infrastructure projects that needs to be taking place.

We need to give the equity to the DFC so that we can get and invest and work with the African Development Bank and others there. There's a lot of work we need to do for our own national security interests from my recent visit to Ghana and talking to other nations and other Ambassadors and other heads of State on the continent.

So I thank you for your work and I know where you're headed, and you're doing the hard work. But I appreciate you. Thank you, Mr. Chair.

Chairman McCAUL. The chair now recognizes the gentleman from Texas, Mr. Self.

Mr. SELF. Thank you, Mr. Chairman. First of all, I think our entire budget should be—both in hard and soft power should be dedicated to the interests of our national interest.

Frankly, my perspective will be informed by a decade overseas, both in the Third World, in the developed world, in the Pentagon, and to include over a decade in joint headquarters.

As I—and those are awfully noble words but as I look at this list of countries that was in our read ahead packet, many of these countries, if not failed States, are near failed States.

Speaking of Africa, Africa has had trillions of dollars poured into it over the last decades and when I look at this list many of these are even in the Iranian or Iranian satellites.

I was in Afghanistan when the ground command was still in a tent. The dust was still six inches thick and it has not changed. It is a nation of tribes. We must understand that Afghanistan is a nation of tribes.

I want to prioritize this entire budget along in a dangerous world. China is on the prowl. We do not have a lot of time. So soft power is dedicated—is predicated on time and I will tell you that when I think back to the cold war the Russians were 10 feet tall at the time. They were moving around the world and, frankly, we determined—because we built up our military and we turned them into a paper tiger.

Our time is short. China has demographic issues. They have a command economy now. They're going to have issues in the near term. But that makes them very dangerous in the near term because they know their window is short.

I think that we ought to prioritize the entire—this entire budget toward hard power. The Economist said that we could save \$32—\$.32 on every dollar by shifting resources away from the traditional contractors to more in-country partners, which means to me that I think we probably ought to relook this entire budget and take 32 percent of it and turn it into the Defense Industrial Base.

So I am asking this committee to look at what we need to do to deter China. Our first mission is to deter. Development is great. Development is fine.

But, again, our first mission is to deter and I would appreciate any comments, Administrator Power, on that because we will have to prioritize in this constrained budget environment. Our priority must be to the short term because we have decimated our military to the degree that I think we have no choice.

Ms. POWER. Thank you, and, above all, thank you for your service in so many different roles.

I'm tempted to just take the select quote of what you said, which is development is great, but I will not. I will not because I hear the spirit of the question.

So, first, to say it absolutely goes without saying that nothing that I'm proposing here should come at the expense of the appropriate investments in our defense and in the competition that we are in with the PRC globally.

Indeed, if you look at this request when looked at in isolation it looks—it may look like a large number. When looked at juxtaposed next to the Defense Department's budget request and I hope what

will be delivered upon, you will see this is a very, very small price to pay to complement defense expenditures.

When we're looking at the choices that countries are making about whether, for example, to have a PRC base in their country or a deep-water port or something that has—I'm sure you and I would agree has significant geostrategic consequence there were a lot of factors that go into that decisionmaking on their part, and how they feel about the United States, how their people feel about the United States, whether we have been there for them when a hurricane hits or to support small business—small business owners with a tiny little microfinance loan—

Mr. SELF. I have—I have 30 seconds. May I ask one more question?

Ms. POWER. Please.

Mr. SELF. I think history has shown that most of the world admires one thing, to include China, to include Russia, to include most of the world. They admire strength. I think that's why today we lack admiration around the world, which is what you're describing. You're not putting it in those terms but that's what you're describing.

And my time is up. I yield back, Mr. Chairman.

Chairman MCCAUL. The gentleman yields.

The chair now recognizes Mr. Sherman.

Mr. SHERMAN. I want to commend the chair for his selection of the title of this hearing, which illustrates how our foreign aid budget is an important part of our geopolitical efforts and geostrategic efforts.

I agree with the ranking member that in addition to aid we need to focus on diplomacy and consulates, and I would add that the visa process delays do probably more harm to our image in the world than anything else that isn't covered in the news.

It undermines our ability to trade, do business deals, cultural, et cetera, and it's just a matter of not processing paperwork quickly. We spend .2 percent of our GDP on aid. Other wealthy countries as a group average .4 percent. So we're at half the level. And, unfortunately, Republicans are proposing to slash that by almost a quarter.

I'm glad that we have talked a little bit about China's efforts. There are those who view China as doing a lot in the foreign aid area. But as you point out, it's nine-tenths loan.

A little interest on that loan eats up the last tenth, and, of course, China, in competing with us for foreign influence, has the option of giving bribes, which I think they do effectively and which we disclose way too—way too rarely.

Ranking Member points out the importance of Africa. I want to focus on Tigray. We have suspended our food aid to an area where five of the 6 million people are dependent on food aid. The U.N. has done the same and that is because there has been diversion apparently by both sides in the recently concluded civil war.

We need humanitarian monitors on the ground in Tigray because not only does truth die in the darkness, women and children die in the darkness and also that monitoring, having people on the ground, will allow us to give out the food aid without it being diverted to an undue degree.

Ms. POWER, do you have the clout inside the Administration to make sure that we're not reauthorizing AGOA, that we're not backing the international lending that Abiy wants until we can get our humanitarian monitors and food distribution people onto the ground in Tigray?

Ms. POWER. First, I think I have to put on record a condemnation on behalf of USAID but also on behalf of the American people for the diversion of aid when you have more than 5 million people who are facing famine like conditions. Just outrageous.

And, yes, we have paused. I think as faithful stewards of the resources given to us when you get word of something of that nature, pausing and figuring out how to get the access that you need on the ground, the systems in place, we have them all around the world. This is a very rare occurrence.

Mr. SHERMAN. If we do not have people on the ground we will not get it done. Can you hold up AGOA and international lending until Abiy lets our people on the ground?

Ms. POWER. I am a member—as you noted, in your question, a member of an interagency team and needless to say this is an absolutely critical factor as is getting human rights monitors on the ground to monitor the treatment of the people in Tigray as well.

Mr. SHERMAN. I do want to move to another question. We have got a blockade of Artsakh as part of an effort to ethnically cleanse the area. People need food aid. Does this area meet the USAID's definition of a crisis and what can you do to provide aid to the people of Artsakh?

Ms. POWER. Well, the major implementing partner now that has been able to get in to Nagorno-Karabakh are ICRC, which is funded actually by the State Department. But the U.S. is the largest donor to ICRC. A convoy, in fact, just finally moved before this hearing just as we were coming in.

But what I will say is that Nagorno-Karabakh should not have to rely on humanitarian convoys. Again, prior to late last year you had commercial traffic moving freely into the area. So it's absolutely imperative that the roads into Nagorno-Karabakh be opened.

Mr. SHERMAN. Our Ambassador was there at the road to demonstrate our dedication on that. Finally, we have the Pacific Islands. My father fought for those islands as did others here because of their geostrategic importance. They control much of the world's land surface area, much of it underwater. China is making a play in that area. What can we do to secure our relationship among these lightly populated but strategic islands?

Ms. POWER. Well, you'll see a significant increase in the resource requests for our programming in that region. I will be traveling to the country of Fiji later this summer to open a USAID mission in Fiji.

We have not had a mission there since 1994, and I think it's in keeping with the point that's been made by others about the importance of presence but also the programming and the soft power and the other forms of power that come with actually making those investments and the people seeing that.

We will also have a country representative in Papua New Guinea and by 2025 we will have 51 staff across the region, which is important.

Mr. SHERMAN. I hope you'll focus on the smallest and least populated of the countries there, and I yield back.

Ms. POWER. Thank you.

Chairman MCCAUL. The gentleman yields.

The chair now recognizes the gentleman from Texas, Mr. Moran.

Mr. MORAN. Thank you Mr. Chairman.

Director Powell—Power, we understand that USAID OIG has recently been focused on strengthening access to the U.N. agency records relating to USAID-funded programs. More access furthers the OIG's efforts to hold the U.N. officials accountable for misusing USAID funds or committing sexual atrocities against program beneficiaries.

There is language in the relevant agreements contractually obligating U.N. compliance with OIG requests for information. But will you commit to ensuring that the USAID OIG is able to obtain the information from U.N. agencies it deems necessary to conduct its independent oversight work?

Ms. POWER. I'm unaware that there's an issue in any compliance with USAID OIG requests so your question puzzles me a little bit.

But we have a constant flow of information. Without knowing the specifics I would not want to generalize but we are mandated to cooperate with USAID OIG. We have many open requests and audit recommendations that we are working on as we speak. So I absolutely commit to cooperating further.

Mr. MORAN. Great. I hear the commitment to cooperating and ensuring that USAID OIG is able to obtain that information. I also understand that USAID's Office of Inspector General has informed USAID that its lack of pre-award certification language requiring prospective awardees to disclose past engagements with entities sanctioned for corrupt activity and human rights abuses creates significant vulnerabilities, and also USAID OIG has flagged that the lack of forum selection clauses in USAID's award agreements prevents the U.S. Government from bringing suit in U.S. courts against foreign NGO's alleged to have misused USAID funds.

Can you address those issues and explain why the agency has failed to take those steps?

Ms. POWER. Again, knowing how important compliance is and the rooting out of fraud, waste, and abuse in our programming we do everything in our power—and also the importance of the integrity of our partners including on corruption grounds or any link to extremism or to terrorism.

So the specifics of what you're describing and that recommendation I'd want to just work at a staff level and I can followup with you personally when I understand exactly to what you're referring.

But, again, the relationship if you—some here may have attended the—there was a hearing just a week or two ago where our OIG testified on Afghanistan and assured again that she and the team were getting full cooperation and full access.

Same on Ukraine. I think there was an OIG hearing not long ago on Ukraine. So I'd want to know the specifics, again, of where you're hearing a complaint or some lack of cooperation.

Mr. MORAN. Thank you, and I appreciate the followup.

Really, the second question relates to contractual language and so, in particular, the disclosure requirements in the contracts and

also the forum selection clauses, those are the two issues from the contractual standpoint that I'd like for you to look at and get back to me about.

Ms. POWER. Absolutely. Yes.

Mr. MORAN. When you guys at USAID begin to look at the priorities for each of the expenditures you have in the budget request each year, tell me in your words what are those priorities that you would list? Shortly, by the way.

Ms. POWER. Yes. Not my strong suit, as you can tell.

You may not be aware but we are 90 percent earmarked. So I wish we had the luxury of sitting down with all of you and laying out what our priorities are and how they should be implemented.

Obviously, in the wake of a pandemic that has taken millions of lives we have a global health priority, including global health security, making sure that countries in which we work have the systems to detect viruses before they become what they became in the case of COVID.

Helping countries transition to clean energy but more urgent for most of the countries in which we are working is adapting to changing weather patterns, which are undermining their agricultural and other gains.

Mr. MORAN. I presume that when you're looking at a lot of these different projects or countries that are possible to help or assist with that you have—you do not have enough money in your terms to provide the assistance to all the different projects in all the countries. Is that correct?

Ms. POWER. Absolutely have to be very selective, yes.

Mr. MORAN. Do you take into account national security interests when you decide which particular projects to recommend funding?

Ms. POWER. It really depends on what domain we are talking about—our humanitarian assistance, for example—because it goes to people who are at risk of famine. That's needs based.

When we are looking at strengthening relationships, we are part of the interagency if President—you know, if there's some strategic imperative—we have talked about USAID programming generally—standing in contrast to how the PRC is doing its business.

The exchange I had with your colleague, recognizing, I think, that USAID actually helps open up doors, we're the ground game, in fact, to that strategic competition in some sense.

So it really depends on the circumstance. But I'd be happy to sit down with you and we could talk about particular regions or countries of interest.

Mr. MORAN. Thank you. And I know my time's up and I'm going to yield back. But I just want to say I would hope that if all things are equal that national security interests would tip the scale in favor of those countries and projects that meet our security—national security interests.

Thank you for your time.

Ms. POWER. If I could just say one more thing, which is President Biden is the first president to actually make the USAID administrator a member of the National Security Council for this reason, believing that development, diplomacy, and defense have to be coordinated and channeled in areas of national security importance and also recognizing, again, to the prior exchange, the criticality of

development to our national security on, for example, issues like global health security.

Mr. MORAN. Thank you, and I yield back.

Chairman McCAUL. The gentleman yields. The chair recognizes Mr. Connolly.

Mr. CONNOLLY. Thank you, Mr. Chairman, and welcome, Administrator Power, and our deep sympathy goes out to all of those who were affected by the tragedy in Nigeria and to the greater AID family.

I'd like to—first of all, I want to thank you for your leadership. I have known most of the AID administrators for the last 40 something years. I think you're one of the most outstanding, if not the most outstanding. You've been willing to spend political capital.

You got—you rolled up your sleeves and helped us pass the global health security bill and you weren't shy about protecting the right provisions to make sure that we got good law into law and I thank you for that. That shows great leadership that not everybody who preceded you have shown. Thank you so much for your leadership.

I want to followup on the line of questioning of the ranking member and maybe go into programmatic impacts of the hostage-taking debt ceiling bill passed by the Republican majority that requires draconian if not reckless budget cuts all across the Federal Government and, certainly, a significant budget cut potentially for AID.

The emergency food program—you help 36 million people a year, \$1.8 billion. What would a 22 percent cut do to that?

Ms. POWER. It would mean hundreds of thousands of farmers would not get access to seeds, female farmers not get access to micro finance, and, most frustratingly, we would probably end up in a situation of coming back and appealing for emergency aid when what communities most want is to be, as the chairman was saying earlier, resilient and self-reliant, not dependent on hand-outs.

So the sort of ethos, I think, that we all embrace here of the importance of people being able to fend for themselves and to close USAID missions, which is our ultimate objective, we set that back when we move away from our core food security programs that are all about them having the agricultural productivity—

Mr. CONNOLLY. Almost seems self-defeating, given the common views we all share about trying to help people get on their feet and be able to then sustain their own growth and development.

Maternal and child health care—there'd be a \$20 million cut in that program. What would that do?

Ms. POWER. Well, you'd have about 19,000 maternal and newborn child deaths that you would not have if we could just preserve our funding from this year and, additionally, 13 million fewer kids vaccinated because that's the chapeau under which we do childhood immunization. So that would be devastating.

Mr. CONNOLLY. So life and death kind of issue?

Ms. POWER. Indeed.

Mr. CONNOLLY. The malaria initiative, another \$20 million cut, what would that do?

Ms. POWER. Four million children with malaria would not be treated and you'd see a dramatic cut in the number of bed nets

that we could put out where you can actually prevent people from dying from a mosquito bite.

Mr. CONNOLLY. And the irony as well as tragedy of that is we're actually making progress on malaria in terms of both prevention and maybe even a cure. Is that correct?

Ms. POWER. It is, and we have also the changing malaria patterns because of climate change and so forth having to—wanting to keep up with that and not lose these gains that we have made where some whole areas are declared malaria free. We want to be in a position to be preventive in areas where malaria may be migrating.

Mr. CONNOLLY. TB, tuberculosis, which we know is a stubborn phenomenon even though it's potentially curable, we also know there are resistant strains that we're very worried about with the spread of TB if we do not control it. What would a \$23.5 million cut to the TB program do?

Ms. POWER. Six million more infections and about 350,000 more deaths.

Mr. CONNOLLY. And possibly continued transmutation of the bacterium that would be resistant to treatment.

Ms. POWER. Yes.

Mr. CONNOLLY. Tropical diseases—the \$7 million reduction in funding for tropical diseases, why is that important?

Ms. POWER. Well, we leverage that \$7 million and we have the private sector actually giving the medicines away and USAID doing the distribution. So that \$7 million investment allows us actually to eliminate neglected diseases in countries as we just did this week in Mali and at such a minimal cost to the taxpayer and, again, bringing the private sector in in ways that are free for the American people.

Mr. CONNOLLY. Yes, and things like schistosomiasis, which was almost eradicated?

Ms. POWER. Indeed.

Mr. CONNOLLY. Final point, Mr. Chairman. I just think we're shooting ourselves in the foot with these kinds of cuts, especially if on a bipartisan basis, as we have expressed, we're concerned about growing Chinese influence.

Why would we create a vacuum for them to step into?

I thank you and I yield back my time.

Chairman MCCAUL. The gentleman yields back. The chair now recognizes Mr. McCormack.

Mr. MCCORMACK. Thank you, Mr. Chair. As a emergency medicine physician I think it's important to address—I have some statements I'd just kind of set aside for just a second because we just got done talking about global health.

We just talked about the spread of diseases. Most people do not realize that when Mr. Connolly was bringing up tuberculosis and other contagious diseases the most deadly disease over the last decade is tuberculosis.

About 1.7 billion people are affected with it right now. Some estimates—the CDC said—I'm not sure if I trust all the CDC's data but it says about 23 percent of the world population has been exposed to or has some sort of TB infection, most of it latent, of course, and about 1.5 million people die of TB every year.

So it is a problem and, matter of fact, we're right next to a nation that has a moderate amount of infection, Mexico. They also have a whole bunch of other diseases that we do not have here in America until now.

I just want to point out the hypocrisy that a party that talks about controlling disease and rants and rails about the money we have to spend combating these diseases has a wide open border policy that allows diseases into our own country that we have to combat. That's a deadly disease, the most deadly contagious disease in the world.

So when I hear the people on the other side rant and railing about health and spending, we are going to increase our health spending and decrease our health by not controlling the spread of diseases.

It used to be we actually—most people do not realize this—historically we used to test people for glaucoma because we did not know how it was spread or we did not know if it was a contagious disease.

We were very strict on the people we allowed in America, historically, for a reason. We have forgotten that. We forgot it during the most deadly pandemic we had recently, which is COVID. We had open border policies.

Meanwhile, we're lectured by the other side on how we should wear masks and how we should be locked down and close our businesses and yet we brought people across the border and disseminated them all over the United States during the most contagious deadly disease we have ever had in American history in recent times.

So it does strike a nerve with me as an emergency medicine doctor who worked countless ER shifts at nighttime during this pandemic the hypocrisy of being accused of not being concerned about health care.

I put my life on the line. I was on the front lines. I suffered the consequences of this disease when I held people's hands as they died, as I prayed over them, as I watched families who could not even get in and see their families as their family members died.

So I think it's a bit outrageous to start talking about responsibility and disease processes. With that, I'll get back to my current tirade because that's a nerve that you struck with me.

I'm deeply concerned about the violence in Nigeria as well, by the way. I spent a lot of time in Africa, a couple of tours over there with the military as a Marine. I spent months away from my family, and I understand that we have an accountability problem and we have a significant problem with violence over there against our own folks, which I'm deeply concerned about, and I think some of that comes from the foreign policy weaknesses that are perceived by our current Administration.

I'm worried that we'll put more people in jeopardy by a perception that we just will not stand for what we're supposed to stand for and that we do not have the—we do not have the military that can really be out there in a MEU—Marine expeditionary capacity because we have a shortage of ships and, quite frankly, even the ability to project our power like we used to.

When it comes to you—I really want to give you time because I’m almost out of time. I’m sorry about the distraction. Once again it hit a nerve with me. But when you—transparency for the government is really important for all of us. I think we’d all agree on that.

When you were confirmed 2 years ago and you pledged to make reforms to the agency, from my understanding you made a promise about changes in transparency but I have not seen your released promised list of changes.

Are you ready to publish that as far as changes from when you took over to where you’re at right now and what you intend to do to make sure that we’re transparent in all the moneys that we spend?

Ms. POWER. Again, it’s a—I’m not sure if you’re talking about transparency related to awards that USAID gives in the war or transparency to how we hire people or—but any aspect of that I’m absolutely happy to engage on.

I mean, I’d want you—if you could be specific about what you want insight into we’re here.

Mr. MCCORMACK. No, and I’m not accusing you of anything, by the way.

Ms. POWER. That’s good.

Mr. MCCORMACK. This is not a confrontational statement. It’s more of a I just—we went through kind of how when you took over and you’re in your present capacity we were just talking, and I know I’m out of time.

But we’ll talk more. I’m looking forward to work with you, working to see how you’re reforming and making sure that we have really good transparency so we can move into the future as we’re doing what we’re supposed to do around the world.

With that, I yield.

Chairman MCCAUL. The gentleman yields.

The chair recognizes Mr. Keating.

Mr. KEATING. Thank you, Mr. Chairman. Thank you for being here, Administrator Power.

When I heard the ranking member detail the effects of the McCarthy budget cuts I was reminded of a former Republican-appointed Secretary of State, Jim Mattis, who quoted—who’s quoted as saying, “If we do not fund the State Department fully then I need to buy more ammunition,” and nothing underscores this more now and nothing’s more dramatic than your work in Ukraine and the surrounding areas as a result of Putin’s illegal war.

And I want to thank you because that’s an area of my concern as former chair and now ranking member in your—for your tireless effort in support of the people of Ukraine in the fight for freedom.

I know that you had to overcome amazing security and logistical hurdles just to operate in and around that area, and it was not easy. It was risky, and I want to thank the whole department for their efforts. It’s truly heroic work.

And that’s just not dealing with people in Ukraine but the refugees that are coming to places like Poland and Moldova because in Ukraine the wars—the war exists beyond the front line over there right now and I think that’s important to remember that now, not later on, because just as the hot war is being waged these other

conflicts are going to have to be dealt with now or the whole war will be for naught.

We have to make sure as those soldiers in the front line who so courageously are risking their lives, seeing their homes just blown out from under them and families move, we have to make sure there's health institutions in place and that they remain open.

We have to make sure first responders meet the emergency medical needs that are necessary and we have to make sure children that are going through all this trauma can at least continue their education.

Without that kind of support assistance those fighters will not be able to fight on the front line and we have to think now, not later, about what's going to happen when the war ends because that's—you're going to have one of the strongest military powers in all of Europe in Ukraine.

All that modern equipment, all that training, all those military assets are going to exist in Ukraine, and if we do not maintain as the work you're doing now working for democracy and maintaining support for civil servants making sure government works every day, making sure that at the end of this war it does not collapse again and create an enormous problem for all of us and a situation where all that bloodshed and treasure was in vain.

And along those lines, too, I also want to—the important work giving assistance to making the Russians accountable for their war crimes and what they commit continues to be important.

We have got to continue and expand those efforts of assistance as well. This committee moved out a bill I have worked on in a bipartisan fashion yesterday for a special tribunal on the crime of aggression.

So we're moving in a bipartisan sense on that. But I want to just touch on other areas of Europe in terms of promoting democracy, preserving democratic institutions and governments in that region, because I just want to point out a couple of areas where there's democratic backsliding that concern me.

One is Hungary, where the actions there are co-opting the rule of law and violate minority rights and are coddling up the Russia and China right now, in Georgia where efforts to pass a Russian style foreign agent registration law was a concern, and in Turkey where they're slowly drifting toward authoritarianism there.

In a more encouraging note, thank you for the work in Northern Ireland. You know, we celebrated the 25th anniversary of the Good Friday Agreement. There's still work to be done but the work that's being done there through the Ireland fund and other things, preserving peaceful environment and moving forward.

So I just wanted to take the opportunity to demonstrate how important—I do not even like the term soft power sometimes because it appears soft. It should be—it should have another term.

But without the work you're doing we will not have the ability in terms of our own security needs to meet these challenges and, importantly, to make them successful.

So thank you for your work and I yield back.

Chairman McCAUL. The gentleman yields back. The chair now recognizes Mr. Mills.

Mr. MILLS. Really quickly, thank you, Mr. Chair, on what my colleague, Mr. McCormack, said. He was talking about whether or not you believe in transparency. You said, "I do but I need to talk about specifications."

I'm very happy to talk about specifications and I'd really like to talk about the fact that the Special Investigator for the general for Afghanistan's SIGAR, John Sopko, had mentioned that USAID was not in full compliance with SIGAR's oversight efforts to the tune of billions of taxpayers' dollars being spent in Afghanistan.

Why is it that USAID has been obstructing SIGAR's work in Afghanistan?

Ms. POWER. We have not been obstructing SIGAR's work in Afghanistan. Quite the contrary.

Mr. MILLS. So Sopko is lying then under—is what you're saying?

Ms. POWER. We are not obstructing SIGAR's work. And so if I could finish and elaborate.

There was—there is a question since it is the SIGAR for reconstruction. And the statute makes clear that once you're under \$250 million in reconstruction jurisdiction for such a SIGAR, as it did for Iraq, would recede, right, except for legacy reconstruction oversight that would be done.

So there was a question of jurisdiction. But even as we asked those questions and engaged on the modalities we continued to cooperate and, indeed, right now we're working on six requests for information, 26 financial audits, and 68 open audit recommendations with SIGAR.

Mr. MILLS. Just really quickly—

Ms. POWER. We have extensive working level and high level contact.

Mr. MILLS. Right. Just really quickly, you said that anything under 250 million—

Ms. POWER. That's in the statute. I believe that—

Mr. MILLS. That's interesting because I used to work on some of these implementing for-profit partners for about 6 months so I realize that cash diplomacy was a complete failure in many efforts.

And I had worked on a program that SIGAR had actually provided an investigation on in November 2011 called ASI South, which is an OTI program, whereby they showed that the Afghan stabilization initiative, which in many cases would fall under that \$250 million threshold you talked about, had failed most of the time.

Ms. POWER. Yes. I think—I think—sorry, maybe I misspoke or you misheard.

I was not—SIGAR, when it had—when it has jurisdiction over what we do has jurisdiction over everything. What I'm talking about is the statute which says that that office comes into existence with its staff and its resources when more than \$250 million is being expended by the U.S. Government in reconstruction.

So since we're no longer doing any reconstruction there was a legitimate question by the lawyers and others about whether we should revert to the situation where only the USAID inspector general or the State Department inspector general is doing their work because that work has continued alongside SIGAR's throughout the period.

And as you know from the hearing, perhaps, our USAID inspector general testified that there was absolutely no issue with cooperation and so we're now cooperating with both at the same time.

Mr. MILLS. Speaking on cooperation, Mr. Sopko also further testified in April that USAID nor the State Department can identify how much U.S. assistance in Afghanistan has actually gone to the Taliban in taxes, fees, bills, rents, and other expenses.

Why is your office unable to identify how much money your Administration is paying directly to the Taliban?

Ms. POWER. This is actually something that we're in touch with both our inspector general and SIGAR on. It's something that every day as we expend resources there's a question.

We do not provide resources to the Taliban. We do not work through the Taliban. But it's true that when the World Food Programme works in Afghanistan to feed hungry people they do pay for, for example, electricity. So we have to dig into those kinds of expenses in a systematic way.

Mr. MILLS. So will you then confirm at least—firmly commit to providing my office and this committee then with an itemized list of expenses paid to the Taliban for taxes, fees, bills, rent, and other expenses?

Ms. POWER. We will commit to looking at this question together. It is—

Mr. MILLS. But you will not commit to submitting it to our office and to our committee?

Ms. POWER. A specified list of what electricity bills are paid in what places?

Mr. MILLS. Correct. Goes toward the Taliban.

Ms. POWER. I think I commit to working with you to make sure that you get the accountability that is appropriate.

Mr. MILLS. Got it.

Ms. POWER. Thank you.

Mr. MILLS. So continuing on with this as part of the mind set for the USAID, did USAID provided any after action reviews with regards to the Afghan withdrawal?

Ms. POWER. We did. We did a kind of a hot wash, particularly on the question of evacuation, given how many of our staff were vulnerable. We have 123 Afghan staff, all of whom wanted to leave, have eventually made it to the United States. But it was very difficult, of course.

Mr. MILLS. I'm very aware of that, given the fact I'm the only Member of Congress who actually went over there and conducted rescues for Americans left behind by the Biden Administration.

I wanted to go on that. So if yes, you have actually done that, will USAID provide its after action review to this committee?

Ms. POWER. Again, that's the kind of thing we will engage with your staff and look at what can be provided.

Mr. MILLS. You know, it's just funny to me. You know, both Secretary Blinken from the State Department as well as for yourself, Administrator Power, not only did you show up late to this but you're actually asking for \$32 billion in requested funding and yet you're giving us a hard stop time at 5 p.m. because you do not want to actually allow us to be able to ask for the questions of

every single member this committee who has a right to ask those questions before appropriating \$32 billion of taxpayers' money.

As legislators we are stewards of the taxpayers' money and so the fact that you're actually not even willing to stay here to have every member of this actual body be able to ask you questions, what is so important that you can come in here and ask for \$32 billion but not afford every member of this esteemed committee to be able to ask these questions?

Ms. POWER. So, first of all, I was on time for the hearing, just let the record show. We had an engagement with the chairman and the ranking beforehand. So apologies if it got started late.

And while I cannot make public the reasons that I'm—that I need to leave at 5 p.m. I'm happy to followup with you later this evening and explain. Thank you.

Mr. MAST [presiding]. The gentleman's time has expired.

Mr. MILLS. I yield back.

Mr. MAST. The chair now recognizes Representative Cicilline.

Mr. CICILLINE. Thank you, Ambassador Power. It's great to see you and thank you for your extraordinary service to our country.

You know, our colleagues sometimes may not fully appreciate that we are making our constituents safer by addressing the root causes of conflict and violent extremism and promoting stability by reducing poverty, cultivating freedom and democracy, and stemming migration, which, of course, is the central part of your work.

There was even a suggestion made if we just spent more money on defense, which currently we spend \$816 billion and on diplomacy and development about \$78 billion so about a tenth of it, and so I think this notion of if we would just spend more on defense and less on diplomacy and development misses the mark, significantly and I know you have made that point throughout this hearing.

I want to just quickly turn to one issue and that is both Senator Baldwin and I worked very hard to increase funding to protect LGBTQI people around the world and particularly if we're successful including a historic \$25 million for USAID's inclusive development hub protection of LGBTQI+ persons.

Can you just confirm that that money is in fact being appropriated to LGBTQI+ groups working on inclusive development programs around the world? Because I know there's been some question raised as to whether all of that is actually going to that effort.

And I'm happy to followup with you. Ok.

Ms. POWER. I was not aware the questions were being raised. I mean, there are an array—as we look at inclusive development there are array of groups that we're seeking to work with who are marginalized and persecuted because of status or lack of status. So maybe we can just followup and look at the disaggregation. But thank you for your leadership in securing those resources.

Mr. CICILLINE. Thank you.

In 2023 a record 339 million people rely on humanitarian assistance and protection, an increase in more than 25 percent since last year.

You have, in fact, proposed an increase to meet that obligation or that need and I'm just wondering if you would comment on what

would be the consequences of not only not responding to that increase but a 22 percent cut in that funding——

Ms. POWER. Thank you. Well——

Mr. CICILLINE [continuing]. Which the Republicans have proposed.

Ms. POWER [continuing]. Let me be brief but just start by saying that as humanitarian needs exploded, and they've been steadily exploding but last year the worst year in recorded memory, the Ukraine supplementals ended up absolutely pivotal.

They brought in and it brought to the United States on behalf of the American people an additional nearly—I think nearly \$5 billion on top of our base budget. Every penny of that was obligated and was expended and was needed, whether in Afghanistan or in the Horn of Africa where there was unprecedented famine or even when a hurricane hits in our own hemisphere, for Venezuelan refugees and others.

So we are in a different situation this year where as of now, at least, we do not have additional supplemental resources being brought in. So already we are looking at a very substantial diminishment even as with the earthquake in Turkey and Syria, with the new crisis in Sudan compounding the previous crisis.

Needs are going to be much, much higher this year than last and so if you cut on top of our—cut our base on top of not bringing in, again, those supplemental resources it'll mean whole countries will basically have no access to food assistance and that would be devastating. It'll mean hundreds of thousands if not millions of lives likely lost.

Mr. CICILLINE. Democracies consistently prove to be the most reliable geopolitical allies and trading partners for our country and they outperform non-democracies in delivering prosperity, stability, and good governance.

Unfortunately, by some measures democracies have declined for 15 consecutive years and fewer than a fifth of the world's people now live in fully free countries.

Would you just speak a little bit to USAID's efforts to modernize its tools of democracy assistance to address emerging threats such as digital repression, weaponized corruption, election meddling, disinformation, and attacks on independent media and how that work would be impacted by the Republicans' action to cut USAID's democracy rights and governance agenda by 22 percent?

Ms. POWER. Well, over the more than decade and a half that, by most indicators, democracy has been on its back heel and backsliding has been increasing investments by the United States in standing up for civil society, independent media, and open digital infrastructure, standing against corruption, those investments have been steadily decreasing.

So the state of democracy has been decreasing as have our investments in contesting that. I think that's finally being reversed. There's finally a realization that we need to fight back against some of these trends that our geopolitical rivals who believe in a different system are fighting back.

So we are modernizing the toolkit alongside the traditional tools like those I've just mentioned—supporting independent media, civil society, election monitors and the like.

We're creating a new insurance fund to protect journalists from lawsuits. We're bringing about economic dividends in places where there are reform openings, which I think is really important that when you have a reformer who's swept into office either out of popular protests or an election change, for the United States to be there in a visible way with programs that matter in the lives of ordinary people—bread and butter programs.

So linking our development—our economic development and agricultural, health, and other work with our democracy promotion agenda, I think, is a part of that vision and when we're finally getting back to being at the table and fighting to cut those resources, again, would be immensely harmful at just the time you actually see the smallest net decrease in democratic indicators globally in 17 years.

So, finally, there's about to be a level playing field. That would be the worst possible time and it would be the best thing we could do for the PRC's ambition, which is to see those autocratic movements grow.

Mr. MAST. The gentleman's time has expired.

The chair now recognizes Mr. Lawler for 5 minutes.

Mr. LAWLER. Thank you, Mr. Chair.

Ms. POWER, incitement and the promotion of hatred within the Palestinian schools has been widely documented. What steps has the Administration taken to press the Palestinian Authority to improve its educational materials and how are we ensuring USAID partners do not promote incitement?

Ms. POWER. Well, obviously, we strongly condemn and disavow any messages that promote hate whether in a textbook or in the public sphere. I think what you're referring to is the UNRWA programming, which is usually where this textbook issue arises.

That is something that is funded out of the State Department. But the programs that we fund through the Middle East Partnership Program are meant at bringing communities together so as to humanize each other so that those kinds of sentiments are also fought in a different way.

So in terms of engagement with the education system we—USAID, to my knowledge, does not have programming now of that nature. But, again, we try to foster as much cross line cooperation as we can so as to diminish that sentiment.

Mr. LAWLER. And you're confident that our partners are not doing that?

Ms. POWER. Oh, our implementing partners—well, I mean, we have what—in any instance where you have any link to extremism or very problematic actions of that—of that nature—of the nature that you're describing for people to bring those forward and for us to be able to engage, I mean, we have systems meant to choose partners who share our values.

And so on the front end I think our systems—

Mr. LAWLER. Right. But are you confident that our partners are not doing that?

Ms. POWER. That they're not doing what? Something with textbooks specifically or that they—

Mr. LAWLER. Yes, that they are partaking in helping promote incitement within Palestine with respect to the school system there.

Are you confident that U.S. taxpayer dollars at your disposal, working with our partners, are not being used to foster that incitement? Yes or no.

Ms. POWER. In the education system I'm confident that—but USAID is not—is not working, again, in education programming. What we do when we—in any appeal, whether on sanitation or on health, we look and do full due diligence in a manner to root out the risk of that.

Mr. LAWLER. OK. This past weekend I spoke at the Moldova and American Convention and met with President Maia Sandu. Under President Sandu's leadership the country has made significant strides in a short period of time to root out corruption and enact reforms, sought increased European integration and, really in cooperation with the United States has gone after Russian-aligned officials and entities.

Maintaining and strengthening our relationship with Moldova is absolutely critical to furthering this progress and promoting resilience to Russian malign influence and much of this work is done through USAID, and I met with the administrator there, Ambassador McKee, and she's done a great job.

But what do you feel we can do to support and bolster Moldova's economy and work with the Administration there and what are we doing to promote energy security in Moldova as well?

Ms. POWER. Well, first of all, thank you for speaking at the conference. Thank you for your support for the Ukraine supplementals because it is actually through those supplementals that we have been able to make a strategic investment in Moldova to take not just USAID programming but across the board energy investments and other lines of effort to a different level to meet the moment where somebody who has come into office swept into office and an anti-corruption agenda—as you say, on a reformist agenda, on an integration with the West agenda, but finds herself being subjected to Putin's energy blackmail on a daily basis.

There's great vulnerability in that for her, as you know. We have worked with her to come up with an energy plan. Also our mission in Moldova has worked with our mission in Ukraine because actually Ukrainian developments in the energy sector have actually enabled Moldova to use—to rely on the Ukrainian grid more than they had in the past.

But it's, obviously, going to take years for the full kind of energy independence that she's seeking and I really hope that the United States can be with her and the Moldovan people every step of the way.

Mr. LAWLER. In the limited time I have left, with respect to Haiti, obviously, there's been gang violence activity. The government has basically been overrun. What is USAID doing this year to improve conditions in Haiti?

Ms. POWER. Well, like other members of the interagency we're very focused on the security situation because many of our programs now have been impeded by virtue of the spreading gang violence.

And so the question of whether there can be some kind of multinational police or other security force to support the Haitian Na-

tional Police is one that, like others in the U.S. Government, we are pushing.

We are also through our democracy assistance trying to support civil society and other efforts to finally get a political path forward because the political insecurity and lack of a political horizon combined with the physical insecurity, again, just makes for a very chaotic situation.

In addition, we're doing humanitarian programming to try to reach people who we can still reach where conditions allow.

Mr. MAST. The gentleman's time has expired.

The chair now recognizes Mr. Bera for 5 minutes.

Mr. BERA. Thank you, Mr. Chairman. There are dozens, hundreds, of reasons why I'm proud to be an American. One of the things I'm most proud about is what we did in the 75 years post-World War II, the fact that through the Marshall Plan we rebuilt Europe, created stable democracies, avoided a continental war, what we did helping rebuild Japan, creating a stable democracy—an ally—what we did stepping up to defend the Korean Peninsula but then working with the Korean people to take what was once one of the poorest countries in the world to what is a Korean miracle today, and we can follow that example over and over again.

Those weren't Democratic or Republican ideals. Those were American ideals of being present, investing, working with folks, and there used to be a time when we celebrated that as an institution and I think we should be proud of that aid and development.

I also—you know, listening to some of my colleagues on the other side of the aisle I hear them talk about how we have got to be present in the world when we talk about the Belt and Road Initiative, when we talk about countering PRC influence.

But you cannot say that on the one hand and then denigrate the tools that we have available for aid development, fostering democracy building. That is USAID. That is our foreign aid and development program. That is the State Department, and we want to be present around the world.

You know, we're talking about budgets here. You know, often the—you know, I get the impression that my colleagues think we spent an exorbitant amount on foreign aid and development.

Administrator Power, if we were to just cap aid and development budget at 2 percent of the Federal budget would you take that deal?

Ms. POWER. Yes, please.

Mr. BERA. Exactly. So just, again we spend a minuscule amount and while we spend more than any other country in the world, Administrator Power, on a per capita, per GDP—I guess, per GDP basis are we at the top of spending on foreign aid and development?

Ms. POWER. We are not, and if I could just give you one example because it just recently came to my attention. The American people—and you all have been so generous on Ukraine. We talked—Representative Keating spoke about the investments that we make on the civilian side as well as on the military side.

Norway just announced a \$5 billion package that is something like 1.7 percent of GDP, just to give a sense of the scale of investment there.

So I know there's a sense of we're doing a lot of this alone. We're not. We really are leveraging what we're doing to get other countries to step up.

Mr. BERA. Great. So let me actually follow that line of reasoning and again, I'm very proud of what we did in aid development and creating peace and stability in the post-World War II world in those 75 years.

Going forward, obviously, we have partners—Japan, Korea. You know, you talked about Norway, our European allies. You know, resources are tight and I understand we have got an obligation to protect the taxpayers' dollars.

What are some examples of how we're working with like-valued like-minded partners to, again, go into third countries and do that aid and development work?

Ms. POWER. Well there are things like multilateral funds like the Global Fund on HIV/AIDS, TB, and Malaria and what I love about that is that if the U.S.—basically the U.S.—if we can deliver our resources it is a formula by which we can only give as much as we are able to mobilize from other countries.

When it comes to global health we are part of something called a global health financing facility where I think we have invested something like \$400 million and turned that into \$1.6 billion.

You see this on issue after issue after issue. As we, for example, in line with the prior exchange, changed our approach to democracy promotion and invest in these new tools to kind of support democratic reformers we go to country after country after country and say, hey, we have just created this new insurance fund to protect journalists around the world who are doing anti-corruption work—will you join us.

So there's not a sector that we think about only from the standpoint of what we do. We want to do just like what we do in the Global Fund, which is for every dollar that the U.S. spends we get \$2 from other donors, and it works.

When countries know that they can unlock U.S. taxpayer resources that makes them also able to go to their parliaments and their people and say, look, we're all jumping together here.

Mr. BERA. Right. So that does seem like a model for aid and development, moving forward, where we're leveraging our resources, leveraging the power of our taxpayer dollars, to also then get other partners and donors engaged.

Mr. MAST. The gentleman's time has expired. The chair now recognizes Mr. Kean for 5 minutes.

Mr. KEAN. Thank you, Mr. Chairman.

Thank you, Administrator Power, for being with us today.

Our nation is once again in the midst of a great power competition across the globe at a time when it is critical to exercise every tool in our national security toolkit. Foreign assistance played an important role.

Administrator Power, your agency accounts for more than half of all U.S. foreign assistance and right now the world is facing a crisis, whether it is the war in Ukraine, conflicts in countries in Africa, CCP's nefarious exploitation of assistance as a policy tool. Many, many others.

I am concerned by reports the White House is not planning to ask Congress for new Ukraine funding before the end of the fiscal year.

I know this is outside of your direct wheelhouse but Presidential draw down authority is running dangerously low and I find it unacceptable that we are providing smaller biweekly PDA packages as Ukraine approaches its critical counter-offensive strategy than we were earlier in the war.

Moreover, the Fiscal Year 2024 request for Ukraine is comparable to pre-war levels and does not reflect the reality of the full-scale war of conquest that Russia is waging against it.

From your perspective, can you please discuss Ukraine's economic and humanitarian needs in the coming months?

Ms. POWER. Sorry. I thought you were continuing.

Thank you so much, and thank you for championing this vital cause and also for recognizing the interlinkages between the battle front and the need for security assistance rapidly and appropriately, and the other front, which is the ongoing battle for Ukraine to keep its finances flowing, to keep the lights on, but also to continue to strengthen its democracy and its institutions because that's the ultimate—in addition to wartime defeat the ultimate repudiation of the Putin project.

You know, I think, for us we have been—one of the most important things that you have given us is resources to provide direct budget support and that is money that without which the Ukrainian government could not have survived the last year and 3 months.

It is money that pays for health workers, for teachers, for health services, for the most vulnerable in the society who otherwise would not have access to pensions.

I mean, when you when you're looking at a \$5 billion monthly deficit \$1.5 billion a month from the United States leveraged, to the prior exchange with Congressman Bera, to secure \$1.5 billion, if not \$1.6 billion now this year from the European Union, is absolutely vital.

I think that as we look out on the civilian side these resources are doing everything from helping Ukraine do what it just did, which people have not really taken note of sufficiently, I think, which has survived the winter as Putin sought to weaponize winter, our ability, thanks to you all, to provide \$400 million in pipes and boilers and thermal blankets and generators that was the difference between Putin achieving his war aim.

But, again, not—this isn't just on the battlefield. Achieving his wartime by actually sapping the will of the Ukrainian people. It is those resources that you have provided that were so indispensable.

With regard to the timing—

Mr. KEAN. Do you think that they need additional resources before the end of the fiscal calendar year?

Ms. POWER. You know, I'm working with—we're working with the White House to think through the timing. We were very grateful to get in December an infusion that at least on the direct budget support will take us to the end of the fiscal year.

But the more notice we have about how resources—I mean, we will act very differently if we do not know we have more resources after September as we start to get deeper into the summer.

So I certainly think that the conversations back and forth are very important in helping us plan how we stretch out the resources that have been allocated to us to provide to the Ukrainians.

Mr. KEAN. OK. And then on the issue of what's going on in South Africa right now it's deeply concerning to me. Inviting Xi and Putin to the country is not a reflection of the South African people.

What does this budget reflect in terms of support for institutions and people wanting a democratic future for South Africa?

Ms. POWER. In this budget proposal we request—we do not have large programs in South Africa because it's such an advanced economy. We have very big health programs.

But in this budget we have requested an additional \$3 million in democracy rights and governance support to do everything from support for civil society, anti-corruption work, voter education, because they're heading into elections in 2024.

But let me, obviously, just get on record as well just grave concern with the events of recent days and with some of the actions to which you have referenced.

We still find ways, of course, to work with South Africa on a whole host of regional international challenges and we have had a very robust dialog these last weeks on some of the issues that you have raised.

So, hopefully, again, the bilateral relationship will continue to offer as much as it has, I think, for both the American people and the South African people over many years.

Thank you.

Mr. KEAN. Thank you, Administrator. I yield back.

Mr. MAST. The chair now recognizes Mr. Castro for 5 minutes.

Mr. CASTRO. Thanks.

Administrator Power, it's good to see you today. Thank you for your testimony.

You and I have discussed the importance of supporting innovation in development programs previously and I think that those of us who support development assistance should not shy away from being candid about where our programs work and where they do not work.

As you know, Rep. Young Kim and I recently introduced the Fostering Innovation and Global Development Act. This legislation would strengthen USAID's ability to generate innovative approaches to international development and would establish a proven solutions program at USAID to identify and scale up those highly effective interventions.

I believe that this legislation is well aligned with your goals to support better use of evidence in USAID programs and I'm wondering if you've had a chance to look over the legislation and, if so, would love to get your views on it and also see how we can work together to make foreign assistance much more effective.

Ms. POWER. Well, Congressman Castro, let me just thank you for always getting in the weeds of sort of how we're trying to do our business, some of our staffing concerns.

This objective that I think we all share, which is how to ensure that we have the most nimble, the most responsive, the most innovative agency, I think we think that the draft legislation would provide really interesting opportunities. We're heartened by the fact that it has bipartisan support from Representative Kim, who's also such a champion of these issues.

We're grateful already for the Innovation Fellows that have been placed at USAID. Certainly, if you remove the \$100,000 award cap that would allow the agency to significantly increase its impact in priority areas, including climate and food security, and I think we already have—and I know, again, you're very familiar with it—but the Development Innovation Ventures' scale-up stage four initiative trying to use a gift from Open—a grant from Open Philanthropy to support our new chief economist's office as well to be able to just, in a sense, just like they do in the private sector pick those winners where small investments on the front end can help startups or entrepreneurs or civic minded individuals scale what they're doing with great development impact down the line, and you're familiar with the programs in the past that have made such a difference.

Mr. CASTRO. Sure.

Ms. POWER. So we're excited to build on the Div 17 to 1 return on investment. That's a pretty handsome ratio and we're hopeful that this legislation or something like it would help us advance that goal.

Mr. CASTRO. No. Well, thank you and thank you so much for your focus on innovation on evidence-based solutions on scaling up the best solutions on all of it.

And you just mentioned that you recently created the position of chief economist and appointed Dean Karlan to the role. I think this is a great opportunity to better integrate the use of evidence in the USAID programs.

And so how do you measure success for this new position at USAID? How are you setting it up to succeed and integrating evidence across USAID?

Ms. POWER. Well, we are starting by addressing some of the attrition that had occurred, to my surprise, over the years at USAID in terms of economic expertise. The number of economists on staff is much fewer now and not because anybody intended it as such but just other priorities took center stage.

So creating an Office of the Chief Economist, hiring a highly regarded economist like Dean and then building out expertise in everything from debt restructuring, which so many of our partners are crying out for support on, to building in as a design feature impact evaluations, cost effectiveness analysis.

I mean, in a world of scarce resources even if we got every penny we asked for in our 1924 budget requests it's still too little compared to everything that we have talked about vis-a-vis the PRC or humanitarian needs.

And so that cost effective analysis, to me, is a huge part of my responsibility in my tenure to leave the agency in a position to know that every penny that we spend is being leveraged and being optimized in terms of cost effectiveness.

So he's building out the team. Again, it's a wide array of expertise that we need. We're getting university professors to come on

loan for a couple years when we can. But as we hire foreign service, civil service, and others, bringing in that economic expertise and those people who can do those evaluations, supplementing the measurement, evaluation, and learning units that we already have and that have been working very productively over the years is very important.

Mr. CASTRO. Well, thank you for that. I think it's a wise move and please let us know how we can help enable through any authorities the success of the chief economist, as we go forward.

Thank you. I yield back.

Mr. MAST. The chair now recognizes Mr. Baird for 5 minutes.

Mr. BAIRD. Thank you, Mr. Chairman, and, Madam Administrator, we appreciate you being here.

You know, since we're talking about budgets, according to the USAID between October 1921 and August 22 the United States was the largest donor to Sudan with more than \$457 million in humanitarian assistance, and that's almost \$100 million more than in 2020.

However, Sudan policy still remains a disaster. Even on April the 15th of this year, 2023, more conflict broke out between the rival factions of the military government in west Sudan.

So my question is this. Is USAID rethinking their approach in Sudan and, if so, how is the USAID working with Sudan to fix this policy? And then, last, what measures are being taken to ensure anti-corruption is not happening with the American taxpayer dollars in Sudan?

Ms. POWER. Thank you—thank you, Congressman.

Well, let me distinguish a couple of phases in the U.S. relationship with Sudan just in that period that you were describing.

So, as you might recall, thanks to a popular uprising among people who were fed up with the corruption and the repression you actually had an AU-brokered deal with a civilian prime minister and, yes, the same military elements who have caused such havoc recently.

But they were—they constituted kind of a transitional authority and they were aiming—allegedly aiming to get to civilian government.

Then there was a coup in 2021. Prior to the coup I think the previous Administration and the Biden Administration were very enthusiastic about meeting this reform moment. They locked up somebody who'd been indicted for genocide, Omar Al-Bashir, who had ruled for decades and perpetrated a genocide against the people of Darfur.

So at that point, we were thinking about doing a fair amount of development programming, working in social services trying to strengthen institutions and did some of that in that period.

But the coup ended all of that and so our work really then migrated to just what you pointed to, which is humanitarian assistance, because it's a poor country.

It's a country that put itself in isolation with its actions over the years and we were trying to help keep people alive through the World Food Programme—David Beasley—which David Beasley was championing and helping us figure out how best to channel that food and other assistance—but with very difficult climate condi-

tions and very poor investments, as you say, in the infrastructure of the country over the years that humanitarian assistance was life or death and it was needs based.

We are now in a situation, as you know, where a civil war has broken out between two—the two actors who had conspired to overthrow the civilian prime minister and now we are just trying to basically meet the needs of people who are in full flight.

I mean, you will have a million—you probably already have, between internally displaced and displaced to neighboring countries, a million people already displaced and already, again, the needs of the country—a third of the country needed humanitarian assistance before this military conflict broke out.

So your question is a very fair one. Humanitarian assistance is incredibly important. I mean, you see—nobody wants humanitarian assistance on this Earth. They want to be able to fend for themselves, feed their families on their own.

But if they are having to get humanitarian assistance it's because they do not have other options and if we can get our partners moving again on the ground despite the insecurity that's what we do.

It's what America does around the world and it's why we're known as the world's leading humanitarian donor and very compassionate, and it's a form of soft power and all the like.

That does not substitute for the core challenge that you put your finger on, which is when is Sudan going to be back at peace, when are civilians going to be in charge, when are the people going to have a say as to who governs them.

With regard to your anti-corruption concern, that is really about working only with trusted partners and that's why large international organizations that have in place the safeguards and the systems and who we have worked with in other parts of the world where we can have confidence and represent to you that we think the money is going to the intended beneficiaries.

That's what we're doing right now in Sudan. But I want to stress 22—only 22 of our 33 partners are working right now and that's with very limited capacity. So, sadly, we are not able to reach all the people that we would like to at the moment.

Mr. BAIRD. Thank you very, very much and I appreciate that perspective. I see my time is almost up so I yield back, Mr. Chairman.

Mr. MAST. The gentleman yields back. The chair now recognizes Mr. Phillips for 5 minutes.

Mr. PHILLIPS. Thank you, Mr. Mast, and welcome, Madam Administrator.

I spent this morning at the Vietnam War Memorial. My dad's name is on that stone, 58,000 others. I thought about my friend, Mr. Baird, who served the U.S. with honor and made extraordinary sacrifices.

And as I was walking and observing other veterans at the wall I thought to myself what if our country dedicated the same energy and resources and intention to diplomacy that we do to national defense.

Some have referenced how much money \$32 billion is and darn right it is, and we have every right and need and responsibility to ensure oversight and accountability for it. But your budget is about

3 percent of that \$900 billion or so and I recognize that the best defense is often the most successful—I'm sorry, successful development in investments and that is why I so respect what you and your teammates do and I recognize that it is, indeed, an art, not a science. So thank you, most of all.

I'm the ranking member of the Middle East, North Africa, and Central Asia Subcommittee working with my friend and colleague, Mr. Wilson. Our region has great challenges from Tunisia to Lebanon to Syria to Yemen, among so many others.

But despite the challenges there's some good signs. The Abraham Accords, I think, are to be celebrated. The Negev Forum is another example. But I wanted to ask a question about the Nita Lowey Middle East Partnership for Peace Act. I was recently in Israel and I spent some time in east Jerusalem with some Palestinian entrepreneurs.

I asked them the question about these dollars and these programs. But I want to hear from you. How do you see those programs working, how do you measure success, and anything you can share about some of these micro programs and their outcomes.

Ms. POWER. Thank you. And what I would say is that we have really picked up steam on the Middle East on MEPPA and you see that in terms of the visibility of the program, of people coming forward with initiatives.

It's challenging, because the conceit of the program is cross-line collaborations, and that gets harder as the security situation deteriorates, as it has. And there's a ton of polarization as well and some skepticism about whether peace is possible or a two-State solution can be secured.

But I think what we try to do, as you say, with these micro grants or starting small work on everything from a startup that might be doing something that, again, brings in people from both communities, a water quality project that's going to have benefits for people on both sides of the lines, female empowerment, which is something that would serve communities everywhere.

The board for MEPPA, which was named by the ranking and chair of each of our oversight committees just visited and I think came back really blown away by the good that's being done.

But, again, it's critically important that the other—that the political process gets reawakened at some point. It's critically important that people have the security that they need in their day-to-day lives to be able to even go out and experience what a startup has to offer or do some kind of joint sporting event or something across communities.

But I think the MEPPA board, which is a very diverse composition reflecting the diversity of our chair and rankings across the House and Senate, they came back really feeling as if this was exactly the right way to go, especially in this period where not a lot is happening in the political negotiation track.

Mr. PHILLIPS. Thank you. I've got about a minute left. I also want to talk about food sharing. We're the largest food assistance donor in the world but I'm concerned that other countries are not providing what I think they can and should. Is that a fair perspective?

Ms. POWER. I think there's no question that the war in Ukraine has pulled resources away from the Middle East and North Africa or sub-Saharan Africa and places where there are great humanitarian needs.

You know, I will say that the—what the Europeans have done, for example, for Ukrainian refugees coming in it's 17 billion euros worth of support and that is counting against their overseas development assistance overall budgets just in the way that they are scorekeeping there in their budget conversations and—

Mr. PHILLIPS. So I've only got 10 seconds left.

Ms. POWER. Sorry. Yes.

Mr. PHILLIPS. If I could just ask many of us, all of us, I think, on this committee spend time with Ambassadors from countries all over the world.

Ms. POWER. Yes. Please lobby if that's—

Mr. PHILLIPS. That's what I was going to ask you. Would you like us—

Ms. POWER. Please, please lobby. Yes. I think untraditional partners who have not been big givers but have the resources we know to step up in wholly new ways to meet the moment is really important and we look forward to when the war in Ukraine is over and we can get back to right sizing investments all around the world.

We have been very lucky because of the supplementals to be able to both support the people of Ukraine and meet this food insecurity moment and deal with the destabilizing effects of the Ukraine war in other parts of the world.

That has been harder for other countries. If the pie does not get bigger fundamentally it's going to come out of somewhere. So thank you.

Mr. PHILLIPS. All right. Thank you. My time has expired and I yield back. Thank you.

Mr. MAST. The chair now recognizes Mr. Waltz for 5 minutes.

Mr. WALTZ. Thank you, Mr. Chairman.

Administrator Power, we—I noticed in your budget request that you—that AID has essentially requested about the same amount for—overall for Afghanistan aid across the programs in 1924's and 1922, roughly. It's almost as though nothing happened there in terms of your budgetary request.

Regardless of the number, can we just talk for a moment on your visibility on to how that aid is being distributed? I understand it's going through the U.N. The U.N. then goes through local implementers.

I'm hearing consistently from Afghans or from people in the region, for example, the Taliban are essentially—and Haqqani—are registering NGO's amongst their members and receiving that aid. Can you provide the committee a list of NGO's that the U.N. is providing the aid to?

Ms. POWER. Yes. I think that absolutely is something—that those would be the sub awardees and that is something we should be able to do. And obviously, because we do not have—let me first just say about the number.

That does not—that does not accord with what I think is true and so I wonder if there's just a timing issue where the 1922 number is in fact the number enacted after the withdrawal.

Our development—you know, we had huge development programs there that were such important investments in girls education and civil society and independent media on the ground.

Mr. WALTZ. Right. Right.

Ms. POWER. So all of that halted.

Mr. WALTZ. But the bottom line is——

Ms. POWER. Yes.

Mr. WALTZ [continuing]. Set the number side.

Ms. POWER. Ok.

Mr. WALTZ. Can you confirm that the U.N. is not—is or isn't distributing aid to Taliban and Haqqani—linked groups?

Ms. POWER. Well, they certainly—I can tell you that we have had no reporting to that effect. I mean, there are——

Mr. WALTZ. You've had no reporting that the Taliban is influencing or directing——

Ms. POWER. That the U.N. is giving aid to the Taliban, which I thought was the question.

Mr. WALTZ. Right. With Taliban linked groups, right. These are groups that are essentially registering NGO's.

Ms. POWER. As sub-implementers. Let me not say we have not but I am not aware of reporting to that effect. If our partner, let's say, in this case, WFP or UNICEF or if you're hearing these reports, if you bring those reports to us and to our inspector general, I mean, that's exactly the kind of thing that we would——

Mr. WALTZ. Can you confirm? Because what we are hearing regularly and repeatedly is the Taliban have put officials on every one of these NGO governing bodies, that they are threatening these groups to provide it in accordance with Taliban and Haqqani wishes, that they are discriminating ethnically, that they are rewarding those who occupy formally minority occupied villages and homes, particularly in central Afghanistan.

Can you just confirm to us that that's happening or not happening?

Ms. POWER. I mean, the Taliban runs Afghanistan and they control activities——

Mr. WALTZ. And Haqqani.

Ms. POWER [continuing]. And they control activities in areas where our implementing partners are working. In instances, for example, if the Taliban were to instruct an implementing partner official to not give money to a disfavored ethnic group or to women or our——

Mr. WALTZ. Are you confident you have visibility of that happening?

Ms. POWER. Our partners have an obligation to report it. I am confident that we have systems where if these allegations—if you are getting insight into this happening in specific places we would be—and we would have to cutoff assistance in places——

Mr. WALTZ. But it's a self-reporting system.

Ms. POWER. No, we have third party reporting. We have organizations——

Mr. WALTZ. In Afghanistan controlled by the Taliban.

Ms. POWER [continuing]. On the ground that are doing monitoring of the implementing partners. Say again.

Mr. WALTZ. In Afghanistan, in a place controlled by the—regardless of that—

Ms. POWER. We ordinarily do—

Mr. WALTZ. Regardless of that, I mean, we know the Haqqani, in particular, are also running Afghanistan. Their interior minister is Siraj Haqqani, running the police. You're well aware that it's a foreign terrorist organization. It's illegal to provide directly or indirectly material support to a terrorist organization.

So I would look forward to the committee coming back to me with real systems, not kind of a hope and a prayer on third party monitoring in, essentially, a denied space.

Can you—can you—are you confident that that's not going to terrorism, that it's not supporting a terrorist organization, that they're not centrally directing those funds?

Ms. POWER. What I am confident of is that the United Nations partners that we have robust systems. Let me—let me finish. And it's not—you know, I think what you are looking for is more visibility into the granularity of what those systems look like if that's what we are relying upon. I also know—

Mr. WALTZ. You are confident in the U.N. systems?

Ms. POWER. Everyone is aware that if U.S. assistance is going—

Mr. WALTZ. Director Power, that should be a yes or—

Ms. POWER [continuing]. Is going—

Mr. WALTZ [continuing]. I'm confident or I'm not confident. This is a lot of taxpayer money going to a war zone—

Ms. POWER. Absolutely. I've just—

Mr. WALTZ [continuing]. And I just—I'm out of time.

Ms. POWER. Yes.

Mr. WALTZ. The fact that you cannot say, Congressman, I'm confident this money is going where it should be—go?

Ms. POWER. I am confident that—but what I want—the reason we had this exchange earlier—I'm not sure you were here—

Mr. WALTZ. We're going—

Ms. POWER. If I could just finish, because you're—you know, there are issues related to working in a Taliban-controlled Afghanistan, as you might imagine, for our implementing partners. For example, when they pay their utility bills, that money is going—that's an incidental fee that is going into, ultimately to the Afghan government.

Mr. WALTZ. But that's very different than the Haqqani, a foreign terrorist organization—

Ms. POWER. No. Exactly. So that's why I'm asking you—

Mr. WALTZ [continuing]. Picking winners and losers and using taxpayer dollars to decide who gets this money and who lives or dies, and basically empowering themselves—

Ms. POWER. Correct.

Mr. WALTZ [continuing]. With our money. And the fact that you're not slapping the table saying, it's not happening, Mr. Congressman, I can tell you that, I think would be outrageous to every American, and I can tell you that this House, this committee, will seek to cut those funds until you can do that.

Ms. POWER. But I agree with the outrageous, and that's why we have systems in place and we have an inspector general and we

have reporting requirements of our partners. And we'll cutoff partners who are providing assistance in the manner that you're describing. That's what I can attest.

Mr. MAST. The chair now recognizes Ms. Jacobs for 5 minutes.

Ms. JACOBS. Thank you, Mr. Chairman.

First, Administrator Power, I want to thank you for your comments about the Nigerian attack and make sure you know that we're here, stand ready to do anything we can to help make sure that we get those who have not yet been identified found and back home safe, and condolences to the families of those we have lost.

And I also want to thank you for your words about Sudan and express my solidarity with the Sudanese people. I was glad to see a DART set up.

Now we need to make sure that enough resources are allocated to actually be able to respond to the humanitarian crisis and also make sure that we're working with Sudanese organizations that are currently there on the ground doing the life-saving work that needs support and we know that a lot of that work we cannot do now because of this situation.

So as the ranking member of the Africa Subcommittee I'm very focused on ensuring Congress and the Biden Administration prioritizes the African continent. I think we heard from a lot of people today how important that is for strategic competition.

I was just on the continent last month visiting Benin, Niger, Senegal, Ghana, and Kenya. What I heard echoed what the chairman said he heard from folks in every conversation, whether it was with our partner countries or with our own military.

They said that, yes, they need military assistance but even more they need increased economic development assistance and, in fact, our own military said on multiple occasions that no amount of money we can give them will substitute for USAID's increased presence in these countries.

And, yet, every single House Republican, including every single Republican on this committee, including the chairman, voted for a budget that would cut the foreign assistance by at least 22 percent. But, actually, if they do what they say and hold defense and vets harmless actually could be up to 50 percent.

So I was hoping you could explain the consequences of these proposed foreign assistance cuts, particularly in Africa where China and Russia have been making major inroads.

Ms. POWER. Thank you. Well, we have been having some back and forth on that already in this hearing. I mean, it's everything from the heartbreaking 13 million kids who will not be immunized for preventable diseases to strategically blunderous.

You know, I would note in Latin America—and this is reflected in other parts of the world as well—but you see consistent polling now that shows a drop in support for PRC engagements by host governments or by the countries in which we work and an uptick in a desire to work with the United States along the lines of what you've described in Africa and as others have said, again, to vacate that space or even just to diminish because, again, if we are cutting our programs, let's say, in half or by a quarter that's a program that they would have had last year that they will not have, right.

So what you'll see is the USAID shingle going away or the number of beneficiaries we can cut in half.

And what we're also seeing is the PRC stepping up, not—I used earlier the ratio that the PRC does around—has been doing around \$9 in loan for every dollar in grant and we the opposite, \$9 in grants because we're not interested in creating dependencies and saddling countries with debt.

That's actually changing. I think the PRC is seeing the utility of coming in. They're seeing the buyer's remorse that countries saddled with debt are themselves experiencing.

So at just the time the PRC is thinking, oh, well, maybe we'll do it a little more like USAID and we'll come in and we will not ask for things right at the beginning—you know, we'll make these longer term investments, for us to be pulling down programming at just the time that we want to support an open and secure digital ecosystem to walk away and say, no, we do not want you to do Huawei—we know the national security reasons for that but actually we do not have any support to offer you as you think through how to create a free and open internet or how to bring out other providers, I mean, that would be incredibly counterproductive.

And I could just—the last thing I'd say is your point about economic development and economic growth, we have made our budget request but one of the things that we are massively under invested in is just core economic development, economic growth, programming resources.

We're great on health and could always use more. But our Feed the Future program is a flagship program. We do not have anything comparable that other countries really associate with the United States and the combination of us and DFC, which I do think is every year doing more and more deals, really investing more and more in meeting people where they are at this moment of economic vulnerability, I think is going to be really important.

Ms. JACOBS. Yes, I totally agree and I actually have a letter from 18 retired military leaders on the importance of development investments that I'd like to enter into the record.

Mr. MAST. Without objection.

[The information referred to follows:]

March 7, 2023

The Honorable Kevin McCarthy
Speaker of the House
U.S. House of Representatives

The Honorable Chuck Schumer
Majority Leader
U.S. Senate

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives

The Honorable Mitch McConnell
Minority Leader
U.S. Senate

Dear Speaker McCarthy, Minority Leader Jeffries, Majority Leader Schumer, and Minority Leader McConnell:

We write to thank you for your leadership in supporting America's international affairs programs to advance the security, economic, and health interests of American families.

From the great power competition with China to Russia's war in Ukraine to global hunger, the United States faces significant threats that dramatically impact both global stability and stability here at home.

As leaders who served at the highest levels of military service and commanded regional or special operations combatant commands throughout Asia, Africa, Europe, the Indo-Pacific, and the Western Hemisphere, we believe that responding to these threats requires more than just a strong military. It is imperative we continue to invest in our nation's civilian national security toolkit, alongside a strong defense, to ensure our nation can meet the unprecedented scale and scope of today's global challenges.

Throughout our decades of service in uniform, we witnessed firsthand how what happens globally has a direct impact on the security and safety of Americans. Strengthening our nation's strategic investments in the State Department, USAID, and other development agencies gives the United States a competitive edge and helps prevent future conflict and instability. These investments in development and diplomacy are critical to reduce threats before they reach our shores. As we continue to see, shortchanging our investment in these critical tools is dangerous to our own national interests.

At a time of growing global challenges, we urge Congress to continue to support a strong and robust International Affairs Budget to defend America's interests and demonstrate our values on the global stage. Doing so sends a clear signal to both our allies and our adversaries around the world and is essential to protect our national security.

Thank you for your consideration and bipartisan leadership at this pivotal moment.

Very respectfully,

General Philip M. Breedlove, USAF (Ret.)

Commander, U.S. European Command and NATO Supreme Allied Commander Europe ('13-'16)

General Wesley K. Clark, USA (Ret.)

Commander, U.S. European Command and NATO Supreme Allied Commander Europe ('97-'00)

General Bantz J. Craddock, USA (Ret.)

Commander, U.S. European Command and NATO Supreme Allied Commander Europe ('06-'09)

General Ralph E. Eberhart, USAF (Ret.)

Commander, North American Aerospace Defense Command/Commander, U.S. Northern Command ('02-'04)

Admiral Thomas B. Fargo, USN (Ret.)

Commander, U.S. Pacific Command ('02-'05)

General Douglas M. Fraser, USAF (Ret.)

Commander, U.S. Southern Command ('09-'12)

General James T. Hill, USA (Ret.)

Commander, U.S. Southern Command ('02-'04)

Admiral Samuel J. Locklear, USN (Ret.)

Commander, U.S. Pacific Command ('12-'15)

General Kenneth F. McKenzie, Jr., USMC (Ret.)

Commander, U.S. Central Command ('19-'22)

Admiral Eric T. Olson, USN (Ret.)

Commander, U.S. Special Operation Command ('07-'11)

General David H. Petraeus, USA (Ret.)

Commander, U.S. Central Command ('08-'10)

Admiral Joseph W. Prueher, USN (Ret.)

Commander in Chief, U.S. Pacific Command ('96-'99)

General Victor "Gene" E. Renuart, USAF (Ret.)

Commander, North American Aerospace Defense Command/Commander, U.S. Northern Command ('07-'10)

Admiral James G. Stavridis, USN (Ret.)

Commander, U.S. European Command and NATO Supreme Allied Commander, Europe ('09-'13);
Commander, U.S. Southern Command ('06-'09)

General Thomas D. Waldhauser, USMC (Ret.)

Commander, U.S. Africa Command ('16-'19)

Lt. General William E. "Kip" Ward, USA (Ret.)

Commander, U.S. Africa Command ('07-'11)

General Charles E. Wilhelm, USMC (Ret.)

Commander, U.S. Southern Command ('97-'00)

General Anthony C. Zinni, USMC (Ret.)

Commander in Chief, U.S. Central Command ('97-'00)

CC: The Honorable Patty Murray, Chair, Senate Appropriations Committee
The Honorable Susan Collins, Vice Chair, Senate Appropriations Committee
The Honorable Christopher Coons, Chairman, Senate State-Foreign Operations Appropriations Subcommittee
The Honorable Lindsey Graham, Ranking Member, Senate State-Foreign Operations Appropriations Subcommittee
The Honorable Kay Granger, Chairwoman, House Appropriations Committee
The Honorable Rosa DeLauro, Ranking Member, House Appropriations Committee
The Honorable Mario Diaz-Balart, Chairman, House State-Foreign Operations Appropriations Subcommittee
The Honorable Barbara Lee, Ranking Member, House State-Foreign Operations Appropriations Subcommittee

Ms. JACOBS. Thank you. And my colleagues like to talk a lot about the southern border. I would just also say that we know that if they cut what they want to that would also cut our programs in Central America, which is exactly the thing they say they want us to do.

Just really quickly, I know we talked about making sure the efficiency of aid and the effectiveness. I know you have a localization agenda. I'm a big supporter. I've got legislation to help support you.

I would love for you to just talk briefly about why that matters for cost effectiveness and how that can help potentially assuage some of the concerns from my friends on the other side of the aisle.

Mr. MAST. The gentlelady's time has expired. If you have time to answer in the next round, sure, by all means.

But the chair now recognizes Mr. Smith for 5 minutes.

Mr. SMITH. Thank you very much, Mr. Chairman, and Administrator Power, it is great to see you and your senior staff again. Thank you. We have worked together on a lot of issues in the past so it's great to see you, and thank you for your leadership.

This past Friday I chaired a hearing on combating human trafficking. We had three amazing survivors, victims who have become bold leaders in the effort to end and eradicate modern day slavery.

We had a couple of NGO's. We also had the Ambassador-at-large, Cindy Dyer, and with a great deal of respect but also with a great deal of expectation I did ask her a question about how many of those who are coming across our border have been trafficked.

We know that too often in the minds of the media there's a conflation of the issue of smuggling versus trafficking, although very often smugglers do end up trafficking their victims because they realize how vulnerable they are, particularly young women and young children.

So it's like an engraved invitation to the exploiters and the predators to hurt and to destroy and to rape.

And so my question to you—I know Homeland Security takes the lead but we have tried to get that information. Can't get it. How many?

There's 85,000 unaccompanied minors that are—and that's just one estimate. Have they been sold into a trafficking situation? Do we have any sense of the magnitude of this issue so we can combat it?

You know, if you do not have the numbers how do you—the who, what, when, where, why of it all—how do you combat it?

So if you could lend any—because I know you do work on this.

Ms. POWER. We absolutely do work on this, thanks to your support, and good to see you and, again, thank you for all the things that we get to do with you and all the insights you bring to us when you travel the world on these kinds of issues.

You know, I do not have the breakdown on the border data. I do not—I'm not sure myself. I can look into this. But what the surveys—you know, we do a lot of intention to migrate surveys as a government.

We certainly look at what the reasons for migration are when there's—when somebody is engaged or apprehended at the border. We work in the home countries and in countries where—for example, we work in Colombia where Venezuelan migrants have come

in the communities in which those Venezuelan migrants have settled in the hopes that we can reach them so that they know their rights but also reach them with economic programming and economic investments so that they do not see fit to rely on smugglers.

That's a different question than the kind of law enforcement effort that you need also to crack down on both the smugglers and the traffickers, again, which lives with different agencies.

Mr. SMITH. If you could—again, with respect—get that number. Even if it's a guesstimate—

Ms. POWER. It's so far beyond my jurisdiction, but what I can get you—what I know I can get you is a breakdown of all of our programming in the hemisphere that's aimed at combating trafficking and gender-based violence for that as well. But on that, I mean, it really is, as you said, a DHS question.

Mr. SMITH. Well in this 2023 TIP Report, because obviously the U.S. is included in the narrative—narratives of the countries it does make a very strong point, a recommendation that we screen for trafficking and to the best of my knowledge we're not doing it, and that was made a year ago with the 2022 TIP Report. So—

Ms. POWER. Let me engage my colleagues at DHS—

Mr. SMITH. Please do.

Ms. POWER [continuing]. And see what the barriers are, whether that data exists somewhere and we're just not accessing it.

Mr. SMITH. I appreciate that. Let me ask you with regards to Nagorno-Karabakh. You know, 120,000 people—Armenians—are subject to the Azerbaijanis' government's blockade. Maybe you could shed some light on whether or not that any aid—because ICRC cannot get through. If you could speak to that.

Second, on the Chaldean Catholics those who survived the genocide by ISIS we have talked about this many times. You know, how well are we doing with helping those individuals, not just the Catholics but all the others, the Yazidis?

And then on the TB issue I noticed in your submission last year we spent \$394 million on tuberculosis. This year the request is for \$358 million, a \$36 million cut.

Is that because we're making progress on TB or is it there just was not enough money to go around in the budget? Whatever insight you could provide on that.

Ms. POWER. Thank you. What was the first question? I'm going to work backward, but what was the first one?

Mr. SMITH. The first one was on—

Ms. POWER. Oh, on Nagorno-Karabakh. Ok.

So with regard to TB, no, there were major setbacks because of COVID and the inability to maintain the progress that we had before the pandemic struck. So, sadly, it's not because things are—have been trending in the right direction.

But as we do things like invest in global health security, expanding the number of countries that have adequate surveillance to spot pandemics, which is in turn an investment in our own national security, as we do more in the primary health care system, for example, seeking to train—we have a \$20 million request, I believe, for training of health care workers who are massively underpaid and, yet, that's the foundation for TB, malaria, all the disease-based

programming that we do—so I believe it was just not enough to go around.

Second, in terms of our dialog—ongoing dialog—you know, I think on religious minorities generally in the MEAN region there's not a huge budgetary allocation. I think it's around \$15 million over the last couple of years.

The emphasis has been on the reintegration of Yazidis, the reintegration—and this is not in Iraq but in Lebanon of Christians who were displaced by the Port of Beirut blast, alerting Christians in Iraq to the rights that they have helping them organize a little bit within the Iraqi political dynamic or ecosystem and then helping them as well recover from shocks whatever that shock is, whether pandemic, climate, et cetera.

OTIs we discussed when you were last in my office, also is doing work in a more stopgap way but with particular attention to that population.

On Nagorno-Karabakh I think you weren't in the room when I shared that actually I gather that an ICRC convoy did in fact get in today. But access has been very, very limited. You know, many, many staples are in short supply.

We understand we're not physically present on the ground and you asked how food is getting in when it gets in. It should be coming in through commercial means, as it always was.

But since the roads—the road has been blocked and the checkpoints have been erected commercial access has not been possible. So we understand it to have been a combination of Russian peacekeepers and ICRC deliveries when those can go in.

We have had—USAID has sent two assessment missions to—

Mr. MAST. The gentleman's time has expired.

Ms. POWER. Two assessments—

Mr. MAST. The chair now recognizes Mr. Kim.

Ms. POWER. Two assessment missions to the region and we are encouraging the U.N. to send an interagency assessment mission as well. Thank you.

Mr. MAST. Mr. Kim for 5 minutes is recognized.

Mr. KIM OF NEW JERSEY. Thank you. Thank you, Administrator, for coming and talking with us. I really appreciate it.

I had a couple other questions but I wanted to just kind of start because I have to say I was a bit alarmed by some of the conversation earlier in this hearing that was questioning the importance of what USAID does, of what development does and this type of humanitarian assistance does in our broader efforts.

I guess I just wanted to start by kind of asking you to just kind of help us just kind of in your own words explain the role that USAID plays in particular in our Indo-Pacific strategy that I know the Biden Administration has worked hard to be able to craft together.

Can you kind of explain to us the role that USAID plays there?

Ms. POWER. Well, I hear broad support for development and for USAID at this hearing so maybe I'm hearing what I want to hear and disregarding the rest. I think fair questions about accountability and whether resources are going where they belong and hard questions about how to prioritize.

With regard to the Indo-Pacific there are so many sectors in which USAID is working that it will be hard in our respective time to go through them. But needless to say there's been democratic backsliding in large parts of the region.

So continuing to support civil society, independent media, those who are holding governments accountable. There is a very strong desire for energy transition in a lot of those countries because clean energy and renewables are now cheaper to employ.

So we're—I was just in Vietnam working with countries that want to make that transition, to make sure that the regulatory environment is the right one, to make sure that when they are using solar panels they are procuring them not from Xinjiang but from places that respect the rights of the people who are working in the factories.

Fueling economic growth and development—I mean, with a burgeoning population, ensuring that the millions of people who come online every year have access to work. That's an investment in stability. It's also an investment in future markets for U.S. companies.

Mr. KIM OF NEW JERSEY. Well, one thing that—one thing that you also mentioned earlier in a different way is I just feel like so much about this is that that critical note of the strategy about coalition building and how we engage in that capacity and, for instance the more that we can make this not just this kind of just U.S. versus China but the more that we talk about a global coalition coming together, and here in this space I feel like there's been some really interesting movements.

I know last year Japan, the U.S., and Australia announced trilateral cooperation on 5G network development in an effort to kind of hedge against some of what China has been doing on that front.

I want to ask about your level of coordination or cooperation with other regional partners to be able to maximize and make sure that we're engaged in that kind of level of coalition building.

Ms. POWER. Thank you. I think there have been major inroads through the Quad with—I think you've seen major initiatives come out of that feeding into the G-20. I'll give you one example.

In the Pacific where we're just amping up USAID's physical presence on the ground but with Australia we have managed an under-sea cable effort in Micronesia and in Papua New Guinea that is going to mean a connection to the outside world that would not have existed before and something that probably would not have been possible for any one of our countries to do alone. But actually doing it in lockstep has been very important.

We have just signed an MOU with Taiwan hoping, really, to encourage their substantial investments. They're already making them bilaterally but, again, if we can do this work together we'll all be better off.

And then, last, just one—part of the challenge with some of the smaller countries in the Pacific, for example, is they cannot access—they have trouble accessing large development financing because it's so resource intensive to fill out the forms and create bankable projects.

So with Australia, New Zealand, Japan, to work with each of those countries to provide human capacity and technical support so

that they can submit proposals to unlock much larger sums than USAID or any development agency.

Mr. KIM OF NEW JERSEY. Yes. And as we're working together with these different partners here how do we do better at making sure we're getting credit for what we're doing?

I think oftentimes it's this question of, like, do people see what we're doing and we do not always necessarily do that kind of at the front end.

But I'm kind of curious where can we do to be better at letting people know what we're doing?

Ms. POWER. Well, Chairman McCaul actually—normally asks me this question because he's, I think, one of the sponsors of some of the branding language that has come out of Congress—branding requirements—and USAID is pretty recognizable.

I think we're pretty good at branding the things we do. But if you're providing a microfinance loan to a small female farmer that's difficult to brand in the same way that some of the bricks and mortar investments we have made over the years have done.

I think the information space is where we need to tell our story better and I've just released a new policy framework whereby new investments in communications are—and a new way of thinking about communications are now central to our reform agenda because with all the misinformation coming at us with the PRC doing what it does this imperative on telling our story and showing the impact that our work has had not just here in the United States but actually in the countries in which we work I do think that modernizing that effort is very important.

Mr. MAST. The chair now recognizes Mr. Perry for 5 minutes.

Mr. PERRY. Thank you, Mr. Chairman.

Thank you, Administrator, for coming here today.

I was looking at the website for USAID and it said the goal is to save lives, reduce poverty, strengthen democratic governance, and help people progress beyond—correction, beyond assistance.

Sounds laudable. I think it's something we all probably agree with and I think it's—in the context of Russia is often a country that has a cross purpose than we do. Certainly, China does, and I'm going to focus on Guatemala today and, certainly, China and Russia are there.

And so if we want to do those things I think, look, the American tax dollar is important. It can do a lot of things. But one of my colleagues said he was alarmed by some of the folks here questioning what we're spending our money on and that the fact that we might not spend that money.

When I find out we spent nearly a million dollars to train and support the LGBTQ+ Victory Institute that trains and supports left-wing candidates in Guatemala after Guatemala pushed to be the pro-life capital of America and then invested \$11 million in assistance for groups to push for abortion activism in Guatemala I'm just wondering, Administrator, how that fits into save lives, reduce poverty, strengthen domestic—correction, democratic governance and help people progress beyond assistance.

Can you help me out there? How did that help?

Ms. POWER. Sure.

Well, I'm not—I want to say off the bat I'm not familiar with either of those programs. We have, as you can imagine——

Mr. PERRY. I'm sure you've got a lot.

Ms. POWER [continuing]. Thousands of programs around the world but——

Mr. PERRY. Heavy is the head that wears the crown, ma'am.

Ms. POWER. But I am absolutely—I would actually like to hear more about what you're referring to and——

Mr. PERRY. I'll give you some more.

Ms. POWER. Ok. No. No. That, too. Ok.

But for starters to simply say that we do stand with marginalized communities and we do have a situation where you see significant spikes in attacks on LGBTQI——

Mr. PERRY. We're not talking about slavery, ma'am. We're not talking about what's happening in East Turkestan. We're talking about different view points.

This is a sovereign country, which we wish to help, and instead of helping them economically we're telling them culturally—we're spending our money to change them culturally because we disagree with their—where they are culturally.

Ms. POWER. That is not the approach that we take in Guatemala.

Mr. PERRY. But it is.

Ms. POWER. No, it isn't.

Mr. PERRY. Let me—let me give you another one. We spent \$30 million for climate and environmental-related programs, including funds to teach radical climate agenda in schools.

Ma'am, if we sent—if we gave USAID money under a different Administration and they took the NRA to that country and said we're going to train all these kids in self-defense and gun ownership what would you have to say about that?

Ms. POWER. Congressman, just the language that you're using suggests that these are not USAID. These are somebody's characterization of USAID programs.

Mr. PERRY. Ok. Well, let me give you another one.

Ms. POWER. When you say radical left climate agenda it's probably not something that we do funding.

Mr. PERRY. Let me give you this one. In 2021, so that's not too long ago, USAID headlined—headlined—an event to discuss plurinational constituent assembly aligned with the indigenous agenda of radical leftist groups, including those sponsored by Chile and Bolivia.

Ma'am, like my colleague just said, are we promoting the good things that United States of America does through USAID? I suspect we're promoting this in Guatemala and it's not looking too good for the United States of America.

Ms. POWER. So I really want to make sure that at some point we can correct the record because you're characterizing these programs as if those are factual descriptions of USAID programs.

I cannot tell you exactly the right way to describe the programs that you're describing but I can assure you that the descriptions you have do not belong on a record of fact here in the Congress.

What I could also say is that, as you probably know, a very significant share of the Guatemalan population is indigenous communities. It is the case that central——

Mr. PERRY. Yes. But they also have property rights issues and those kind of things destroy property ownership, which was a hallmark of climbing out of poverty. Let me give you one more because we're running out of time and I want you to be able to respond to it.

Under education—under education under USAID they financed Association Lambada which has trained hundreds of political leaders on gender identity and sexual orientation. Look, I'm all for election integrity and making sure people vote and all that stuff.

I'm not sure that we should be spending American tax dollars in America on political candidates and ideology any more than we should be spending them abroad. Would you agree?

Ms. POWER. I believe that the United States—a major source of our strength over the last 75 years has been our support for human rights and marginalized populations in countries like the one you mentioned are often suffering more than mere discrimination or disenfranchisement.

They're suffering outright attack. Without knowledge of the particulars I'm unable to explain to you why I think it's outrageous to run that program.

Mr. PERRY. Ma'am, I will get the article for the record for you.

Ms. POWER. But I'm happy to engage offline and talk more about what actually these programs do——

Mr. PERRY. Yes, ma'am.

Ms. POWER [continuing]. Because I do not think that's an accurate——

Mr. PERRY. Mr. Chairman, I'd like to submit the article for the record.

Mr. MAST. Without objection.

[The information referred to follows:]

[Information not available at press release time.]

Mr. PERRY. I yield.

Mr. MAST. The chair now recognizes Ms. Manning for 5 minutes.

Ms. MANNING. Thank you, Administrator Powell, for your hard work, your dedication, and your patience today. I want to start by thanking you and USAID staff for everything you've done to help the country of Moldova.

North Carolina is very proud to be partners and sister States with Moldova and I appreciate the support the American people provide to help this democratic partner and ally.

Earlier in this hearing Ranking Member Meeks said that USAID is a diplomatic tool that is a strategic investment in our future. It is also an investment in a safer, more stable global future and I'd like to focus on a few areas where our strategic investment can bring about a safer, more stable future for critical regions.

I'd like to start with the Middle East. Ninety-four members of the House signed a bipartisan letter supporting continued funding for the Nita Lowey Middle East Partnership for Peace Act—the MEPPA Act—which supports people-to-people exchanges and economic partnerships to improve relationships between Israelis and Palestinians.

And my colleague, Mr. Phillips, asked you a few minutes ago about the impact that some of those grants have had and you had

a positive view of what they are doing and what they can do in the future.

So I'd like to ask you what would happen to the MEPPA program if the Republican budget cuts are implemented?

Ms. POWER. Well, I mean, you would be looking at, depending on the extent of the cut, if it's 22 percent presuming all cuts are shared equally and I'm sure every program would have to feel the pain that kind of cut that would mean less leverage as well to go to international partners because, again, we want to use MEPPA as a means of getting others to support this kind of micro programming.

You know, depending, again, on the particulars it could mean that what was meant to be a 3-year endeavor to really invest in community-to-community ties gets truncated and terminated before its time.

But also, I think we have made a commitment on the basis of the bipartisanship that MEPPA has enjoyed from the outset that we're in it for the long haul, that we recognize that right now conditions are not auspicious for peace or even for much contact across lines. And, yet, we're going to invest in young people, in entrepreneurs in these communities that are the future.

And so it would signal either at a 22 percent rate or a 50 percent rate, potentially, that we are much less enthusiastic about that goal.

Ms. MANNING. About setting the stage for future peace in that region.

Ms. POWER. Indeed, and the micro good that we do—we can do every day. You know, if you cannot change the whole world or bring peace to the region you can change many individual worlds and that's what the generosity of the taxpayer has allowed USAID to do over such a long period of time.

Ms. MANNING. I'd like to turn to sub-Saharan Africa. This year marks the 20th anniversary of the President's Emergency Plan for AIDS Relief—the PEPFAR program—which I believe is one of the most successful bipartisan foreign policy accomplishments, which is due for reauthorization this Congress.

Can you tell us about USAID's role in implementing PEPFAR and any recommendations you would have for strengthening that program?

Ms. POWER. Well, let me just commend everybody who's been involved in PEPFAR over the duration of its life. I think the numbers are at something like 25 million lives saved or affected.

USAID is a major implementer of PEPFAR along with our colleagues at the State Department and the CDC. Much of our health work in sub-Saharan Africa and our investments in health systems started through PEPFAR.

I would note, to your point about strengthening, I think the commitment that has been made in PEPFAR to work with more local organizations is an incredibly important one. It's a cue that we are trying to take in the rest of our programming at USAID because they have managed in a short period of time to move from funding large international partners to local actors.

They have also managed to do government-to-government programs. You know, there was a time when we used to do a lot of

support for various ministries. Corruption concerns and other concerns led the United States to do less of that. PEPFAR is a place where they've proven that it can be done with safeguards that work.

So I think more of—more localization, more of these kinds of investments that can have collateral benefits outside HIV/AIDS prevention.

But the fact that so many countries whose life expectancies had plummeted by 10, 20 years when this program started—when President Bush started this program that those countries are now living—individuals are living as long or more in some cases than advanced economies and democracies is a tribute to everybody who's been a part of that.

But I would say localization. The question of how—focus on this single devastating disease can translate into benefits as well in health systems I think that's where our emphasis is.

Ms. MANNING. Thank you. My time has expired.

Chairman MCCAUL [presiding]. Madam Administrator, are you still—the gentlelady's time has expired. We have one, two, three, four, five, six, seven members, and I want to make sure every member has a chance to ask a question. Are you willing to stay a little bit after 5 o'clock?

Ms. POWER. Yes. Yes.

Chairman MCCAUL. Ok, and—

Ms. POWER. If I could just—I have a flight. That's my only challenge, but I think we're fine.

Chairman MCCAUL. And it would probably take us about 10 after 5 maybe.

Ms. POWER. That's fine.

Chairman MCCAUL. But I'm going to keep you all that 5 minutes so we can—I'll be very disciplined in my time.

The chair recognizes Mr. Mast.

Mr. MAST. Thank you, Chairman.

Ma'am, you're familiar with the term “gender integration technical assistance task orders”?

Ms. POWER. I do not think I am.

Mr. MAST. It's reports. I've read a number of them from Ghana, Kenya, Serbia, Niger, Laos, other countries. In reading a number of these reports and looking at the funding levels for them, most of them are around 70, 80 pages.

Some of them may be close to 100 pages. Most of that I read, ultimately, through a company named Banyan Global. I'm not specifically familiar with it but that just happened to be the name of the company that was tasked to do them. And to the tunes of millions of dollars for these reports.

The one on Serbia, roughly, \$12 million. One on Ghana, Kenya, Serbia, a part one for \$4,351,644. Another one \$7,295,806. Niger and Laos \$12,295,733.

And my question, really, is this. That seems like an astronomical number for 70-, 80-, 90-, 100-page reports. Can you explain that?

Ms. POWER. I think, for me, it's something that I would just have to look at what you're looking at. Happy to followup. Again, it's very hard for me to speculate. I'm looking to see if I have some—

Mr. MAST. From your position leading USAID—these are directly through USAID. I would expect you to know. This is not outside of USAID. This is——

Ms. POWER. No. No. I completely understand. But the idea of an \$80 million report—an \$80 million report does not sound right, and given the prior exchange——

Mr. MAST. It does not sound right to me either but we're not just talking about one——

Ms. POWER. It does not sound accurate. Yes.

Mr. MAST [continuing]. For \$8 million. Like I said, we're talking about \$4 million plus, \$7 million plus, \$11 million plus, \$12 million plus, parts one——

Ms. POWER. Yes. I'm happy to take—on the particulars, again, I'd be happy to engage with you on that.

Mr. MAST. That would be pretty important, especially in a budget hearing.

Ms. POWER. OK. Then maybe we——

Mr. MAST. I want to talk about one of those specifically as it relates to Serbia. It resulted in a funding request providing up to \$2 million—this is in front of me—and specifically advancing equity and equality for marginalized groups for activities in Serbia specifically promoting empowerment of transgender, queer, intersex, lesbian, and gay people in Serbia, and then more specifically it asks for experimental approaches to advance social and economic wellbeing of the aforementioned.

Can you tell me what we are spending \$2 million in experimental approaches to advance social and economic wellbeing of transgender, queer, intersex, lesbian, gay, bisexual?

And I would just go on to say this. You know, it's been spoken about where we are ceding the high ground and where China and Russia are making advances around the globe. Your agency is forcing gender identity on countries and that's neither soft power nor hard power. It's simply weakening for the United States of America. But I would like to know about that \$2 million, please.

Ms. POWER. So I was just in Serbia, as it happens, last week. Notwithstanding that, I'm not familiar with the program and I'll have to get back to you. The characterization of us foisting ideology on this country or that country is false.

Mr. MAST. It's entirely accurate. It's literally promoting——

Ms. POWER. I'd be happy to—if you would like to—no, that's not what happens.

Mr. MAST [continuing]. Equity and economic empowerment of transgender, queer, intersex, lesbian, gay, bisexual through innovative and experimental approaches to advance the social and economic—social and economic well being of the aforementioned people in Serbia.

So I'm not making up words. I'm not inserting them into your mouth or the agency. I am reading to you directly, which I will ask can I submit this for the record, Mr. Chairman?

Chairman MCCAUL. Without objection, so ordered.

[The information referred to follows:]

[Information not available at press release time.]

Mr. MAST. Thank you. I'm not mischaracterizing anything. It's \$2 million exactly for that, and this isn't the first time. Other people

have brought up drag shows in Ecuador, things like that. You know, the things going on within State are absolutely forcing gender identity on other countries.

Ms. POWER. Not true.

Mr. MAST. And, if anything, this should be considered weakening to the sexes, to women, to advance somebody because of how they are identifying instead of because of their biological sex should be considered a form of disempowering women.

I want to ask you one other question with my remaining time. Within USAID would you consider gender dysphoria a qualifier for employment or a disqualifier for employment?

Ms. POWER. I'm not—I'm not able to answer that. Sorry.

Mr. MAST. Let's try again. Would you consider gender dysphoria a qualifier for employment or a disqualifier for employment within USAID?

Ms. POWER. Again, I'm not—I'm not going to comment. Thank you.

Chairman MCCAUL. The gentleman's time has expired. The chair now recognizes Mr. Stanton.

Mr. STANTON. Thank you very much, Mr. Chairman. Thank you for being here today, Administrator Power. I represent Arizona, a border State that benefits tremendously from a strong working relationship with our neighbors in Mexico, Central and Latin America.

But we are struggling to process an increasing number of asylum seekers, particularly from countries in the Northern Triangle. These migrants are fleeing poverty, corruption, human rights abuses, persecution, and violence fueled by narco-trafficking and they seek to find safety and economic opportunity here in the United States.

It's critical that the United States tackles the underlying factors driving this migration so that families are far less likely to make the dangerous journey north. Two weeks ago this committee marked up my bill, H.R. 2789, the American Cooperation with our Neighbors Act, which instructs the State Department and USAID to strategize with local partners, including law enforcement and local governments on both sides of the border to combat fentanyl trafficking throughout our region, one of the larger—largest drivers of violence and corruption.

But while fighting narco-trafficking in the region is key we must also work to create economic opportunity and to use every diplomatic tool to stop democratic backsliding in the region.

Congress should provide strategic long-term support focused on building security and opportunity in Latin America.

Administrator Power, the State Department started implementing the U.S. strategy for addressing the root causes of migration in Central America in 2021. From your perspective, what parts of the strategy have worked well and what parts have not worked so well?

Ms. POWER. Thank you so much. I—and thank you for your knowledge of and commitment to addressing root causes and, as you say, when people are on the move in these numbers it is a symptom of things that are badly broken in their communities because if you engage these people the last thing they want to do is

leave their homes. It's something none of us would wish to do. But physical insecurity or economic despair has been a major factor.

To your question very specifically, I think we have—USAID has made for the first time a real investment in lawful pathways and labor pathways, and with very modest resources have strengthened the capacity in the labor ministries and in El Salvador the foreign ministry to process people who come to the United States on seasonal work visas, the H-2B program, doubling our numbers and I think those numbers can go up in the H-2A in the agricultural sector as well.

That is outsized in its impact because of the people who benefit from the program, the resources they bring back to their home country. If they overstay they are no longer eligible. Indeed, the country is at risk of not being eligible.

So there's strict compliance with that program. But also if people believe that they can come seasonally then they get the best of both worlds of being able to come to the United States and earn money if they have not been able to at home but also coming back and be with their families.

I think something like that has been very effective. Obviously, on governance the trend lines speak for themselves. They're going in the wrong direction across the board in terms of treatment of independent media, in terms of judicial institutions, which are meant to be stewards of Guatemalan and Honduran and El Salvadoran resources but themselves falling prey to political influence.

We have had to reroute resources that had been invested in government judicial programs in Guatemala and El Salvador to civil society organizations that are holding those—the governments accountable.

So the governance trend lines in the region are very—

Mr. STANTON. Thank you very much, Administrator.

The People's Republic of China has increased its investments in Mexico and Central America, particularly in the energy and telecommunication industries.

This has serious implications for United States' national interests. In addition, Panama, Nicaragua, El Salvador, and Honduras have all severed longstanding ties with Taiwan in the last few years and favors—in favor of strengthening their relationship with Beijing.

Does the PRC pose a threat to a free and open Latin America and how is USAID responding to those challenges?

Ms. POWER. Well, you have not touched upon the Caribbean but one way is significantly alongside the rest of the Administration significantly increasing our presence in, our programming in, or at least appealing for resources to be able to do that in the Caribbean, which is really—has been very susceptible.

I think what DFC is doing with support from USAID field teams on the ground is really important, and then taking advantage of democratic openings or anti-corruption openings like that in the Dominican Republic to channel support, to support near shoring, which will provide economic livelihoods there, make us less susceptible to shocks and so forth.

So there's a lot one can say country by country but bottom line to support economic programming, to support democracy and gov-

ernance and to always remember our comparative advantages alongside PRC investments.

Chairman MCCAUL. The gentleman's time has expired.

Mr. STANTON. Thank you.

Chairman MCCAUL. Mr. Burchett is recognized.

Mr. BURCHETT. Thank you, Mr. Chairman. The mission of USAID is to promote and demonstrate democratic values abroad. So, Ma'am, why does USAID think taxpayers should pay for a study on the intersection of gender equity and climate conflict?

Ms. POWER. I'm going to have to do—I'm sorry I keep doing this, but I want to know more than the headline—

Mr. BURCHETT. Ma'am, it's in your—it's in your own literature and—

Ms. POWER. It may be but there's a lot—we have a lot of literature and a lot of programs. So if we could followup on this.

Mr. BURCHETT. Yes, ma'am. But knowing that you're coming up here to discuss this and knowing that at least from our side of the aisle might be concerned about some of these things it just seems that you all should be more prepared for this type of thing.

USAID seems—they think it's a need—we need to accelerate the transition to renewable energy and net zero development. Why net zero development? It seems like more development, agriculture areas, people would be able to feed themselves more. So explain that to me, ma'am.

Ms. POWER. Well, I think we all have a responsibility to do what we can to try to limit the amount of warming that is going to occur, given the devastation that the current level of warning is wreaking not only globally but also here in the United States as farmers can attest and as anybody who's experienced one of the ever growing number of natural disasters can attest.

But putting that to one side, actually in this instance, even though there's a perception among some that we are foisting our values on others globally, the demand signal we are getting from the countries, the governments, the leaders, that we engage as we think through what our broad agenda should be is that that is where they want to go.

They also know that renewables prices are coming way down, that they can leapfrog other stages of electrification more easily than solar and wind.

Mr. BURCHETT. Wait a minute. Wait a minute. Stop. Stop for a second, ma'am.

Leapfrog—say that again and what does that mean?

Ms. POWER. Oh, thank you. Sorry, jargony maybe. But in many of the communities we work you can imagine there's no electricity.

It can be very, very expensive and very hard to connect individuals with whom we are working to grids which may, in fact, use—you know, be powered by nonrenewable sources of energy. But, regardless, we cannot get them to the grids because it's too expensive, too hard.

However, you can pop up a solar panel and electrify an entire health clinic or an entire school system or university in a heartbeat.

Mr. BURCHETT. Well, I would suggest to you, ma'am, it would take more than just a solar panel to do that.

Ms. POWER. Yes. But what I—you get the point. My point is we have been able to do off grid electrification that we never would have thought possible 10 or 15 years ago through Power Africa and other initiatives.

Mr. BURCHETT. Is it really necessary for—and this is in quotes—the most vulnerable populations to be focused on a net zero climate development pathway when their populations are struggling to find food?

Ms. POWER. I promise you that the people who work at USAID in the field two-thirds of our staff are nationals of the countries in which we work, care about the poverty in which communities are living and that is the animating emphasis of their work and of their problem solving.

As it happens they are also watching climate havoc drive people into poverty who were not in poverty even just 5 years ago because of natural disaster or because agriculture has dried up because of drought or because of flooding, too much water, too little water.

It's different everywhere. But that is a factor as to how we design our programming is listening to the needs of the communities in which we work, which starts, you're right, with an emphasis on ending poverty.

That is the number-one thing that communities' families want to do. But they also—communities even now see the linkage with the changing weather patterns.

Mr. BURCHETT. Ma'am, and I go back to the original—my original statement that you all are paying for a study on the intersection of gender equity and climate conflict. I do not think that that fits into this. I think it's social engineering.

I think that you all come in here to these things and you know your votes and you run the clock and you tell us, we'll get back to you on that, and I really do—would expect you all to get back to us on these things that we have raised and I would like someone in my office talking to me about the intersection of gender equity and climate conflict.

And I really do not think any of these really promote and demonstrate democratic values. I believe they're basically presenting a far left ideology. At some point, we'll get to the bottom of this.

You know, I appreciate your job and I know you've got a job to give us the runaround and that's the deal and you all get your check from the taxpayers. But I can assure you not all the taxpayers agree with this agenda.

Mr. Chairman, I yield back.

Chairman McCAUL. The gentleman yields. The chair recognizes Ms. Dean.

Ms. DEAN. Thank you, Mr. Chairman, and Administrator Power, I am so delighted you are here. Admirer of your work and the work of your entire team as you partner with countries around the world and I want to say at the outset that I do not associate myself with some of the line of questions that you have just received—the very slanted line of questions—and I ask a rhetorical question.

To members on the other side of the aisle have no members of their community or of their families who are LGBTQ+? Do they have no one that they know?

Because this is certainly not a question of culture, pop culture, whatever kind of dynamics they were talking about. This is a question of humanity and the business you're in is lifting up humanity.

So I wanted you to know I do not associate myself with those questions. We are here about the Biden-Harris budget request for USAID, \$32 billion direct dollars. I support it. I support the work you do.

I see the safeguards that you are putting into your programs in the most difficult parts of the world struggling with poverty and no food, terrorism, and all kinds of problems.

While it's a \$32 billion request can you talk to the multiplier that by prevention work, by leveraging these dollars, what the multiplier effect is of \$32 billion budgets?

Ms. POWER. Well, maybe I'll just use one example. First of all, thank you for your comments. And I think all questions about our programs are reasonable.

It's just challenging when you have thousands of them to be able to know the specifics on any one. So I actually will sincerity will get back to people who have questions on specific projects.

I'll use the one example of Pakistan where I traveled after the floods last year. A third of the country was under water because of heavier monsoon rains than they'd had and melting glaciers, presumably attributable to climate change and it was—you'd be hundreds of miles inland and it looked like the ocean if you're in a helicopter going over these communities. Schools devastated out of use probably forevermore, health clinics, out of—I mean, just under water.

When the water receded some of the only schools that were ready to be used again as schools once the displaced people moved out of them were USAID-funded schools that had been rebuilt after the last flooding with an eye to prevention, with an eye to what the floods would mean and this eye as a design feature to disaster resilient infrastructure of all kinds is just an example of something now our humanitarians are doing much more of in the wake of a hurricane or any kind of natural emergency or in the wake of conflict when reconstruction occurs.

But so that's, I think, just an excellent example that those schools were actually able to withstand floods because they were built to withstand floods and so—

Ms. DEAN. That's a great example. May I ask you a little bit more?

Ms. POWER. Please.

Ms. DEAN. Pakistan was on my mind. We were just on Zoom with a Pakistani American about his concerns in Pakistan. I have many Pakistani Americans in my district, which is suburban Philadelphia, and you think about what you just described, the current political instability, economic challenges, inflation over 35 percent, the severe fall floods, hunger, food supply issues.

Can you speak to what USAID is doing there? And also I'd like to layer in there China's influence. By one article I read China's influence there is at one of its highest in terms of malign influence, frankly, whether it is in the domains of technology, foreign policy, military.

So a little more on Pakistan. We urgently care.

Ms. POWER. Yes. In brief, I would say that I do think showing up at the right time is really important, which is why I and so many of us at USAID try to get out and about and do so when it really matters for people.

So when the floods hit last year announcing, I think, initially a \$50 million and then \$100 million investment in flood response right at the beginning while other countries—not only your traditional donor partners but also the country that you mentioned, hang back.

I mean, the Pakistani people remember. That's something they'll remember, just as they did the work that we did after the last floods.

So that—those kinds of humanitarian investments we wish to make fewer of those because you do not want to live in a world of too many emergencies. But being the world's largest humanitarian donor is a point of privilege and I think it really reflects well on the United States.

The other kinds of initiatives we're doing are, largely, catalytic economic growth. Agriculture, female entrepreneurs——

Chairman MCCAUL. The gentlelady's time has expired. The chair now recognizes Mr. Davidson.

Ms. DEAN. Thank you. Thank you.

Mr. DAVIDSON. I thank the chairman.

Ms. Power, thanks for sticking around a little bit longer. Under the Biden Administration, USAID plans to give \$500 million to support the Palestinian people and advance a, quote, “two-State solution.”

However, it's well known that Palestine houses foreign terrorist organizations such as Hamas. Why is this \$500 million a good use of American taxpayer dollars?

Ms. POWER. Well, our goal, of course, is to reach vulnerable communities around the world. We absolutely have to do so in a manner that makes sure that terrorist elements are not getting access to USAID resources.

But we do programming that really looks at what causes somebody to join Hamas in the first place and a lack of opportunity, a lack of exposure to people from Israel or people from outside of narrow echo chambers is a factor.

Mr. DAVIDSON. Do you feel like this is promoting peace there or is it facilitating further development of the Iron Dome? Because Palestinian territory keeps seeing launches just even recently of rockets directed against Israel.

Ms. POWER. Yes.

Mr. DAVIDSON. So how do we—how do we solve this?

Ms. POWER. Well, I do not know that in my three and a half minutes I can tell you how to solve Middle East peace. But, obviously, USAID's support for development investments is a very small piece of the broader——

Mr. DAVIDSON. Are you confident none of it's flowing to illicit use?

Ms. POWER. I am confident that we have systems in place. You know, when allegations come forward through our inspector general, through our third party monitors on the ground we dig into those allegations.

We have had to cutoff funding to organizations in the past because something did not surface in a vet and then came forward and then—but we are absolutely determined, again, to make sure. Given the complexity of the environment it is not an easy place to work. It's not an easy place to work—

Mr. DAVIDSON. It is an easy place not to spend \$500 million. You know, turning to Ukraine and Russia, since Russia invaded Ukraine in February 2022 the U.S. has committed nearly \$23 billion in direct budget support through USAID specifically to support the Ukrainian government.

This is for Ukraine's government to operate. These tax dollars—the American tax dollars fund a variety of things including pensions for Ukrainian people.

Why should U.S. taxpayer dollars foot the bill for pensions in any other country but Ukraine when we have our own pension shortfalls here at home?

So as we're looking at budget priorities and not like we're flush with cash, the only way to pay our bills is to borrow more money ourselves. Why should we borrow money to pay for Ukrainian pensions?

Ms. POWER. Well, it's a very fair question. I think, in general—stepping back from that particular but I will come right back to that—the Ukrainian government is running a \$5 billion budget deficit every month. Part of what its budget goes for as here is to take care of vulnerable elderly people.

Mr. DAVIDSON. I understand there is vulnerable people all over the world—

Ms. POWER. Yes. I understand but—

Mr. DAVIDSON [continuing]. And there are particularly people very vulnerable in war zones. Why are we paying to operate the Ukrainian government?

Ms. POWER. Well, we are the world's largest humanitarian donor well and apart from Ukraine so we are invested in helping vulnerable people. That's part of what the United States does around the world.

Mr. DAVIDSON. I think that's a lot of money that we should not be spending. Let me move on.

Ms. POWER. No. No. We're not—we're not spending that money on pension—

Mr. DAVIDSON. It's a non-answer.

Ms. POWER. No, it's not a non-answer.

Mr. DAVIDSON. So let's move on.

Ms. POWER. No. No. You're mischaracterizing what we're doing. We are not spending that—those sums of money on pensions.

Mr. DAVIDSON. We are paying to—we are paying to operate the government of Ukraine.

Ms. POWER. I understand that's a subset. We're also paying for generators—

Mr. DAVIDSON. We're paying for a whole lot. There's \$113 billion. I did not ask you about the other money. I asked you about the money we're paying to operate Ukraine.

Ms. POWER. I thought you had a concern specifically about pensions. That's a very small subset of broader support because the greatest gift to Putin that we could give is to have the lights go

out on the Ukrainian government, to have Ukraine collapse not for reasons of missiles but because they cannot actually support people in need.

Mr. DAVIDSON. All right. Let's go to another topic. It's been touched on by a number of my colleagues but diversity, equity, and inclusion has got a great sounding ring to it but the equity part in particular has got a lot of concerns.

It's—really, it's a socialist redistribution. It's not meant as a salve to heal old wounds. It's meant to divide people and in particular last year USAID wrote its gender policy to redefine gender as a social construct that can be self-determined.

These new definitions open the category of women to anyone, including men who identify as women. Today, USAID boasts a network of over 200 gender advisors. Many countries find this abhorrent but the Administration continues to fund these policies in countries where our policies aren't in line. They're creating tension instead of facilitating things. Why?

Ms. POWER. Our approach has been broadly caricatured including, I think, in this exchange, unfortunately.

Mr. DAVIDSON. My time has expired, and I yield.

Chairman McCAUL. The gentleman yields back. The chair now recognizes Mr. Jackson.

Mr. JACKSON OF ILLINOIS. Thank you, Chairman. Thank you, Ranking Member.

Honorable Administrator Samantha Power, I want to say I'm a true admirer of your work and the good things that you do. I've had the opportunity to go to Kenya and see the front lines of the climate change. So continued success in the work that you do and the enormous crisis that you're confronting around the world.

And at this time, I'd like to yield my time to my colleague, Congresswoman Kamlager-Dove.

Ms. KAMLAGER-DOVE. Thank you for that. I just have to share with you, Administrator, some of the things that I've heard in this committee, that Mexico is a disease, that Africa is full of failed States, that Afghanistan is a nation of tribes, and that there's violence all over there in Africa.

For me, there's just too much hegemonic patriarchal invective coming from my colleagues on the other side of the aisle. The most dangerous disease is not tuberculosis.

It's anti-democratic mob rule, which I think was catalyzed by our former president, a xenophobe, a white supremacist sympathizer, an agitator, someone who disobeyed the law, raged about being able to shoot people and assault women. He was the ultimate migraine.

If people are deprived and undignified they resort to bad options, the only bad options that generally tend to be on the table, and those options have the power to corrupt freedom and democracy.

I see USAID as helping to create better options all over the world, especially for women and girls. I, too, recently came back from Kenya and looked at the devastation that's there because of climate change and also had very sobering discussions about gender-based violence, female genital mutilation.

There are 150 million more women and girls that are going hungry than men and women, and so I will yield the balance of my time because we do not have any more.

But I'm very interested in what USAID is doing to help address and leverage the issue—well, doing around the issues of women and girls that are suffering from gender-based violence in Latin America but also across the continent of Africa and how else we can stay engaged.

Ms. POWER. Thank you so much. You know, I think one of the reasons I'm troubled by the caricaturing of our programming and mischaracterization of it but also the cherry picking and then redefinition of it is it misses out—that those exchanges miss out on the opportunity to talk about how to do really hard things when it comes to gender empowerment and when it—and it certainly misses out on the opportunity to talk about the very real threats that women and girls face, that LGBTQI+ people face and it misses out on the opportunity to celebrate the U.S. standing with the underdog and standing with communities that deserve an equal shake. You know, nothing more, nothing less.

That's not what women or girls are asking for, just a shot, and gender-based violence is a prime example of something that stands in the way of getting that shot.

So it is—you know, it depends country by country how much resources we have to invest. It's been a big area of focus in Central America.

Shifting gender—shifting norms as well, which could easily be caricatured but shifting norms away from thinking it's ok in a society, that it's a sign of masculinity to beat up your spouse. You know, we have programs that do that.

You know, how they're titled and how they could be caricatured—but those make a meaningful difference if it gives a community and particularly men in the community the courage to stand up and contest norms that end up being destructive not only for women but for society's progress.

And so much of our gender work and our gender integration is rooted also in acknowledging the economic development payoff of women actually having equal opportunity and not being subjected to barriers like gender-based violence.

Ms. KAMLAGER-DOVE. Thank you. I yield back my time to the Congressman.

Mr. JACKSON OF ILLINOIS. I yield my time to the chairman. Thank you.

Chairman MCCAUL. Thank you. The gentleman yields back. Mr. Issa is recognized.

Mr. ISSA. Thank you.

Administrator, I'm pretty sure I'm the last so—I may be second last so last on this side. So take a deep breath, relax. You've rationed the water properly. You've made it. I'm taking—I'm taking a little bit of what's left so I apologize for not having my good questions you were hoping for.

But one question that I have that apparently has not been asked you're familiar with the organization EcoHealth Alliance and you're still funding them. That's correct? About \$8 million or more?

Ms. POWER. Tell me when you're ready and I can get into the modalities of our—we fund them in a part of Africa to do forest conservation.

Mr. ISSA. How do we protect this organization that was part of the cover-up of Fauci's operation with the Wuhan laboratory? How do we justify that the head of that organization has, in fact, been part of the cover-up, lied about it?

How do we not say your work is real important but you got to hand it off to somebody else where we can trust the management?

Ms. POWER. This is a—there's a broader question about EcoHealth Alliance that I think you probably have for other agencies that are working in domains, perhaps, similar to the one that causes us all so much concern in the past.

Mr. ISSA. But it's about trust. You disqualify organizations regularly for what they do in a number of places. So, you know—

Ms. POWER. The award was—the award was granted in October 2021. It was an open procurement, open competition, the usual rigorous process.

Our team in Liberia, which is where this grant is given—and, again, it's to a local group of individuals who are helping train park rangers.

You know, they went to the SAM data base. They looked at all of the vetting that we normally do and so—and the program itself has been impactful and we have had issues along the lines—

Mr. ISSA. So would it be fair to say that you might make a different decision today than you made back then and this is his legacy?

Ms. POWER. I'm not going to speculate because I also cannot get involved in procurement decisions for all the right reasons because you want to prevent political interference of that nature.

But, certainly, we want to make sure that what we are—that the integrity of the organization is foolproof and so we want checks and balances that—

Mr. ISSA. And, Administrator, I only want you to speak on behalf of the broad question of let me—I'll phrase it in a way that might be fairer.

If an organization anywhere in the world—but particularly one based out of the United States but anywhere in the world, if an organization is involved in what appears to be false information to a government agency and especially ours, your organization—not you personally but your organization has an obligation, and I assume takes it seriously, to include that in the vetting process. Is that fair?

Ms. POWER. Yes, I think so. Just on this I would have a very hard time. I'm answering generalizable questions but I do not know if the predicates align with the facts.

Mr. ISSA. Yes. We're not necessarily talking any longer about that.

Ms. POWER. Ok.

Mr. ISSA. We're talking about that's an obligation. Now I have one that's left. You know, at \$32 billion we could make you a full-fledged Cabinet officer and you would not be under-funded compared to some Cabinet positions.

It's a lot of money and it's fair to say that you control a lot of money. We have at least alleged that there's about a 30 percent savings if instead of using U.S. companies that apply for grants if to the greatest extent possible you regionalized the NGO's, you regionalized the procurement.

Now, I know that's not always popular and as a matter of fact some years ago I remember on behalf of almonds and raisins I made the question of, well, just because it costs more why aren't we sending almonds and raisins from California.

But leaving aside the politics that we're responsible for would you opine on how, with a limited budget, millions or billions of dollars could be better spent if you were allowed to and encouraged to and able to regionalize to the areas that you're helping or to the nearshore areas of those both for saving money but also for helping with the economy?

And I know that's not easy to say when American taxpayers are wanting you to buy American goods. But would you opine on that? Because I'd like to hear how you view and what you'd like to do.

Ms. POWER. I think I do not have much time but it's an area of great interest to me.

I think that you could look at cost effectiveness along the lines of what you're describing in two ways. One is just is it cheaper to work with a local organization or to regionalize.

The other is do you yield more sustainable development outcomes so it ends up being a better investment over time because the people that you're investing in are from the countries and then carry the work forward even when the grant dries up or the contract dries up.

So we have a localization agenda. We're trying to get to 25 percent of our assistance by 2025. It's incredibly important.

We're also trying to figure out whether there are savings that can be accrued by having, for example, contracting officers in a hub in Pakistan who can provide contracting support if there's a surge of need in Sudan.

These kinds of savings I feel it's incumbent on us to find, not because we have too much money but because the resources that we need, both with the PRC geopolitical dimension in mind but also just because of the needs out in the world and the demands that the world is placing on us, we need to be able to say that we are using them optimally.

So we are moving in that direction. But it's has—there are challenges.

Mr. ISSA. Thank you, Mr. Chairman.

Chairman MCCAUL. The gentleman's time has expired.

Mr. SCHNEIDER is recognized and we're going to wrap this up.

Mr. SCHNEIDER. Thank you, Mr. Chairman. I'm going to be brief just because I know we have votes called and, Administrator, you've been here a very long time so thank you.

A long, long time ago when this hearing started you talked about a stark view of the world and some of the challenges we face around the world—debt disasters, natural disasters, threats to democracy.

You also talked about some of the remarkable things the United States has done through our aid and development programs—re-

ducing poverty, providing—addressing hunger, providing housing, health care, education, opportunity, hope around the world and making a difference.

If I link the two things, and you have as you're in the conversations here, we spend more than any other nation direct dollars on defense and security. We spend a greater share of our budget than other nations on defense and security.

If we did not have the investment we make in aid and development how—I do not want to say how much more. In a sense just skill wise what would happen to our needs from a security standpoint?

Ms. POWER. Well, I presume—it's hard to quantify—but you would see people lacking economic opportunity, turning to those who can provide it, and whether that's a militia—a Russian-sponsored militia in a place who's hiring locals or an extremist organization.

You would also see major costs for American companies. I mean, these are markets for our goods and so the—as we enhance economic growth and livelihoods or prevent disease those are consumers as well and we have seen economic—U.S. economic growth ride emerging markets and this new consumer base.

We're doing an awful lot and want to do a lot more in trade facilitation. You know, these are the kinds of catalytic investments that do not cost much money in the regulatory environment that make trade with the United States easier but also make American companies better able to invest in these communities.

And then just at a human level the number of people who would not be alive if humanitarian assistance were scaled back that oh, the number of infants who suffer severe and acute malnutrition who we provide ready-to-use therapeutic feeding tubes, brings them back to life.

I mean, that's a privilege for the United States to be a part of that kind of work.

Mr. SCHNEIDER. So long story made short, and I'll wrap up, the money we invest in foreign aid and development, the soft power that the United States projects around the world multiplies and amplifies our hard power.

It makes it easier for us to lead economically and supports our companies as they do work around the globe. It makes us a stronger country and at the same time, to quote Ronald Reagan, is he called the United States that shining light on the hill. It puts us in a place to be the country that other countries look up to, that citizens around the world look toward for relief.

So I just want to say thank you for your work. Thank you for your patience and staying here and giving me the chance to sing the praises of USAID.

You, just as important, all the people who work in USAID and the services they provide to our nation—on behalf of our Nation helping others around the world.

And with that, I yield back.

Chairman MCCAUL. The gentleman yields.

Well, Administrator, you made it. Thank you for staying a little later. But we do—let me just say this as the chairman of this committee. This committee—

Ms. POWER. I thought I was the chairman.

Chairman McCAUL. Well, you were for about a couple seconds.
[Laughter.]

Chairman McCAUL. I just personally want to thank you for your service to our country from both sides of the aisle, and we know how hard your job is and how important your job is and we support you in your efforts.

And I know you're embarking to go to Sudan and we appreciate you doing that. Very dangerous, and please be careful while you're over there and give us a call when you get back. Love to get a report on that.

And, again, thanks for your service to our great country and——
Ms. POWER. Thank you, Mr. Chairman.

Chairman McCAUL. And with that, pursuant to committee rules all members may have 5 days to submit statements, questions, extraneous materials for the record.

Without objection, the committee stands adjourned.

[Whereupon, at 5:26 p.m., the committee was adjourned.]

APPENDIX



**COMMITTEE ON FOREIGN AFFAIRS
FULL COMMITTEE HEARING NOTICE
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128**

Michael T. McCaul (R-TX), Chairman

May 10, 2023

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs to be held at 2:00 p.m. in room 210 of the House Visitor's Center. The hearing is available by live webcast on the Committee website at <https://foreignaffairs.house.gov/>.

DATE: Wednesday, May 17, 2023

TIME: 2:00 p.m.

LOCATION: HVC-210

SUBJECT: The State Of American Influence In 2023:
Great Power Competition And Persistent
Crises In An Era Of Budget Constraints

WITNESSES: The Honorable Samantha Power
Administrator
U.S. Agency for International Development

*NOTE: Witnesses may be added.

By Direction of the Chair

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-226-8467 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS
MINUTES OF FULL COMMITTEE HEARING

Day Wednesday Date May 17 Room HVC-210

Starting Time 14:15 Ending Time 17:26

Recesses (to) (to) (to) (to) (to) (to)

Presiding Member(s)

Chairman McCaul, Rep. Mast

Check all of the following that apply:

Open Session ☒

Electronically Recorded (taped) ☒

Executive (closed) Session ☐

Stenographic Record ☒

Televised ☒

TITLE OF HEARING:

The State Of American Influence In 2023: Great Power Competition And Persistent Crises In An Era Of Budget Constraints

COMMITTEE MEMBERS PRESENT:

Attached

NON-COMMITTEE MEMBERS PRESENT:

None

HEARING WITNESSES: Same as meeting notice attached? Yes ☒ No ☐

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

Rep. Connolly

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED 17:26

Meg Wagner
Full Committee Hearing Coordinator

Committee on Foreign Affairs

118th Congress

ATTENDANCE

Meeting on: The State Of American Influence In 2023: Great Power Competition And Persistent Crises In An Era Of Budget Constraints

Date: May 17, 2023

Representative	Present	Absent	Representative	Present	Absent
Mr. McCaul	X		Mr. Meeks	X	
Mr. Smith	X		Mr. Sherman	X	
Mr. Wilson	X		Mr. Connolly	X	
Mr. Perry	X		Mr. Keating	X	
Mr. Issa	X		Mr. Cicilline	X	
Mrs. Wagner		X	Mr. Bera	X	
Mr. Mast	X		Mr. Castro	X	
Mr. Buck	X		Ms. Titus	X	
Mr. Burchett	X		Mr. Lieu	X	
Mr. Green		X	Ms. Wild		X
Mr. Barr		X	Mr. Phillips	X	
Mr. Jackson		X	Mr. Allred		X
Mrs. Kim		X	Mr. Kim	X	
Mrs. Salazar		X	Ms. Jacobs	X	
Mr. Huizenga		X	Ms. Manning	X	
Mrs. Radewagen	X		Mrs. Chertoff-McCormick	X	
Mr. Hill		X	Mr. Stanton	X	
Mr. Davidson	X		Ms. Dean	X	
Mr. Baird	X		Mr. Moskowitz	X	
Mr. Waltz	X		Mr. Jackson	X	
Mr. Kean	X		Mrs. Kamlager-Dove	X	
Mr. Lawler	X		Mr. Costa	X	
Mr. Mills	X		Mr. Crow	X	
Mr. McCormick	X		Mr. Schneider	X	
Mr. Moran	X				
Mr. James		X			
Mr. Self	X				

STATEMENT FOR THE RECORD SUBMITTED FROM REPRESENTATIVE CONNOLLY

**The State of American Influence In 2023:
Great Power Competition and Persistent Crises In An Era Of Budget Constraints
House Foreign Affairs Committee
2:00 PM, Wednesday, May 17, 2022
HVC-210
Rep. Gerald E. Connolly (D-VA)**

The third budget request of President Biden's first term represents a vigorous effort over multiple congressional sessions to repair the damage the previous administration inflicted on the credibility and reputation of the United States. President Trump oversaw the signing of a flawed deal with the Taliban, withdrawal from the Iran Nuclear Deal, Paris Climate Agreement, Trans-Pacific Partnership (TPP), the World Health Organization (WHO) during a pandemic, and the weakening of our ironclad commitment to our NATO Allies. In a departure from this great American withdrawal, President Biden has charted a path back to dignity and respect, using NATO as the arsenal of democracy to counteract the global march towards autocracy.

After two years, we can say the Biden administration has made tremendous progress to put that sad chapter of American history behind us and undo the immense damage wrought by the previous administration. But we must do more. The wreckage of the Trump administration will not be cleared overnight. We can continue to build back better by enacting an International Affairs budget that recommit to our allies, actively promotes the protection and expansion of democracy and human rights around the world and embraces multilateral engagement to meet and combat global challenges, including global health security, human rights, Russian aggression, and the rise of China.

The Biden Administration's FY24 foreign assistance budget request places a high priority on improving global health security and assisting other countries in enhancing their own capacity to fight diseases such as COVID-19. House Republicans have imprudently released their version of a budget that would make 22% cuts across the board. While it might sound like a good fiscal responsibility talking point, especially after 4 years of a Republican administration that added \$7.8 trillion to the national deficit, it actually has catastrophic ramifications.

A 22 percent decrease in International Disaster Assistance (IDA)/ Emergency Food Security Program (EFSP) would likely mean 80 million more people facing hunger and famine and possibly reduced or even eliminate the program in regions including West Africa, Southern Africa, and Central America. The proposed reduction would mean an estimated additional preventable 18,632 maternal, newborn, and child deaths, and about 13 million fewer children vaccinated and 115,000 additional deaths. An approximated \$20 million decrease for the President's Malaria Initiative (PMI) would mean an additional nearly four million people at high risk for malaria and four million children with malaria will go untreated with much-needed antimalarial drugs. An estimated \$5 reduction would mean almost 900,000 children not being reached by essential nutrition services. \$23.5 million less for tuberculosis (TB) prevention and treatment would mean that 500,000 individuals would not receiving proper diagnosis and treatment, leading to up to 350,000 additional deaths and the spread of TB infections to an additional 6,000,000 people, particularly the poorest and most vulnerable. The list goes on and on.

President Biden and Administrator Power still have their work cut out for them in attempting to repair our global standing and restore our ties with allies and international organizations. House Republicans have submitted a budget proposal that follows President Trump's foreign policy doctrine, which was rooted in the abandonment of American values, the dissolution of multilateral agreements and partnerships, and the neglect of diplomacy and development as our first lines of defense. President Biden's budget takes the United States one step closer to returning the United States to its role as a beacon of hope and I am eager to offer what assistance I can to reinvigorate U.S. global leadership and engagement in foreign aid.

RESPONSES TO QUESTIONS SUBMITTED FOR THE RECORD

**Questions for the Record Submitted to
Questions for the Record Submitted to USAID Administrator Samantha Power by
Representative Castro
House Committee on Foreign Affairs
May 17, 2023**

Question:

Aid Effectiveness:

In November 2021, as part of her New Vision for Global Development, Administrator Power announced her intention to elevate and expand the role of USAID's Chief Economist. As part of this Administration's reorganization of USAID, the Agency notified Congress in 2022 of its intention to create a new independent Office of the Chief Economist. In November 2022, the Agency appointed Dean Karlan, a world-renowned development economist to the role of Chief Economist. The new Office is highlighted as a key priority in the Agency's new Policy Framework for strengthening USAID's use of evidence.

By when will the new Office be fully established? Has USAID identified this as a priority among its reorganization plans?

What level of program and OE funding has USAID allotted to the Office of the Chief Economist for FY21, 22, and 23 funds?

Answer:

The creation of the Office of the Chief Economist (OCE) is a USAID priority, and this will be the first new Bureau/Independent Office (B/IO) to go through the end-to-end implementation process once all internal steps are complete. We will soon formalize the leadership for each of the new B/IOs and approve the conceptual organizational functions managed by these units. OCE and the independent Office of Policy (POL) are expected to be operational by summer 2023.

Question:

What level of program and OE funding has USAID allotted to the Office of the Chief Economist for FY21, 22, and 23 funds?

Answer:

The Office of the Chief Economist (OCE) will be created in the last quarter of Fiscal Year (FY) 2023.

- Since OCE does not exist yet, no operating expense (OE) funds have been allocated to it. However, in FY 2022 and FY 2023, the Agency allocated \$860,000 in OE for other direct costs for chief economist functions. Beginning in FY 2024, the Agency will allocate OE directly to OCE.
- OCE received \$500,481 in FY 2017 Development Assistance (DA) recoveries to support critical staffing capacity for the Chief Economist workstream.
- OCE received \$280,000 in FY 2022 DA reserve through the Office of the Administrator to support critical staffing capacity for the Chief Economist workstream.
- OCE will receive \$1.5 million in Economic Support Funds (ESF) in FY 2022 earmarked for ex-post evaluation, pending congressional notification, to generate high-quality evidence of impact and cost-effectiveness.
- FY 2023 funding levels are still in the process of being finalized.

Question:

What staffing levels is USAID planning for the Office of the Chief Economist over the coming year?

Answer:

When OCE is established this summer, USAID expects to have 24 positions that will all be filled by early 2024.

Question:

What role will the Office have to enable it to influence operating units' use of evidence Agency-wide?

Answer:

OCE will support the Agency in improving the effectiveness of its programming and broader global engagement by bringing strong economic theory and evidence to bear on USAID's work. OCE, led by the Agency Chief Economist, will focus on three strategic pillars: (1) promoting the use of cost-effectiveness evidence in Agency decision making, (2) promoting the generation of cost-effectiveness evidence that the Agency is uniquely placed to catalyze, and (3) providing macroeconomic analysis and advice to Agency leadership. Recognizing the wide range of economic matters that bear on USAID's work and the relevance of economic theory and evidence to the Agency's work broadly, OCE will also provide counsel directly to Agency leadership on high-priority economic matters and economics-based advice and input on Agency strategies, policies, and initiatives. Across these focus areas, OCE will leverage the skills and expertise of the Agency economics and evidence community.

OCE will advise Agency leadership on opportunities to strengthen the use of cost-effectiveness evidence in policy and strategy formulation and execution, and it will advise Bureaus and Missions on using cost-

effectiveness evidence in program design and implementation. OCE will also compile information about the cost-effectiveness of interventions and the quality of underlying evidence to guide program design and implementation; provide timely, user-friendly guidance and technical assistance related to cost-effectiveness evidence to USAID technical officers, program officers, and other critical stakeholders; and develop Agency-wide standards, policies, processes, and guidance on use of cost-effectiveness evidence.

Question:

What additional authorities would enable the Office and USAID more broadly to better scale up Proven Solutions – solutions that are backed by rigorous evidence of cost-effectiveness – across the Agency?

Answer:

USAID plans to request additional new authorities formally through the upcoming FY 2025 budget formulation process.

Question:

Other federal agencies like the Department of Defense, NIH, and Department of Energy have made innovation a major priority to accelerating progress towards developing renewable energy solutions, preparing for the next pandemic, and adapting to climate change.

How do you plan to use this budget to make innovation a more central priority at USAID?

Answer:

USAID's innovation efforts aim to improve development results, increase aid effectiveness, engage new actors, leverage advancements in science and technology, and maximize the impact of taxpayer dollars. Furthermore, innovation is a core tenet of USAID's Climate Strategy. USAID works closely with scientists, academics, practitioners and entrepreneurs, drawing especially on local experts, to help unlock and promote innovative and proven, context appropriate climate solutions.

As one example, the pioneering Development Innovation Ventures (DIV) has a strong track record and commitment to investing in innovative programming. DIV has long supported a broad range of partners to develop, test, and bring to scale highly cost-effective, innovative solutions in emerging priorities, including climate change adaptation and renewable energy solutions. For example, DIV grantee Fenix scaled its lease-to-own, affordable solar home systems to underserved markets in Zambia, where it became the leading solar company and attracted attention from multinational electric utility Engie. By 2020, Engie had expanded Fenix to four more countries where it now provides clean, affordable energy to 3.5 million people. Since 2010, DIV has made 280 awards, measurably improving the lives of over 100 million people, and generating a social rate of return on investment of at least 17:1.

USAID continues to find new and innovative ways to implement and scale renewable energy in our partner countries. For example, in April 2022, longtime USAID partner Indian Railways announced the results of a round-the-clock tender for 900 megawatts of renewable energy. The tender expects to attract \$4 billion in private sector investment. Given the intermittent nature of solar and wind as power sources, round-the-clock solutions prevent gaps in power. This is a critical step as India—the world's third largest greenhouse gas emitter—works to reduce its emissions. USAID supported Indian Railways to design the tender and educate the private sector on the approach.

Question:

USAID is about to award \$17 billion for a set of global health supply chain contracts, the largest set of contracts in the agency's history.

Given the maturity of the healthcare and logistics sectors in many of the countries where USAID operates, how does USAID plan to use this funding to shift more resources to local communities and in-country actors?

Answer:

The architecture of the new supply chain contracts, known as NextGen, opens the door to a full range of global, regional, and local players—not only U.S. companies—to ensure that awards are made to best-in-class companies and that all players providing quality products and services no matter where they are from (including companies in Africa, Latin America, and Asia) have equal opportunities to bid. NextGen allows companies from all countries except U.S. government-prohibited sources to participate.

The vast majority of funding for the contracts (75 percent) will be used for the procurement of commodities. The NextGen suite of awards was purposefully designed to consolidate USAID-supported countries' demand across product categories. This allows USAID to achieve significant savings in procurement and delivery and leverage USAID's aggregated procurement volume to address key priorities such as accelerating regional manufacturing in low- and middle-income countries (LMICs), facilitate new product introduction, and reduce carbon emissions. Savings achieved through cost efficiencies in turn allow USAID's Missions to go further in partnering with countries to both address their immediate life-saving needs, and transform local supply chains to be self-reliant, resilient, and responsive to local context and needs.

The architecture's design includes a contract called the Technical Assistance Marketplace (valued at around \$300 million), that is meant to provide innovative, specialized supply chain support to host country governments and other local actors in the supply chain. The mechanism is structured to build, manage, and support a network of supply chain technical assistance providers with a focus on non-traditional and local partners. The design intends for the prime contractor to build the network of providers by onboarding new partners, managing scopes of work from Missions, and lowering the barrier to entry by providing "how to work with USAID" capacity building for local partners.

Question:

I have long been a proponent of localization and am strongly supportive of USAID's noble goal to have a quarter of USAID's funding go directly to local actors by FY2025. I believe locally-led development is the best way to produce sustainable and durable solutions to the world's most pressing development issues.

Administrator Power, could you provide an update on where we are in meeting that goal?

Answer:

USAID will soon be releasing its first Localization Progress Report. In that report, we will show that in FY 2022, we provided nearly \$1.6 billion, or 10.2 percent of attributable obligations, to individuals, organizations, or corporations based and legally organized in a country where they implement USAID-funded work.

This is the highest level and percent of Direct Local Funding in at least a decade. Missions and other overseas units led these efforts, directing 18 percent of attributable acquisition and assistance obligations to local partners.

Question:

What actions have USAID taken to help meet that goal and make development assistance more accessible to local organizations?

Answer:

In the year since USAID announced these two targets, USAID has created or revised several key policies and strategies, developed new tools, and taken steps to strengthen and grow its workforce, all milestones that will help underpin and facilitate progress toward the Agency's localization goals:

- A new Acquisition and Assistance (A&A) Strategy outlines the shifts needed in USAID's business practices to better enable sustainable, inclusive, and locally led development.
- WorkWithUSAID.org, an online platform launched by the Agency in late 2021, seeks to demystify the process of partnering with USAID through an easy-to-navigate website that provides clear and accessible information about opportunities with USAID, with key documents translated into multiple languages
- A fully updated Risk Appetite Statement clarifies that USAID has a high appetite for taking smart and disciplined risks in working with local partners, because of the opportunities for more equitable and sustainable development outcomes when local organizations are in the lead.
- USAID's new Local Capacity Strengthening Policy establishes Agency-wide principles to build on the skills and expertise that already exist in local organizations and communities, committing USAID to responding to local priorities for capacity strengthening.

Question:

What progress has USAID made on developing measurements and metrics for localization efforts?

Answer:

The FY 2022 Localization Progress Report will provide a detailed description of the direct local funding indicator and complementary measures of direct regional funding and government-to-government assistance.

Question:

How will USAID make the determination that an entity is truly local without having to utilize precious resources to obtain verification from the field confirming a partner is truly “local”?

Answer:

USAID recognizes that the concept of what it means to be “local” is complex and contextually nuanced. In selecting the methodology for measuring funding going to local actors, the Agency aimed to identify as good a proxy as possible for what it means to be “local,” while minimizing the reporting burden on staff and local partners by using existing systems to the maximum extent possible to capture funding data.

For the purposes of our direct local funding indicator, USAID defines a “local partner” as an individual, corporation, nonprofit organization, or another body of persons that:

- is a USAID prime contractor or recipient;
- is legally organized under the laws of, and has as its principal place of business or operations in, a country classified as developing; and
- is providing assistance in the same country as its principal place of business.

Data for each of these fields is available in the Global Acquisition and Assistance System (GLAAS) and the Federal System for Award Management (SAM). This allows USAID to calculate this indicator without requesting additional information or verification from our staff in Missions or our implementing partners.

Question:

What are USAID’s plans to publicly share data on Administrator Power’s localization goals? Is USAID planning to make mission-level data publicly available on both its 25 percent and its 50 percent indicators? If not, why not?

Answer:

The FY 2022 Localization Progress Report will share data on USAID’s progress toward its direct funding goal, including Mission-level data for the direct local funding indicator. As previously mentioned, we will also release the dataset that underlies the data presented in the report to allow the public to conduct their own analyses.

This year we will roll out the methodology for tracking progress toward the 50 percent local leadership target. The first round of data for this indicator will be included in next year’s progress report.

Question:

Is USAID planning to install reporting safeguards around its localization work to ensure that missions' work with subsidiaries or affiliates of international organizations doesn't count? If yes, have you developed a plan yet how to do this?

Answer:

As part of preparing the FY 2022 Localization Progress Report, USAID conducted a spot check of the FY 2022 data to assess the extent to which our methodology captures subsidiaries or affiliates of international organizations. What we found is that some local partners do share a brand name with recognized international organizations. While all of these partners are independently incorporated, the nature and strength of their ties to international partners varies. For example, the firm that is now Deloitte Tanzania is more than 100 years old and, as an entity, is legally and financially distinct from all other Deloitte firms. USAID recognizes that local organizations can cultivate transnational ties, take on international board members, register in other countries for fundraising or security purposes, extend their work across country borders, associate with international brands, or adopt any number of other strategies to ensure their effectiveness and resilience in response to their own challenging and constantly evolving operational landscape.

Question:

Does the Foreign Service National empowerment agenda include accelerating their ability to sign and modify contracts and agreements? What else is being contemplated?

Answer:

USAID is working to create Foreign Service National (FSN) acquisition and assistance (A&A) specialist positions with higher salaries and responsibility levels. As of May 17, the Agency has 39 warranted FSN A&A specialists, surpassing its goal to double the FY 2022 baseline of 19. These warranted FSNs are Administrative Contracting Officers and are not delegated authority to sign awards; they can only modify existing awards. The Office of Acquisition and Assistance (OAA) has also formed a new FSN Management Council which, through direct communications with the Director of OAA, elevates FSNs' role as business advisors, ensures their contributions are recognized, and advocates for professional development opportunities. The Council also elevates FSN priorities for increasing efficiencies, another pillar of the A&A Strategy.

Question:

The U.S. Agency for International Development (USAID) provided nearly \$2.3 billion to support reconstruction and development in Haiti during FYs 2010-2020. But a March Government Accountability Office (GAO) report said most infrastructure projects were delayed, cost more than planned, or had to be scaled back. GAO reviewed USAID's post-earthquake infrastructure activities from 2010 onwards and found that four of the eight projects have been completed.

Key results included constructing a power plant, building 906 homes, and improving 24 health and public facilities. Two activities are ongoing, including upgrading a port and two health facilities. Two other activities were canceled because costs were higher than initially anticipated. Due in part to what GAO calls “unrealistic initial plans”, most infrastructure activities experienced delays, budget increases, and scope reductions. GAO also found gaps in strategic planning and tracking and assessing the results of these activities, affecting management and oversight.

What has USAID learned from its experience in Haiti, what steps are being taken to complete the ongoing projects in a timely fashion, and what is being done to improve USAID’s performance in the future?

Answer:

USAID welcomed the opportunity offered by the Government Accountability Office (GAO) to take stock, see what worked, and what needed to be improved so that our commitment and support to the Haitian people remains as effective as possible. USAID concurs with the GAO’s four recommendations related to the Agency’s work in its March 16 report on USAID’s and State’s reconstruction activities in Haiti since the 2010 earthquake.

USAID has taken a number of steps to address the recommendations, including the following:

- To assess and learn from projects and activities that are ongoing and completed, including our infrastructure projects, USAID awarded a new monitoring, evaluation, and learning contract in August 2022 to collect and analyze data to build USAID’s knowledge and evidence base on its programs within the local context.
- USAID is committed to ongoing training of staff and partners in Haiti on USAID monitoring policy and best practices. In October 2022, USAID’s Haiti Mission staff participated in a regional monitoring and evaluation workshop that included an emphasis on activity monitoring. In addition, to ensure consistent quality monitoring data from partners, USAID held a training in January 2023 for its partners in Haiti on activity monitoring, USAID requirements, and best practices.
- USAID will track and assess activity results using the Agency’s new indicator data management system. The system provides a consolidated place to collect, store, and protect performance indicator data, as well as information about each awarded activity, allowing timely reporting and adaptive management.

In fiscal year 2020, USAID began tracking the effectiveness of U.S. government-funded capacity development efforts in Haiti to improve the quality and impact of future programming. USAID will continue to address the recommendations in the GAO report to help the Agency achieve greater effectiveness in our ongoing post-2010 earthquake reconstruction, development, and humanitarian activities in Haiti.

As learned from infrastructure projects in Haiti, and noted in the GAO audit, USAID is ensuring that planning, designing, and scoping of new infrastructure programs are detailed and complete with appropriate budgets and staff.

Question:

During a January visit to Haiti, USAID Deputy Administrator Isobel Coleman met with Haitian government officials, as well as local partners and USAID staff, to discuss the crisis in the country.

What is USAID currently providing to mitigate the ongoing humanitarian crisis in Haiti?

Answer:

The United States is the single largest donor of humanitarian assistance to Haiti. Since the start of Fiscal Year 2023, USAID has provided more than \$110 million in life-saving humanitarian assistance to Haiti. This funding is helping partners meet urgent humanitarian needs of people across Haiti by providing emergency food and nutrition assistance; delivering protection services, including gender-based violence prevention and response; and distributing medical supplies and improving access to safe water, including to respond to the ongoing cholera epidemic.

This funding comes as the humanitarian community works to scale-up the response in Haiti. In mid-April, the UN announced that it has approved a System-Wide Scale-Up of the humanitarian response over the next three months to help respond to urgent needs, particularly related to acute malnutrition, gender-based violence, child protection violations, and cholera. USAID's Disaster Assistance Response Team (DART) in Haiti continues to work closely with partners to respond to rising humanitarian needs and save lives.

Question:

Is USAID able to operate effectively amid Haiti's precarious security environment?

Answer:

Despite a deteriorating security environment, USAID is able to make progress and implement activities. Humanitarian organizations, including USAID partners, continue to reach people in need, including 700,000 reached in the first three months of 2023 alone. Since USAID's Bureau for Humanitarian Assistance deployed a Disaster Assistance Response Team to Haiti in October 2022, we have transported critical supplies including health, logistics, and water, sanitation, and hygiene commodities to partners responding to needs from the complex humanitarian emergency and cholera epidemic.

USAID is also supporting the World Food Program (WFP) to operate its UN Humanitarian Air Service (UNHAS), which transports relief supplies and humanitarian staff to areas outside of Port-au-Prince. With USAID support, WFP is also coordinating the maritime transport of relief commodities and humanitarian vehicles to reach southern areas of Haiti by bypassing blocked roads.

USAID's health programs support a network of 170 primary care health facilities (a mix of public and local, NGO-operated) in all 10 departments for their daily functioning. USAID has been able to support

continuity of health service delivery, allowing for access to essential integrated primary care services for an estimated 40 percent of the Haitian population.

Finally, USAID continues work to increase food security, expand forest coverage, and encourage business development. For example, USAID has helped over 40 financial institutions disburse over \$100 million in loans to 50,000+ MSMEs. USAID investments have helped 105,000 farmers adopt new technologies, increase yields, and generate nearly \$30 million in agricultural sales.

Looking ahead, it will be important to continue to be adaptive, creative, and flexible, given the fluid dynamics of operating in Haiti.

Question:

What are the risks being faced by USAID's Haitian staff?

Answer:

The security situation in Haiti is dire, and impacts our staff in a number of ways. Violent crime, such as armed robbery, carjackings, and kidnappings for ransom are common. Numerous Haitians, including staff, are internally displaced (living with family members and friends), due to insecurity as well as acts of violence at their residence ranging from kidnapping for ransom to gangs attacking their homes and communities.

We have taken the following steps to mitigate the risks to our staff: 1) permitting flexible situational telework that allows staff to work from home during times of insecurity; 2) trained local staff in evading and surviving a kidnapping event; 3) provided satellite phones to team leaders of local staff "clusters" organized by neighborhood/geographic location; 4) provided water purification tablets to local staff; and 5) made first aid kits available as needed. Addressing the safety and security needs of our staff is an absolutely critical priority for USAID, and we are continually assessing how best to do so in Haiti's fluid and complex security environment.

Question:

How would you describe the morale of the USAID personnel, both Haitian and American, in the Country?

Answer:

USAID's American and Haitian staff remain highly motivated and committed to our mission despite the daily challenges they face. In a recent meeting with USAID senior leadership, local staff stated clearly that "all is not lost" in Haiti, emphasizing that our programming remains critical to sustaining and protecting gains made over the last decade, emphasizing their belief that we should "not give up hope". We hear the same from our UN counterparts and other partners.

However, it is certainly the case that living and working in Haiti presents challenges for both American and Haitian staff. Movement for Americans is largely confined to within a one-mile radius of the embassy for security, with travel to meetings outside of this area restricted to armored vehicles with

security teams. For Haitian staff, living in Port-au-Prince and traveling to work is often dangerous. USAID is working closely with other U.S. government agencies to identify additional incentives to retain, recruit, and recognize staff. USAID is also working with Staff Care on addressing employee resilience and wellness.

Question:

Ecuador and the United States of America conducted a Bilateral Expanded Political Dialogue in Quito on November 16, 2022. The United States recognized Ecuador's achievements in drug interdiction and destruction and committed to continued U.S. support. Dialogue participants committed to strengthen cooperation to counter malicious actors and bolster citizen security through the defense and security partnership.

Regarding citizen security, is USAID taking the lead on that effort and how is USAID developing a strategy appropriate to the problems in that country?

Will our approach be affected by the current political problems of President Guillermo Lasso?

Answer:

USAID's Ecuador Mission continues to implement its long-term development strategy, which was updated after the February 2023 elections. Programming is focused on anti-corruption, environmental protection, service improvement, citizen security, and economic development activities. This strategy was restated in the recently submitted US-Ecuador Partnership Act Implementation Plan.

USAID's Ecuador Mission believes it is critically important to work towards addressing structural challenges that will impact current and future governments. These challenging and complex issues require a long term commitment from both the United States and the host government. Fortunately, there is broad based support and agreement about the importance of protecting the environment, lifting vulnerable populations out of poverty, and significantly enhancing security for citizens.

Citizen security remains a central focus for U.S. diplomatic engagement and foreign assistance. USAID is not the lead U.S. government agency on citizen security, but USAID's Ecuador Mission closely coordinates USAID-funded citizen security efforts with the Department of State to identify complementary programming in this area. USAID's Ecuador Mission is launching a new citizen security activity, implemented by USAID's Office of Transition Initiatives, that will promote collaboration between civil society and local government in developing effective responses to rising insecurity in Ecuador. Ecuadorians cite crime and violence as the country's biggest problem. USAID's new activity will support Ecuadorian institutions to ensure that security planning reflects citizens' concerns and proposed solutions.

We are monitoring the upcoming snap elections closely. We will assess our citizen security approach in accordance with the results and make adjustments as needed.

Question:

The Administration's signature program to aid Caribbean countries to face the problems of climate change and the challenge of the transition to green energy is the U.S. – Caribbean Partnership to Address the Climate Crisis 2030 or PACC 2030.

What has been the USAID contribution to PACC2030 to date and what will be the nature of its efforts in FY'24?

Answer:

USAID has supported the Administration's U.S.-Caribbean Partnership to Address the Climate Crisis since its launch in June 2022. Our lines of effort support the two main pillars of assistance in PACC 2030: to facilitate clean energy development and investment, and to increase climate resilience.

USAID efforts to increase clean energy deployment include activities like the Energy Sector Reform Activity, which is supporting rooftop solar studies for Jamaica and the Dominican Republic, providing training for energy cybersecurity and energy efficiency capacity building in the Dominican Republic, and developing regulations and markets for battery storage integration in Barbados. USAID initiated the Caribbean Climate Investment Program in May 2023 to support private sector investments in clean energy, energy efficiency, and climate resilience. Both the Energy Sector Reform Activity and the Caribbean Climate Investment Program will utilize FY 2024 funds to continue supporting the transition to renewable energy in the Caribbean.

USAID's work in climate resilience has included assistance to regional Caribbean organizations in the Caribbean Community (CARICOM) as well as on the local level with community organizations. USAID's partnership with CARICOM's Caribbean Institute for Meteorology and Hydrology has provided equipment and training that will increase communication and data that support preparation for regional climate and weather hazards. USAID has partnered with the Inter-American Foundation to support community-based organizations for natural resource management that will apply nature-based solutions to mitigate disaster risks. USAID's Policy and Regulatory Reform for Resilience activity will build capacity for CARICOM's Caribbean Disaster Emergency Management Agency and eastern and southern Caribbean governments to integrate policy, legislation, and regulation to respond to disasters. In addition to these continuing assistance programs, with FY 2024 funds USAID expects to work with CARICOM's Caribbean Community Climate Change Centre to support access to international climate financing, strengthen climate data portals, and encourage effective decision making by key stakeholders. USAID work will also reduce the constraints to climate and disaster finance and increase investments in climate and disaster resilience across economic sectors in the Eastern and Southern Caribbean.

USAID expects to utilize FY 2024 funds to initiate four new activities that will support PACC 2030.

- The Caribbean Flagship Marine Biodiversity activity will support marine and coastal conservation throughout the region.
- Similarly, the Sustainable Financing for Regional Conservation Activity will provide funding to National Conservation Trust funds throughout the Caribbean to increase local capacity and provide small grants to local organizations.
- In the Dominican Republic, USAID will continue supporting solid waste management through the new Oceans Plastics - Solid Waste Management activity, which will focus on reducing use of

plastics, promotion of circular economies, and implementation of new solid waste management laws.

- Finally, the Climate Adaption Activity will promote climate smart agriculture, water resource management, and forest conservation in the underdeveloped northwest region of the Dominican Republic.

Question:

The COVID-19 pandemic laid bare some of the most persistent measures of inequality in Latin America and the Caribbean, including the digital divide. An Inter-American Development Bank study in 2020 indicated 3 in 10 people in Latin America and the Caribbean lacked access to the internet. The gap in connectivity has profound implications for education, health, and the economies of the LAC region, its ability to recover from the effects of the pandemic and to achieve long-term sustainable and inclusive development.

What are the USAID programs devoted to bridging the digital divide in the LAC region?

How much is being expended on these programs?

How are these programs performing?

Answer:

With FY 2022 funds, LAC plans to program \$16.6 million in indirect programming for Digital Technology, Connectivity and Cyber Security Programming. USAID is approaching the issue of digital transformation in the LAC region through a combination of regional and bilateral programs, as well as through direct interventions by the Development, Democracy and Innovation Bureau's Innovation, Technology, and Research Hub. USAID conducted Digital Ecosystem Country Assessments in several countries, including Colombia, Guatemala, and El Salvador. Based on these assessments, USAID is implementing a number of activities throughout the region to address recommendations and findings in the assessments. Illustrative examples of activities are included below:

- In Colombia, the Cacao Connects Global Development Alliance (GDA) supports cacao producer associations in the conflict-affected Uraba region. Through its partnership with Microsoft, it deployed 26 connection hubs, enabling over 3,700 people to access the internet on a permanent basis for the first time. These connection hubs are instrumental for cacao producer associations to access timely pricing information and negotiate a higher rate for their product.
- In El Salvador, USAID's ECO activity has been successfully implementing e-commerce initiatives to support Micro, Small & Medium Enterprises (MSMEs) to confront post pandemic challenges in El Salvador. During FY 2022, ECO supported over 480 MSMEs through five initiatives to build digital marketing channels, expand operations, recover economically after COVID, train personnel, develop applications to operate their businesses, and implement tailor-made policies to take advantage of new on-line technologies.

- In Guatemala, USAID contributes to closing the digital divide in underserved and disenfranchised communities through solar-powered digital community centers which provide internet access, digital literacy, and entrepreneurship skills for indigenous women. Through the Microsoft Airband Digital Inclusion Program, 10 digital community centers have been opened following the installation of solar power and internet connectivity since 2021. Over a thousand women have received digital literacy training and 187 women have served on the women's leadership committees to manage the centers.

Question:

Last year, USAID committed to making its own operations net zero. Does the agency plan to extend these same commitments to its largest contractors, especially those who make extensive use of international air travel and ship household effects around the world?

Answer:

USAID has been focusing efforts on climate risks, and management of those risks through activity design. Activity design is one of the most impactful areas to ensure environmental and climate considerations are taken into account—a well designed activity that thoughtfully incorporates climate and the environment can have significant impact.

In addition, USAID participates on the Federal Acquisition Regulation (FAR) Environmental Team and collaborates on the U.S. government-wide approach to reducing greenhouse gas (GHG) emissions and climate risk. Specifically, USAID has participated in FAR Case 2021-015, which would require major Federal suppliers to disclose GHG emissions/climate-related financial risk and set science-based targets to reduce GHG emissions. USAID has also supported the FAR Council on FAR Case 2021-016, which aims to minimize the risk of climate change in major federal procurements. The finalization of these government-wide approaches is a critical first step.

**Questions for the Record Submitted to
USAID Administrator Samantha Power by
Representative Crow
House Committee on Foreign Affairs
May 17, 2023**

Question:

Administrator Power, the Special Inspector General for Afghanistan Reconstruction (SIGAR) was created in 2008 to conduct robust and objective oversight of the U.S. reconstruction investment in Afghanistan. In the past, SIGAR Inspector General John Sopko has been critical of USAID's response to information requests regarding oversight SIGAR is conducting into humanitarian aid programs and the fall of Kabul. Can you please update this Committee on steps USAID has taken, and continues to take, to cooperate with the lines of inquiry SIGAR is pursuing?

Answer:

As you know, USAID has long been—and remains—committed to helping SIGAR fulfill its important statutory mandate. Consistent with President Biden's strong commitment to transparency for the American people, USAID believes in the importance of inspectors general to protect against fraud, waste, and abuse. USAID is committed to cooperating with all oversight bodies—including SIGAR, Congress, and USAID's Inspector General. We are working in good faith to provide timely and accurate responses for the increasing number of oversight investigations.

Over the past several months, USAID has held several senior-level discussions with SIGAR to ensure a shared understanding of information requests and a production schedule. We are actively engaging with SIGAR staff at the working level to seek clarity on requests for information to ensure we provide accurate responses, as timely as possible, and in order of priority.

USAID is working on three new SIGAR engagements and six requests for information, 26 financial audits, and 66 open audit recommendations, which we are working with our partners to close. Since August 2021 alone, USAID has provided SIGAR with thousands of pages of responsive documents, analyses, and data describing our assistance in Afghanistan. Likewise, we have responded to multiple inquiries from our own Inspector General during that time frame. In addition, we have participated in nearly 40 Congressional briefings and responded to nearly 50 questions from Congress on Afghanistan since August 15, 2021. Our team is actively responding to in-depth inquiries from the House Committee on Oversight and Accountability as well as this committee, through Chairman McCaul, on our withdrawal from Afghanistan, for which we have already submitted thousands of pages of documentation in response.

Question:

USAID defines localization as “the set of internal reforms, actions, and behavior changes that we are undertaking to ensure our work puts local actors in the lead, strengthens local systems, and is responsive to local communities.” The Agency identifies four lines of effort in its localization work: (1) adapting policies and programs to better incorporate locally led development; (2) shifting power to local actors; (3) directing more funds to local partners; and (4) advocating for a broader shift toward locally led development within the donor and implementing partner community. How has USAID advanced localization efforts across each of these four pillars?

Answer:

USAID is advancing localization across each of the pillars in the following ways:

Adapting policies and programs to better incorporate locally led development

- In the past year, USAID has created or revised several key policies and strategies, developed new tools, and taken steps to strengthen and grow its workforce, all milestones that will help underpin and facilitate progress toward the Agency’s localization goals.
- A new Acquisition and Assistance (A&A) Strategy outlines the shifts needed in USAID’s business practices to better enable sustainable, inclusive, and locally led development.
- In addition, WorkWithUSAID.org, an online platform launched by the Agency in late 2021, seeks to demystify the process of partnering with USAID through an easy-to-navigate website that provides clear and accessible information about opportunities with USAID, with key documents translated into multiple languages
- A fully updated Risk Appetite Statement clarifies that USAID has a high appetite for taking smart and disciplined risks in working with local partners, because of the opportunities for more equitable and sustainable development outcomes when local organizations are in the lead.
- USAID’s new Local Capacity Strengthening Policy establishes Agency-wide principles to build on the skills and expertise that already exist in local organizations and communities, committing USAID to responding to local priorities for capacity strengthening.

Shifting power to local actors

- In late 2022 and early 2023, USAID conducted a series of engagements with over 300 local community based organizations, local and U.S.-based partners, and USAID staff to try to better understand the practices USAID can adopt to meaningfully and visibly create space for local actors to exercise leadership in USAID’s procurement processes and program cycle. These engagements informed the development of a new way to track how we elevate local leadership in our programs.
- Our first Localization Progress Report will be released soon and will lay out how USAID will track progress toward this goal of enabling local leadership throughout procurement processes and the Program Cycle.

Directing more funds to local partners

- In Fiscal Year (FY) 2022, USAID provided nearly \$1.6 billion, or 10.2 percent of attributable obligations, to individuals, organizations, or corporations based and legally organized in a country where they implement USAID-funded work. This is the highest level and percent of Direct Local Funding in at least a decade.

Advocating for a broader shift toward locally led development within the donor and implementing partner community

- To advocate for a broader shift toward locally led development within the donor community, USAID, in partnership with the Norwegian Agency for Development Cooperation (Norad), drafted a Donor Statement on Supporting Locally Led Development, which 13 other donor countries endorsed in December 2022 at the 2022 Effective Development Cooperation Summit. USAID and the other signatories are initiating an effort to engage the philanthropic community and invite foundations to sign the statement.
- Additionally, USAID engages regularly with bilateral and multilateral partners, as well as foundations, on locally led development. USAID has elevated locally led development by sharing good practices, lessons learned, and successes in these conversations at the leadership and working levels. USAID also hosted multiple donor roundtables with key donor partners on localization.

Question:

Administrator Power, humanitarian aid is an essential element of American diplomacy and a crucial piece of a commitment we make to citizens when we engage in the countries where they live. This diplomacy promotes our values and our national security. One of the places we have an obligation to is Afghanistan – a country where the United Nations reports that 95 percent of Afghans are not getting enough to eat and the country is at its highest risk of famine in decades.

Extreme budget cuts of 22 percent proposed by some in Congress would limit the work we would be able to do in Afghanistan to address these conditions responsibly.

Can you share what work USAID seeks to do in Afghanistan with its budget for FY24?

Answer:

The Fiscal Year (FY) 2024 Economic Support Fund and Global Health Program-USAID request for Afghanistan is \$134.9 million. This is a straight line from the FY 2022 enacted level. The FY 2024 funds will be used to implement the new Mission strategy, which is expected to focus on activities in education, health, livelihoods, agriculture, media and support for women and other vulnerable populations in an effort to meet the U.S. government's goals of preventing famine and a catastrophic humanitarian crisis, while also protecting vulnerable populations, particularly women and girls, from the Taliban's assault on their most basic rights and liberties.

USAID's International Disaster Assistance funding levels in FY 2023 are commensurate with FY 2022 levels. However, in FY 2024, USAID anticipates budget reductions across the board as funding reverts to pre-pandemic levels. Regardless of the FY 2024 resourcing level, USAID will join efforts with the international community to advance humanitarian outcomes for nearly 24 million people through continued prioritization of food assistance, market-based assistance, health, nutrition, WASH, and shelter support. Within this assistance, USAID will target populations exhibiting the worst humanitarian indicators, with a special focus on newly displaced and conflict and natural-disaster affected populations.

Question:

Can you explain what oversight measures you use to ensure that we provide life-saving assistance to millions of Afghans without providing assistance to, or to the direct benefit, of the Taliban?

Answer:

USAID takes its duty as a steward of U.S. taxpayer funding seriously and holds our implementing partners to the highest standards to ensure that funds are used wisely, effectively, and for their intended purposes. USAID assistance is not provided to the Taliban and does not directly benefit the Taliban.

Our staff and implementers have extensive experience operating in high-risk environments around the world. We require partners to establish and implement proper safeguards and risk-mitigation systems to help ensure that principled development and humanitarian aid reaches those who need it most — and that taxpayer resources are not lost to waste, fraud, and abuse. These include:

- **RISK ASSESSMENT AND MANAGEMENT PLANS (RAMPS):** USAID employs risk analytic processes that include an examination of the risks associated with the diversion of assistance to the Taliban and Haqqani Network in Afghanistan. USAID requires that partners submit RAMPs as part of their applications for funding. USAID utilizes these RAMPs, along with our robust internal analysis, to examine how applicants for funding will mitigate the risk of our assistance benefiting sanctioned entities, among other risks.
- **OFFICE OF THE INSPECTOR GENERAL (OIG):** Per USAID standard provisions in awards, partners are required to report to USAID's Office of the Inspector General (OIG) all incidents of fraud, waste, and abuse, including diversion. USAID staff continually coordinate with our partners to ensure that our assistance is reaching those for whom it is intended and that our partners have effective mitigation measures in place to help safeguard against similar incidents occurring. These instances are all documented, tracked, and reported to USAID's OIG.

- **PROGRAM REPORTING:** USAID staff regularly meet with partners, and review programmatic and financial reports corresponding with their respective awards, to assess the progress of award implementation and to obtain key contextual and programmatic updates, including access to beneficiary populations, safety and security, and attempted Taliban interference. Partners provide regular program updates on the progress of their activities and report any diversions, seizures, or losses. We monitor these reports to verify not only that our assistance reaches those for whom it is intended, but to also ensure that our partners have effective mitigation measures in place to help safeguard against incidents occurring.
- **SANCTIONS RISK ANALYSIS:** All USAID partners are required to comply with U.S. government legal authorizations restricting transactions with the Taliban, including annual appropriations restrictions. However, USAID and our partners also have authorization via various licenses from the Department of Treasury's Office of Foreign Assets Control (OFAC) to engage in incidental transactions necessary to facilitate the provision of assistance (i.e., fuel, electricity, etc.). This is not unique to Afghanistan. This authorization also exists via various OFAC licenses across OFAC sanctions programs in non-permissive environments (e.g. Yemen, Venezuela, and countries in the Horn of Africa). While USAID has legal authorizations in place to safeguard against sanctions violations, we still require our implementing partners to report any instances of diversion, fraud, waste, and abuse, including incidents involving the Taliban and Haqqani Network, and will suspend funding if necessary.
- **TERRORIST FINANCING RISK ASSESSMENT:** We have a track record of ensuring that our assistance does not benefit terrorists or other blocked persons. In 2009, the Mission implemented a Terrorist Financing Risk Assessment, a document that requires USAID staff to adhere to policies that ensure USAID-financed projects and activities are insulated so that benefits are not provided, even inadvertently, to terrorists.
- **VETTING:** USAID's partner vetting policies are outlined in ADS Chapter 319, which includes requirements for pre-award vetting and an option for post-award vetting for urgently needed humanitarian assistance (see ADS 319.3.6.3). Special standard operating processes are further described in the country specific partner vetting orders.

MISSION ORDER: USAID's Afghanistan Mission's vetting Mission Order (M.O.) 201.06 outlines the vetting process in detail. Generally, USAID vets proposed non-U.S. prime or sub-awardees when the proposed award amount exceeds \$25,000. Vetting is done by award, and is redone annually for multi-year awards. U.S. citizens are generally not vetted. Per M.O. 201.06, however, USAID reserves the right to vet any entity, or any person, at any time when there is a noted concern of being involved with a prohibited party.

**Questions for the Record Submitted to
USAID Administrator Samantha Power by
Representative Jacobs
House Committee on Foreign Affairs
May 17, 2023**

Question:

The Global Fragility Act requires the Admin to work with and through local actors, but so far, it seems as though few if any new programs through this initiative will be implemented by local partners. How can we work together to improve on this issue? Specifically, what authorities does USAID need from Congress?

Answer:

We agree that more can be done together to enable USAID to partner directly with local actors and for Global Fragility Act (GFA) implementation. Specifically, we could use congressional support in increasing staffing in the field, as well as the requisite security resources needed for USAID staff to engage communities and monitor projects. In addition, more flexible and discretionary spending at the GFA Missions would allow for further joint and locally led programming.

The drafting of the ten-year GFA plans is an early example of placing local actors at the center of GFA implementation. Each of the plans in the countries and region were drafted through hundreds of consultations with local stakeholders, including civil-society organizations, the private sector, academia, the faith community, local governments, and the diaspora, leading to better understandings of the local conflict drivers at the national and community levels.

The U.S. government will continue seeking the input of local stakeholders and engage with local partners as a crucial part of the Strategy implementation, and in order to develop new and innovative programming to address root causes as well as pivot existing programming and resources to support these efforts. Already, this extensive local engagement in the development of the plans has led to innovative, new local initiatives and approaches to addressing drivers of instability.

In Coastal West Africa, USAID's Office of Transition Initiatives' Littorals Regional Initiative partners with grassroots groups and networks to mitigate divisive rhetoric and foster cooperation between groups historically at odds. In northern Ghana, intra-Muslim tensions posed a major vulnerability that could be exploited by violent extremist organizations. Working with a local organization - the Northern Regional Peace Council - USAID's Office of Transition Initiatives provided training for and dialogue sessions with local religious leaders and FM radio station managers prior to the holy month of Ramadan.

USAID recognizes the importance of programming directly through local partners, and has made key progress toward a new model of locally led development assistance. We've set strong foundations through new and revised policies and strategies, including:

- A new Acquisitions and Assistance Strategy that outlines the steps related to workforce development, process efficiency, and barrier reduction needed to better enable sustainable, inclusive, and locally led development;
- An updated Risk Appetite Statement that takes into account realities of working with local organizations;
- A new Local Capacity Strengthening Policy that, with its focus on supporting locally prioritized capabilities, looks toward long-term, more sustained progress; and
- Tools, like WorkWithUSAID.org, to facilitate more and higher quality engagement with local actors.

We appreciate the support we have received thanks to new authorities from Congress, such as the Crisis Operations Staffing pilot. We are making progress with this initiative by hiring new contracting officers and crisis and conflict personnel, which will enable us to work more directly with local organizations across the USAID portfolio. Our Agency-wide goal is to provide 25 percent of our funding directly to local organizations by 2025, and have 50 percent place local communities in the lead by 2030. We are excited by the chance to see these efforts also shift programming modalities in GFA countries.

Question:

As we continue to provide Ukraine the support it needs to defend itself against Russia's invasion, we need to lay the foundation now for a successful recovery of Ukraine. To me, that means rebuilding its economy in a responsible way that strengthens Ukraine's democracy, and avoiding some of the mistakes we made in Afghanistan.

How is USAID thinking about lessons learned in this space?

Answer:

While there are many lessons to learn from the Afghanistan context regarding recovery, the current situation in Ukraine makes them difficult to compare. U.S. government (USG) support for Ukraine in its stand against Russian aggression remains popular with Ukrainians and the Government of Ukraine (GOU). Furthermore, prior to the full-scale invasion in 2022, Ukraine maintained a well-educated population that produced technical advancements in the digital economy, and was a leading country in government e-services, such as the USAID-supported Diia app.

With generous support from Congress, USAID non-security assistance has been essential to Ukraine's economic and political stability over the past year, enabling Ukraine's survival, and first steps towards recovery. This support has allowed the GOU to focus its efforts in fighting to regain and preserve its

territorial integrity, while keeping its citizens warm in the winter, children educated in school and through remote learning, and medical care available by funding salaries for teachers, hospital workers and first-responders.

The 2014 Revolution of Dignity produced a critical inflection point in Ukrainian society. Citizens organized against corruption and voiced their desire to point Ukraine towards the West, putting it on a path towards democracy and EU integration. However, Ukraine will need to continue the hard work of reforms, including a continued fight against corruption, to join the EU. While Russia's war poses an external threat, corruption still poses an internal threat to Ukraine's democracy, to its sovereignty, and to the realization of its aspirations for integration with Europe.

USAID recognizes this challenge and has partnered with the GOU and civil society organizations in their efforts to fight corruption since the invasion in 2014 and following the full-scale war of aggression in 2022. During this period, the USAID Mission in Ukraine has invested in 16 programs aimed at anti-corruption and strengthening governance. For example, the Decentralization Offering Better Results and Efficiency (DOBRE) activity is part of a coordinated package of international donor assistance to the GOU to implement nationwide decentralization reforms and ensure the success of newly consolidated communities.

Question:

And what tools would be most effective to ensure an accountable and responsible reconstruction plan that puts Ukrainians in the lead?

Answer:

Ukrainian reconstruction and recovery should be Ukrainian-led in order to be most effective and responsive to the Ukrainian people. In addition, multilateral donor support, along with private sector investment, are critical to this effort as Ukraine's recovery needs outstrip the resources of any one donor country, including the United States.

Furthermore, USAID considers good governance, political and economic reforms, and rule-of-law to be necessary components of Ukraine's reconstruction and restoration of its pre-invasion Euro-Atlantic trajectory. USAID continues to emphasize the importance of demonstrated progress on reforms and accountability measures that are feasible for Ukraine to enact now in conversations with GOU counterparts. As part of an integrated USG diplomatic and foreign assistance approach developed by the interagency process and in tandem with other donors, conditionality on future reconstruction assistance could be a powerful tool in advancing the reform agenda in Ukraine.

As for the current phase of the conflict, it is critical that the USG continues to work with the GOU, civil society groups, the European Commission, international financial institutions, and other donors to

encourage and undergird the GOU's commitment to fighting corruption, bolstering the rule of law, and strengthening democratic institutions that are transparent and accountable to its citizens. Moreover, USAID recognizes the importance of digitalization of the reconstruction process to maximize transparency and accountability. This includes supporting components of the Digital Restoration Ecosystem for Accountable Management (DREAM) system to ensure end-to-end transparency of reconstruction project management as well as the e-Recovery system to provide compensation to victims suffering damaged property. Finally, USAID is prioritizing support to civil society watchdog organizations to monitor the use of reconstruction resources and ensure community and citizen participation in the reconstruction of local communities.

Question:

Some experts argue that if the agenda is too focused on "capacity building" of local NGOs, this can increase aid dependency because it forces them to restructure themselves in a way that better serves USAID, rather than their communities. How is USAID taking this challenge into consideration and working to revise its own policies and bureaucratic impediments to be better structured to work with local NGOs?

Answer:

USAID released a new Local Capacity Strengthening Policy in October 2022 which guides USAID decisions about why and how to invest in the capacity of local actors based on principles derived from an emerging consensus across the development and humanitarian landscape, feedback from local actors and partners, and years of implementation experience and evidence. The Policy focuses USAID and its partners to make investments in strengthening the capacities that are prioritized by local actors and that would have sustainable results, as opposed to focusing on capacity building to meet donor requirements. The Policy is intended to ensure USAID activities build upon existing strengths, focuses on measuring performance change, and implements practices that encourage mutual accountability in the achievement of mutual objectives.

Many local partners do have a desire to work directly with USAID, so even as we expand our focus on capacity strengthening to go beyond building local partners' capacity building to meet donor requirements, we will still continue to invest in supporting local organizations' readiness to receive direct awards. We are complementing these capacity focused efforts with efforts to make it easier for local partners to work with us using more flexible, adaptable, and simple award mechanisms to provide direct funding to local organizations; improving local partners' abilities to recover their full costs of implementing awards by expanding existing and introducing new indirect cost-recovery options; and expanding opportunities for local partners to engage in these processes in languages other than English.

Finally, reflecting lessons learned from Local Solutions back in 2011-2015, we are also taking steps to avoid incentives to push "too far too fast," even as we encourage expanding our work with local actors.

First, we are asking Missions to set their own targets for direct local funding rather than assigning the same target to everyone. The ability to partner with local organizations varies quite a bit by context. Some Missions can channel the majority of their funding through local partners; others will face very limited opportunities, so it is important that targets reflect the local context.

Question:

Conflict and fragility have hit record highs and unfortunately, these negative conflict trends are increasing. Reforming the entrenched bureaucratic and siloed systems and ensuring priority is given to prevention will be extremely difficult. Remedying legal and bureaucratic barriers and ensuring sufficient resources from Congress are key to success.

USAID has great assets in OTI and the GFA country plans but is this enough to reverse the conflict trends? Do you have the resources you need including contingency funding and what additional reforms are needed?

Answer:

While playing an important role, current USAID assets are insufficient to reverse conflict trends in GFA designated countries and other countries where USAID's Bureau for Conflict Prevention and Stabilization has programming. However, they are critical in being able to identify and leverage windows of opportunity to positively impact the trajectory in countries where the Bureau for Conflict Prevention and Stabilization is operating.

Beyond predictable and elevated budget levels for peacebuilding and conflict prevention efforts worldwide, increases in flexible contingency resources could help the U.S. government better respond to emerging and unanticipated challenges and complex crises. While the GFA Prevention and Stabilization Fund (PSF) is a catalyzing contingency fund, when the authority subsides in FY 2025, further discretionary funding is necessary. GFA has allowed Missions to focus on non-"traditional" sectors, such as promoting social cohesion and extending government reach, to address drivers of instability. For example, USAID's Mission in Haiti will be implementing an innovative community security program to complement the Department of State Bureau of International Narcotics and Law Enforcement's existing police training efforts, to include trust building activities to expand Haitian National Police (HNP) presence in targeted neighborhoods. While aligning whole-of-country plans are important to the GFA, in reality the U.S. government needs to also focus on important sustainable development markers such as health and education. GFA PSF allows us to target key drivers of instability and address grievances within the population that could create crevices for violent extremist organizations and others. In many of our GFA countries (Mozambique, Côte d'Ivoire), PSF is the only discretionary funding available. This will be a significant loss when the authority lapses. Flexible and discretionary spending at the GFA Missions is necessary for joint and locally led programming.

The Agency needs more *flexible* contingency funding to address global conflict trends. USAID is requesting \$102 million in base Transition Initiatives (TI) funding for FY 2024. In FY 2023, the Office of Transition Initiatives (OTI) was appropriated \$130 million in TI (\$80 million in base TI and \$50 million in Ukraine Supplemental TI). The TI funding levels for FY22 (\$200 million) and FY23 (\$130 million) have been critical to the U.S. government and USAID's response to Russia's aggression in Ukraine, and to respond to conflicts and crises globally. Historically, OTI manages approximately \$250 million annually in 15-17 countries, demonstrating that additional contingency resources are needed and will be programmed quickly.

The GFA also challenges the U.S. government to do things differently – which means not only focusing on the conflict prevention and fragility objectives in the 10 year plans, but also breaking down intra- and interagency silos and bureaucratic structures that prevent integrated, whole-of-government approaches.

As GFA implementation gets underway, the interagency has come to understand that process and that the regulatory, legal, and bureaucratic barriers that hinder whole-of-government approaches are as important as the development, diplomatic, and security engagement in our partner countries.

The interagency is analyzing and reviewing management and legislative reforms such as flexible funding and constraints on fiscal accounts that hinder whole-of-government monitoring, evaluation, and learning, as well as creating staffing and hiring constraints.

Question:

Conflict prevention routinely takes a back seat to immediate crises. But in the roll out of the GFA country plans, President Biden stated in transmitting the new plans to Congress on March 24 this year, "We recognize that the best strategy to save lives, build lasting stability, and disrupt the cycle of violence is to prevent conflicts before they happen."

How are you exercising development diplomacy beyond humanitarian assistance and food security and integrating conflict prevention and peacebuilding into these and other programs?

Answer:

Preventing conflict and stabilizing regions impacted by conflict is of the utmost importance to the Administration and, in turn, USAID. Recognizing that conflict can exacerbate development challenges across sectors, new strategies and programs have elevated and built conflict considerations into existing materials. For example, USAID will update its Resilience Policy to recognize that conflict can result in, and exacerbate, recurrent crises. It will further emphasize the importance of strengthening the humanitarian, development, and peace nexus. Meanwhile, USAID's Climate Strategy and Global Water Strategy further acknowledge conflict as an issue that is driven by climate change and water scarcity, but

also can exacerbate the deterioration of the environment, water resources, and potable water access. Both have dedicated objectives that commit USAID to addressing conflict and fragility through our water and climate work.

Regarding food security and nutrition programs, the U.S. government's Global Food Security Strategy (GFSS) adopts a multi-risk approach that recognizes the interrelated and compounding impact of shocks (pests, COVID-19, drought, floods, etc.) and conflict. The inability to manage major shocks can exacerbate conflict and violence. An existing conflict may prevent agencies from effectively addressing shocks, which then increases the impacts of the shock on vulnerable populations. Integrating conflict sensitivity and conflict prevention into programming is a priority for USAID in its Feed the Future programs, especially those working in fragile and conflict affected contexts.

USAID also relies on the USAID-funded Famine Early Warning Systems Network (FEWS NET) which builds conflict dynamics and forecasting into its analyses. As conflict is the primary driver of food insecurity globally, FEWS NET conducts conflict intensity analyses, including descriptions of the associated intensity level and assessments of the means of the conflict and consequences of the conflict (casualties, displacement, destruction). Through requested funding via the Global Fragility Act Prevention and Stabilization Fund (PSF) Strategic and Cross-Cutting Resource Plan, FEWS NET is working to strengthen its capabilities in describing and interpreting conflict dynamics. We anticipate this work – to be initiated in a pilot that includes Global Fragility Act countries Haiti and Mozambique – will be advanced in partnership with researchers at the Peace Research Institute of Oslo and the Center for International Tropical Agriculture.

Question:

One of the main takeaways from the SIGAR (Afghanistan) report was that the U.S. government didn't get the right people into the right jobs at the right times. What is USAID doing to remedy this finding especially in countries like Haiti?

Answer:

Finding the right people for our jobs remains a challenge for USAID's Mission in Haiti as well as for U.S. Embassy Port-au-Prince. We are actively recruiting for Foreign Service National (FSN) vacancies, which is deemed a top priority for the Mission. However, with the "brain drain" of Haitians who are legally departing Haiti at a rapid rate, the pool of qualified candidates is severely limited, particularly for the higher level positions (e.g., specialists, managers, etc.). Meantime, USAID's Haiti Mission has been and is successfully utilizing our agency FSN Fellows program to draw upon the technical and operational FSN cadres from other USAID missions to undertake two-to-three month temporary duty assignments to Haiti to provide programmatic and administrative support to our offices.

While recruitment is critical to bringing in new personnel, the U.S. Embassy in Haiti, including USAID, is also actively pursuing ways to retain those FSN staff still employed with us, specifically looking at their allowances and benefits package. One very important effort is the push to “dollarize” the locally employed staff salary which will enable our FSNs to maintain the value of their pay, given the huge devaluation of the Haitian Gourde and high inflation rates in recent months.

For Foreign Service Officers (FSOs), Haiti is designated a “Two Year Hard to Fill” assignment which means it is prioritized when USAID makes assignment decisions for FSOs. FSOs assigned to USAID’s Haiti Mission may receive a Difficult to Staff Incentive Differential (DSID). DSID is a bidding and retention incentive equal to 15 percent of an FSO’s base salary. An FSO approved to serve three full years at a DSID-approved post listed above may elect to receive DSID payments at the end of each year of their tour of duty. DSID is also available for other posts that have been historically difficult-to-staff.

Question:

(Women-led and Women’s Rights Organizations) Administrator Power, you announced that USAID will allocate 25% to local organizations by 2025. However, there is no metric of how much of it will go to local women-led and women’s rights organizations, despite the fact that we know that these specific types of national and sub-national organizations find it particularly challenging to access funding. For instance, recent analysis from the Women’s Peace and Humanitarian Fund found that over 90% of these organizations were concerned about their organization’s existence due to lack of core funding; while CARE’s recent evaluation of WLO/WRO’s providing support in Ukraine show that lack of funding during crisis has strained and overstretched their limited capacity; and an analysis from the IRC found that only 3.5% of pooled funding in humanitarian contexts reached WROs/WLOs in 2021. Directly funding WLOs/WROs allows for best placed actors to provide services quickly and cost-effectively to communities and is critical to reaching populations at the last mile.

What percentage of USAID’s funding to local organizations has gone directly to WLOs/WROs, and what is USAID doing to ensure that these organizations are receiving core support to meet growing demand for services?

How are these organizations, and particularly those that are operating in humanitarian contexts, involved in overall localization conversations and efforts at USAID?

Answer:

USAID recognizes the importance of reaching a diverse group of local partners, including women owned organizations, as part of our push to increase our direct local engagement. Women-led and women’s rights organizations (WLOs/WROs) provide a vital link to women and girls at the community level.

Recognizing this, USAID Missions and Bureaus partner with local women-led organizations across sectors and countries—from democracy-building to promoting food security to addressing gender-based violence. For example, Missions are partnering with local women’s organizations: in Vietnam, to reduce plastic pollution, through the USAID Local Works program; in Tanzania, to advance women’s political and civic participation; and in Nepal, to promote women’s economic security. In Northern Central America, USAID sponsored the MujerProspera (WomanProsper) Challenge in 2022, a regional challenge to advance gender equality in El Salvador, Guatemala, and Honduras. Seven of the nine winners were local partners, three were regional efforts, and all leveraged private sector support to advance women’s economic security and address harmful gender norms, enabling safe work environments.

In humanitarian crises, USAID currently supports a number of awards that direct funding to WLOs and strengthen their voices in humanitarian decision-making. USAID provided \$13 million through the Women’s Peace and Humanitarian Fund (WPHF) to support WLOs in Ukraine and Haiti to address humanitarian priorities on the ground. In Ukraine, this helped WPHF open two additional calls for proposals in 2022, focused on supporting local women’s organizations advancing socio-economic recovery, leadership, and the political participation of forcibly displaced women and girls. In addition, USAID recently launched a 5 year pilot program working to increase WLOs’ decision-making and access to humanitarian financing in Afghanistan, Nepal, Colombia, and the Democratic Republic of the Congo.

In FY22, USAID also contributed \$20 million to the Ukraine Humanitarian Fund (UHF), the UN-managed country-based pooled fund in Ukraine. The UHF provided capacity strengthening support for humanitarian organizations in Ukraine, including more than 100 WLOs/women’s rights organizations (WROs). Support focused on strengthening the capacity of WLOs to qualify for funding, oversee funding and programs, and self-assess their own gaps and needs—all critical to ensuring WLOs/WROs can access funding, carry out programs, and ultimately increase women’s voices in the humanitarian response.

Globally, tracking direct funding to WLOs remains a challenge. USAID utilizes the certifications available in the System for Award Management (SAM) to identify aspects of individual organizations, yet WLO and WRO are not certifications that currently exist within SAM. There is a certification within SAM — Woman Owned business — but this only captures a subset of the broader WLO/WRO category. Using the existing localization methodology, Women Owned business accounted for less than 1% of local funding in FY20, FY21, and FY22 of local funding. We note however, these Socio-Economic factors are not well utilized by non-U.S. partners in SAM, and so the available data is under-representative of USAID’s local partners who are women-owned businesses. USAID will raise partners’ awareness of this certification option in order to capture more data on the local women-owned businesses with which USAID works. We will also explore options to address the SAM certification limitations.

USAID prioritizes locally led efforts to dismantle systemic inequalities and power imbalances in the contexts in which we work. Across our global development and humanitarian work, USAID will emphasize direct engagement with, funding of, and support for local organizations, including those led by women, girls, and those dedicated to promoting gender equality.

Question:

(Hunger Crisis – Diplomatic Engagement) Global hunger has risen to unprecedented levels this year. The scale of the current global hunger and malnutrition crisis is enormous, with an expected 345.2 million people projected to be food insecure in 2023 – more than double the number from 2020. Women and girls are disproportionately affected by the hunger crisis, with more than 150 million more women than men who are hungry.

How do you view the role of USAID and other U.S. agencies in using our diplomatic leverage to encourage other donor countries and multilateral forums to follow U.S. leadership in addressing global hunger?

Answer:

Humanitarian and long-term food security needs remain significant. The number of people experiencing food insecurity globally has more than doubled in the past three years. At the same time, that same high level of need is also overstretching donor capacities. Within the U.S. government, USAID works in concert with interagency stakeholders. We rely on the support of partner agencies like the Department of State to help enforce the need for other countries, institutions, and the private sector to contribute more robustly.

For example, in 2022, the Department of State and USAID released the *Roadmap for Food Security - Call to Action*. This Roadmap laid out seven calls to action for UN Members to contribute more to both humanitarian needs as well as medium- to long-term mitigation. It asked UN member countries to affirm their commitment to act with urgency, at scale, and in concert to respond to the urgent food security and nutrition needs of millions of vulnerable people. More than 100 nations have signed on to this effort as of April 2023.

USAID is also working hard to engage the G7, the G20, the private sector, multilateral organizations, and others to advocate for substantial increases in emergency and long-term development assistance targeting the most vulnerable countries already suffering from high levels of food insecurity and malnutrition. In addition, USAID is making strategic efforts to garner support from new and emerging donors. We are engaging Gulf donors to gain a clearer understanding of their response priorities, preferred partnership mechanisms, budget, and funding timelines. For example, in close partnership with the U.S. Department of Agriculture and the Department of State, USAID is supporting the joint U.S.-United Arab Emirates “Agriculture Innovation Mission for Climate (AIM for Climate)” initiative that encourages countries to increase their investments in climate smart agriculture. To date, over 40 countries have joined this effort and committed to increasing their investments in research and development (R&D) for climate smart food systems. USAID has been particularly focused on encouraging developing countries to join this initiative as we know investments in agriculture R&D are a powerful tool for improving food security and decreasing poverty.

Question:

(Hunger Crisis – Investments in Resilience) Persistent crises are contributing to a significant increase in the average length of a humanitarian crisis which is now seven years long. Global food needs are at a record high. Humanitarian relief is essential to meeting the immediate crises but ultimately, we hope to build communities' resilience rather than continue costly humanitarian responses. We know that every \$1 invested in building resilience saves \$3 in humanitarian aid, a strong return on investment in this era of budget constraints.

How would additional flexibility within USAID non-emergency food programs achieve the goal of moving away from emergency responses to a more sustainable model?

Answer:

USAID's non-emergency food programs are designed to build resilience in vulnerable communities, reducing both their reliance on food aid and their potential need for humanitarian assistance in the long term. This programming can include a broad range of activities including nutrition interventions, natural resource management, disaster risk reduction, and training for farmers. However, the amount of funding that can be spent on these innovative, multi-sectoral programs is limited to the amount of Community Development Funds (CDF) the Bureau for Humanitarian Assistance (BHA) receives annually (approximately \$80 million) and Section 202(e) of the Food for Peace Act (Title II), which is capped at no more than 20 percent of Title II resources. USAID uses Section 202(e) to fund both non-emergency food assistance programs and increasingly-expensive program implementation costs for emergency food assistance programs. This cap often forces BHA to require non-emergency partners to program in-kind commodities, which can be at odds with the objective of reducing reliance on food aid, and when different interventions would create a more lasting impact on the resilience of a specific community.

USAID can build more sustainable outcomes with non-emergency programs by allowing partners to design programs around the needs of each community, whether that includes the provision of in-kind commodities, resilience-building activities, or both over the course of the program. It is through this flexibility that USAID and its partners can work with communities to reduce their reliance on emergency assistance in the long term.

BHA's impact evaluation of this Resilience Food Security Activity found that this program had significant positive impacts on beneficiaries and their households in poverty reduction, food security, nutrition, and self-reliance. Average food consumption per capita increased by as much as 25 percent relative to the control group. Average productive asset values increased by as much as 88 percent relative to the control group. Finally, average total household income increased by as much as 45 percent relative to the control group, pointing to sustainable results. By helping families build the assets and obtain the skills necessary to increase their household incomes and livelihoods, these programs helped families become less vulnerable to facing hunger after the end of the program.

The reauthorization of the Food for Peace Act as part of the broader Farm Bill in 2023 would provide a critical opportunity for Congress and USAID to work together to ensure the U.S. government's food assistance programs are as efficient and effective as possible to meet rising global humanitarian needs with finite humanitarian resources.

**Questions for the Record Submitted to
USAID Administrator Samantha Power by
Representative Young Kim
House Committee on Foreign Affairs
May 17, 2023**

Question:

As Chairwoman of the Indo Pacific Subcommittee, I am interested in hearing from you about how USAID's FY24 budget request seeks to address the challenges malign influence poses in the region. In our February hearing, AA Schiffer said that USAID is noticing the malign effect of the PRC's weaponization of development assistance.

How would you characterize this weaponization and its malign effects?

What is USAID's approach to countering the CCP's activities in every country which USAID and the PRC operate?

What is USAID's internal approach and strategy towards countering CCP malign influence?

Answer:

USAID is clear-eyed about the strategic context in which we operate, and the role that the PRC plays in both the Indo-Pacific region and around the globe. The PRC is one of the most important geopolitical and geoeconomic challenges of our era, and it is a simple fact that what the PRC does will increasingly have an impact on our work. Today, as a result of the PRC's predatory Belt and Road Initiative, countries in Asia, Africa, and Latin America owe the PRC more than \$1 trillion in debt, often for non-financially viable projects, at a time of growing financial distress that is undermining sustainable development and economic growth across the Global South.

We may not change the PRC, but we are going to work with our allies and partners to shape the environment in which Beijing operates and, in doing so, advance our own affirmative vision for an open, transparent, and rules-based world.

By embodying our democratic ideals in the development space and by building our partners' capacity, even amid intensifying global challenges, we seek not just to enable prosperity, but to empower entire nations and entire peoples to achieve their ambitions—as they define them—and build the resilience they need to maintain those achievements.

USAID's lines of effort related to PRC actions and influence are well aligned with the Administration's focus on "invest, align, and compete." USAID emphasizes the affirmative approach of the Indo-Pacific Strategy by:

- Strengthening democratic institutions to support good governance and human rights. USAID enables partner countries and local communities across the Indo-Pacific to become increasingly independent of, and resilient to, authoritarian influence—and helps them achieve lasting development progress. We support integrated U.S. Government approaches to address information manipulation in partner countries by identifying and addressing narratives from the PRC and other authoritarian actors that aim to build legitimacy for authoritarian governance and values, while undermining democratic ones.
- Fostering sustainable, inclusive, and transparent economic growth. USAID's model, unlike that of the PRC, fosters economic environments that enable competition and fair and transparent dealmaking, which in turn incentivizes investments and creates opportunities for the United States and other responsible market actors. To provide sustainable alternative pathways for economic growth and development, USAID catalyzes public and private support for climate-aligned infrastructure projects to reduce the dependency on PRC financial tools for infrastructure and energy, strengthen regulatory practices, market-based systems, and open economies; and promote opportunities for the U.S. private sector.
- Improving resilience to health and climate threats. USAID, in concert with its interagency partners and like-minded allies, supports our partner countries to become increasingly resilient and achieve stronger and more sustainable development outcomes. USAID will continue to bolster the resilience of partner countries and economies to prevent, detect, and respond to infectious disease threats and address climate threats by, protecting critical ecosystems, implementing legal and regulatory reforms, mitigating resource conflicts, helping nations transition to renewable energy, and building resilience against the impacts of climate shocks.

While competition with the PRC is most pronounced in the Indo-Pacific, USAID also recognizes it is becoming increasingly global. USAID has identified four primary lines of efforts where development expertise, investments, and tools can be especially critical in supporting sustainable development amid the PRC's investment and influence efforts in all of our partner countries, while bolstering the U.S. government's objectives related to the PRC. These include:

- Environmental Transparency: Supporting partner countries to transparently conserve and manage natural resources, address and adapt to the climate crisis, and better protect the environment.
- Digital Development: Empowering partner countries to develop open and secure digital ecosystems – including robust cybersecurity – and policies and regulations consistent with international standards.
- Democratic Values: Helping partner countries demonstrate that democratic institutions, respect for human rights, and adherence to the rule of law will deliver tangible results for societies and individuals.

- Enhanced Resilience: Ensuring that partner countries can enhance their own resilience and independence so that they can more effectively make their own sovereign decisions.

Question:

USAID has an internal data analytics shop looking at PRC investment through the Belt and Road Initiative, and the strategic benefits derived from these investments. What are we doing to counter or limit the benefits the PRC can derive from the BRI? Which type of BRI investments are most worrying to you?

Answer:

Research has indicated that the primary goals of the Belt and Road Initiative (BRI) are commercial: to earn higher returns on the PRC's foreign exchange reserves, and to increase trade access to new markets. However, the PRC considers its overseas lending a state secret, and resists public disclosure of the terms of its finance abroad. This makes public scrutiny and accountability of PRC-financed projects difficult, and has allowed PRC lenders to use a variety of clauses to lower its own credit risk, such as the inclusion of "hidden debt" clauses which make the borrowing public in many BRI countries ultimately responsible for these loans. USAID has worked diligently to raise public awareness and accountability of the PRC's BRI lending program. USAID has supported collection and public release of PRC lending terms through research conducted by AidData at William and Mary.

USAID is also responding to this challenge with an affirmative approach that advances our own global development agenda. The Agency's approach identifies four lines of effort where development expertise, investments, and tools can be especially critical in supporting sustainable development, particularly amid concerns raised by the PRC's investment and influence efforts in partner countries, while bolstering the U.S. government's objectives related to the PRC, as outlined in the White House's National Security Strategy. These include:

- Supporting partner countries to transparently conserve and manage natural resources, address and adapt to the climate crisis, and better protect the environment;
- Empowering partner countries to develop open and secure digital ecosystems – including robust cybersecurity – and policies and regulations consistent with international standards;
- Helping partner countries demonstrate that democratic institutions, respect for human rights, and adherence to the rule of law will deliver tangible results for societies and individuals; and
- Ensuring that partner countries can enhance their own resilience and independence so that they can more effectively make their own sovereign decisions.

Question:

At the end of last year, Congress passed and the President Biden signed into law the Global Malnutrition Prevention and Treatment Act. I was honored to be one of the lead cosponsors of

this bill, alongside Chairman McCaul and Ranking Member Meeks. The purpose of this bill is to strengthen USAID's tools to combat global malnutrition, including interventions are known as the Power 4 that include prenatal vitamins, breastfeeding support, vitamin A supplementation and Ready-to-Use Therapeutic Foods or RUTF. Could you please report on the progress to date in implementing this law?

Answer:

The Global Malnutrition Prevention and Treatment Act (GMPTA), signed into law in October 2022, directs the USAID Administrator to: (1) advance targeted and evidence-based interventions for the prevention and treatment of global malnutrition; and (2) improve coordination of such programs. GMPTA prioritizes targeting vulnerable populations, especially children under five, and pregnant and lactating women.

The legislation requires a GMPTA implementation plan to be submitted no later than 260 days after enactment of the Act, which is to be delivered in early July 2023. USAID has been diligently working across the Bureau for Global Health, the Bureau for Resilience and Food Security, and Bureau for Humanitarian Assistance and is on track to submit the implementation plan by the deadline.

The draft implementation plan highlights USAID's priorities and evidence-based approaches to combat global malnutrition, which include: strengthening nutrition in primary health care system, supporting lactating mothers and their families with skilled breastfeeding counseling, improving access to prenatal micronutrient supplements for pregnant women, strengthening the prevention and treatment of wasting, ensuring adequate Vitamin A coverage, increasing dietary diversity and appropriate complementary feeding, scaling and sustaining large scale food fortification, and improving food safety. Annual reports, as required under the GMPTA, will summarize progress towards implementation of the GMPTA, particularly in USAID Nutrition Priority Countries.

Question:

With the global food security resources that Congress provided last year and the subsequent \$200m commitment by USAID to scale up the procurement and distribution of Ready-To-Use Therapeutic Foods (RUTF), we now are hearing that severe acute malnutrition treatment coverage rates could reach as high as 75% in the highest burden countries this year- as compared to just 20% before this scale-up effort. We must maintain these coverage levels for tens of millions of children on the verge of death from severe malnutrition. As you know, the FY23 State Foreign Operations bill Congress directed your agency to provide a report to Congress on how you will sustain scaled-up procurement and delivery of American made RUTF. Could you please provide a summary of USAID's plans to maintain increased RUTF coverage levels, and the associated funding requirements.

Answer:

The robust supplemental funding provided by Congress in Fiscal Year (FY) 2022 to respond to the global food security crisis allowed USAID to substantially increase its focus on acute nutrition needs; in FY22 USAID saw an almost six-fold increase in RUTF programming from FY18, when USAID supported the procurement of just 13,000 Metric Tons (MT) of RUTF. Because of USAID's efforts, pipelines of RUTF are stable with no anticipated stock outs through the 2023 calendar year in the 13 countries targeted with the \$200 million global contribution to UNICEF. This global contribution supported nearly \$119 million in RUTF procurements and \$61 million in wasting program implementation costs in priority countries facing severe food insecurity.

USAID continues to prioritize programming for the prevention and treatment of wasting and maintains an ambitious target of continuing to support 13 priority countries to ensure that there is no increase in wasting levels through 2025. To achieve this, USAID aims to support early, predictable funding of specialized nutritious foods in 2024 and 2025 with transparent procurement plans accessible to suppliers in the United States and globally in order to facilitate the production and delivery of nutrition commodities. USAID holds five-year contracts with its U.S. suppliers of RUTF that allow for steady procurement and continuity of production through Title II Food for Peace Act funds.

USAID remains committed to supporting medium-term planning discussions to ensure that all children in need of wasting treatment receive it. While there is a need to remain focused on immediate nutrition needs through the end of 2023, USAID is committed to supporting long-term planning with partners and lasting change for key countries in 2024, 2025, and beyond. These discussions and planning are built on: the United Nations' Global Action Plan for Child Wasting (GAP), adaptations that utilize the forthcoming World Health Organization guidelines for wasting treatment, and improved organizational arrangements related to last-mile delivery of nutrition commodities.

Question:

The biggest funding area in the President's International Affairs Account budget request is for global health programs. The U.S. Government and USAID are by far the largest bilateral global health donors, and we have achieved remarkable results in terms of tens of millions of lives saved over the last several decades through investments to advance maternal and child health and to combat infectious diseases. Yet, the biggest looming global health threat is one that currently is outside the scope of your agency's global health work. This threat is Alzheimer's disease and dementia, which currently afflicts nearly 60 million people across the globe- a number that is projected to jump to more than 150 million by 2050.

The prevalence of Alzheimer's is growing most rapidly in low- and middle-income countries, which comprise more than 70% of the world's AD cases. Yet, most clinical research on Alzheimer's is conducted with people from wealthier countries- 80% of genetic studies recruit people of European descent, despite 80% of the global population being from elsewhere.

You lead the world's largest global health donor agency, which has been a top donor to multilateral health initiatives such as Gavi and CEPI, and you have made the transformation of USAID's programming to locally led solutions a central pillar of your leadership agenda. Therefore, you are perfectly positioned to play a critical role in driving a global action agenda to combat Alzheimer's and dementia.

Earlier this year at the World Economic Forum in Davos you announced a new Enterprises for Development, Growth and Empowerment (EDGE) Fund to enable USAID to enter into new partnerships with the commercial sector. The WEF also has served as an incubator for other public-private partnerships to advance development and health, including the launch of Gavi and CEPI at past WEF convenings. And, two years ago the WEF played host to the launch of a new global Alzheimer's research initiative called the Davos Alzheimer's Collaborative (DAC). DAC is committed to internationalizing the global campaign against Alzheimer's by funding cohort research, clinical trials and local delivery mechanisms for testing and treatment across the entire globe, and especially in low- and middle-income countries. I urge USAID to engage with this new initiative and to provide the same type of critical support and leadership that USAID has with other multilateral global health initiatives.

I would greatly appreciate any information your team could provide on existing USAID health programs that address Alzheimer's and dementia in low-income countries, and I look forward to working with you on this critical global health challenge that requires local leadership and solutions.

Answer:

USAID understands that Alzheimer's disease and dementia are projected to increase significantly in coming decades in both high income as well as low- and middle-income countries. However, USAID's current global health programs, which also receive funding directives from Congress, focus on three strategic priorities: preventing child and maternal deaths; controlling the HIV/AIDS epidemic; and combating infectious diseases. USAID's programs do not address Alzheimer's and dementia.

Question:

I have been pleased to lead a bipartisan group of colleagues who support USAID's investments in HIV vaccine research and development, communicating to the Appropriations Committee the importance of continued funding. Congress has supported this effort for many years, even before PEPFAR was launched. The effort remains an essential part of PEPFAR's strategy for success.

Researchers have described for me the difficulty of developing a vaccine that protects against HIV infection. At the same time, they note that the reason for their commitment is because the war against HIV/AIDS cannot be won without an effective vaccine. It is the only pathway available to us to ensure the sustainability of PEPFAR in the face of an ever-growing population worldwide who depend on the program for life-saving treatment.

I also offer my support for your objective of localization of our global health programs, empowering our partners to find solutions and achieve success. In fact, localization is the goal of all foreign assistance. It is what success looks like. I recognize that it is not an easy task, and it requires much more than simply handing over responsibility and redirection of resources.

What has become clear for the global effort to develop and make accessible an effective vaccine against HIV infection is that success depends heavily on the leadership and capabilities of those closest to the challenge, especially those researchers in sub-Saharan Africa. But it's a two-way street, with worldwide efforts benefitting from their contributions and from close collaboration with researchers in the United States and elsewhere. That successful model is something USAID helped build and sustain for over two decades. As USAID looks to advance localization across its health portfolio, I know it is not a risk-free endeavor and one that contains many unknowns. One principle that cannot be compromised, though, is preserving progress and program effectiveness in cases when people's lives are at stake – in effect, the principle of “first do no harm.”

For PEPFAR, that would seem to include almost every aspect of the life-saving program. In the case of vaccine research, this principle reflects the fact that nothing is more important locally than an effective and accessible vaccine against HIV infection as soon as possible. We must take great care to ensure that how we support the effort does not risk delay.

The President's Budget Request and accompanying Congressional Budget Justification has caused some confusion about USAID's approach and some concern that principle is not guiding decision-making. We want to be as supportive as possible for localization efforts, but it is essential the changes that the CBJ seems to communicate are supported by hard evidence and the highest level of confidence possible that those changes will not disrupt or delay progress toward a vaccine. The potential for unintended consequences seems real, and the CBJ offers no vision, no details, and no assurances of an informed and strategic pathway to success.

Please provide a clear description of the transition plan to local implementation of USAID's HIV vaccine R&D program that is contemplated and reflected in the CBJ's striking of the line item for IAVI vaccine research and the creation of a new, separate line item at the very same request level.

Answer:

Thank you for your questions and for your leadership in supporting HIV vaccine research and development. I agree with you that the war against HIV cannot be won without a safe and effective vaccine, and that it is essential not to delay progress towards this goal.

The plan for local implementation of USAID's HIV vaccine research and development (R&D) program involves a gradual transition of a proportion of HIV vaccine research and development resources over the course of five years to fund local research and development partners directly. We anticipate making one or two awards by the end of FY23 to local African organizations under a new program that is

currently under competition called HIV Vaccine Innovation, Science, and Technology Acceleration in Africa (HIV-VISTA). HIV-VISTA will focus on African-led clinical trials, preclinical research, laboratory analyses, and strengthening systems and collaboration. In its first year of implementation, we anticipate that approximately 15 percent of the HIV vaccine research and development funding will support HIV-VISTA, by FY24 approximately 33 percent will support HIV-VISTA, and by the end of the five-year program, about 40 percent of the HIV vaccine R&D funding would support HIV-VISTA.

USAID is confident in the capabilities of local organizations to implement this program and we have taken a measured approach that will allow for coordinated work-planning with the USAID-funded International AIDS Vaccine Initiative (IAVI) ADVANCE program in the inception phase of HIV-VISTA, as well as provide the opportunity to adapt the program as needed. As such, the change in budget request language more accurately reflects USAID's plans for localizing HIV vaccine R&D.

Question:

What aspects of the current program's locally led research and its research capacity building was of concern and warrants this change?

Answer:

USAID's long-standing partnership with IAVI, which has spanned more than two decades, has strengthened HIV research and development capacity in African countries. This investment has allowed USAID to progress to the next intended phase of its approach, in which some resources will be provided directly to local partners to lead HIV vaccine research efforts into the future. USAID's strategy is to gradually transition some funding to local partners as is merited, especially to increase cost-effectiveness and promote greater equity in the global HIV vaccine enterprise, while also affording local research organizations the appropriate space to be the lead actors implementing HIV vaccine research in their own countries and communities.

Question:

What data support the proposed change, and does that data indicate that the shift would increase the likelihood of a vaccine being available to Africans sooner, and how so?

Answer:

Over the last several years, data has come to light that clearly demonstrates local research and development partners in Africa are highly capable of taking greater leadership roles in vaccine trials, both for HIV and for other global health threats. For example, local partners in South Africa played a key role in the very early identification of key SARS-CoV-2 viral variants, and in leading COVID-19 vaccine trials, which were implemented rapidly and surpassed globally accepted standards. In light of

widespread vaccine hesitancy and misinformation, there are clear advantages to having African investigators, regulatory agencies, and even manufacturers be at the forefront of these efforts to enhance trust in their respective communities.

Question:

Does this proposed change reflect the input of IAVI and their decades of experience building research and development capacity in Africa?

Answer:

Through USAID's partnership with IAVI under the ADVANCE program, we have learned much together and gained extensive experience about how to build valuable and sustainable research capacity in low- and middle-income countries. These learnings have been applied to the design of the HIV-VISTA project and will continue to be applied to its implementation. Because the ADVANCE program will continue as a sibling program alongside HIV-VISTA for at least three years, there will be ongoing opportunities to leverage IAVI's wealth of expertise.

Question:

USAID's HIV vaccine research and development program has helped build African capacity as an indispensable component of a truly global vaccine enterprise. Do the proposed changes ensure greater and more effective connections between African researchers and their peers in other geographies, and how so?

Answer:

In addition to uplifting leadership, resources and autonomy of local researchers, USAID's approach will enable more effective connections between African scientists and their peers in other locations. For example, it may allow them to reach out directly to a colleague in another country to form an HIV vaccine collaboration under the project without requesting permission through a U.S.-based prime partner. Over the next three years, the ADVANCE program will continue to foster international partnerships between African researchers and their counterparts in India, the United States, the U.K., and other countries. In the end, we expect that the ADVANCE program and the new effort involving direct funding to local partners will be complementary to one another, creating the widest range of different opportunities for African scientists to connect to their global colleagues and broaden the possibilities for new ideas and approaches to achieve an effective preventive HIV vaccine.

**Questions for the Record Submitted to
USAID Administrator Samantha Power by
Chairman McCaul
House Committee on Foreign Affairs
May 17, 2023**

Question:

USAID recently updated its Agency-Wide Learning Agenda, updating it to comply with the Evidence Act and to reflect the Administration's priorities. How are you implementing this agenda, and how is your leadership team using lessons learned in your past programs and projects to adjust current and future programs?

Under the Foreign Aid Transparency and Accountability Act (FATAA), USAID is required to make its evaluations public within 90 days of their completion. How many evaluations has USAID made public during FY22 with their posting to USAID's Development Experience Clearinghouse (DEC)?

Unfortunately, the DEC has become a difficult site to utilize – for civil society and likely for USAID staff too – because of the way in which multiple kinds of documents are posted and organized, making it difficult to track and utilize information from evaluations.

Answer:

USAID's Agency Learning Agenda, covering Fiscal Year 2022 to 2026, articulates USAID's priorities for learning and evidence to inform Agency decision-making. It advances learning and improvement in achieving priorities articulated in USAID's Policy Framework by working with operating units to channel resources towards these priorities in Performance Management Plans, evaluations, and learning efforts. USAID also uses the Agency Learning Agenda to guide and link learning initiatives across USAID's partners, communities of practice, and working groups, and to coordinate sharing and use of available evidence.

USAID evaluations and research fill knowledge gaps prioritized by the nine Agency Learning Agenda questions, and lessons are shared across USAID in a variety of ways for staff to use in adjusting current and future programs. Lessons learned are used by Agency leaders to inform budget, policy, and management decisions, and by program managers to adjust the way in which projects deliver assistance for the greatest impact. For example, evidence of the efficacy of different types of mosquito netting used to prevent malaria allows project managers to fund distribution of the most effective equipment.

To ensure broad availability for evaluations of USAID programs under the Foreign Aid Transparency and Accountability Act (FATAA), USAID made 697 evaluation-related documents publicly available on the Development Experience Clearinghouse (DEC) in Fiscal Year (FY) 2022. USAID has also developed the

Evaluations at USAID Dashboard (<https://www.usaid.gov/evaluation/evaluations-usaid-dashboard>) to enhance the ability of USAID staff and the public at large to discover and access USAID's performance and impact evaluations. The Dashboard focuses on enhancing access to USAID-commissioned evaluations that adhere to USAID's evaluation policy requirements.

USAID is planning to replace the DEC to make it more user-friendly and conducive to public access via its Consolidated Digital Repository (CDR) project. The CDR will consolidate both the DEC and the Development Data Library. The project is expected to kick off in the first quarter of FY2024 with an initial version implemented to replace the DEC in the fourth quarter of FY2024.

Question:

What is USAID doing through DRM work to build capacity in countries so that in 20-30 years they can transition off of U.S. assistance? How is the agency connecting this work with its localization efforts? Do you have the resources you need for DRM to be successful?

Background: With the demands on the U.S. and other nations' foreign assistance programs continuing to increase, it is more important than ever that developing countries raise and invest more of their own funding and resources for programs to improve their citizens' health, education, and economic well-being. This is vital to long-term self-reliance and accelerating country transitions from aid to broader forms of partnership with the United States. Targeted U.S. assistance for DRM has enabled developing countries to invest in and drive their own path to sustainable economic growth and poverty reduction. However, currently DRM assistance by the U.S. is very limited; it lacks a dedicated source of funding and is scattered across U.S. agencies (primarily USAID and Treasury) without a coherent strategy or approach. Moreover, despite the power of local financing for localization and USAID's ongoing work on DRM, there is no mention of DRM in USAID's current localization agenda. This failure to link the two and "connect the dots" is concerning.

What is USAID doing through DRM work to build capacity in countries so that in 20-30 years they can transition off of U.S. assistance?

Answer:

USAID provides technical assistance in domestic resource mobilization (DRM) in approximately 20 countries, both at the national and subnational level, and commits \$20-30 million annually to such technical assistance. The importance of DRM is highlighted in the Agency's Policy Framework—USAID's highest-level policy document—among the core objectives for elevating our emphasis on strengthening fiscal sustainability and macroeconomic management in partner countries.

Our DRM assistance, in response to local needs and opportunities for cooperation, includes helping countries to improve legislation and level the playing field for citizens and domestic and foreign businesses. It also includes helping governments institute the processes and systems – often with a focus on improved IT systems for filing, payment, and auditing – that allow revenues to be collected at low cost to the government and without undue burdens to the economy.

This assistance is complemented by USAID's support to the management of public finances to ensure resources are allocated effectively, spent as planned, and generate value for money. USAID is also actively working to convene other donors and multilateral organizations to increase available support and promote policy coherence in this area, including as a founding member and co-chair of the Addis Tax Initiative.

Question:

How is the agency connecting this work with its localization efforts?

Answer:

The primary goal of DRM is to ensure that local actors can mobilize their own resources to invest in their own development and respond to the needs of local communities. More resources translates into sustainable local solutions and longer-term self-reliance. As such, we consider DRM to be a localization approach. USAID's DRM work is often complemented by technical assistance in other public finance matters, such as helping countries manage their own spending and helping citizens and civil society organizations to participate in the prioritization and oversight of local services and infrastructure. Efforts like these are an essential component of ensuring that economic development is locally led.

As with other localization efforts, effective DRM reform requires the buy-in and the political will of local actors, including host governments, civil society organizations, citizens, and businesses. USAID's DRM interventions are therefore co-designed with local counterparts and designed to respond affirmatively to locally determined needs and reform priorities. USAID's DRM activities necessarily include components aimed at developing local capacity for DRM analysis and supporting the advocacy efforts of local civil society organizations. Our complementary work on public expenditure planning and management similarly benefits from the power of local actors. We support activities such as participatory budgeting, and empowering local actors to help direct and monitor resources in their local communities.

Question:

Do you have the resources you need for DRM to be successful?

Answer:

USAID continues to develop the skills of its staff to undertake DRM activities and to incorporate DRM interventions in support of other sectors. USAID provides a four-day "Domestic Resource Mobilization" course, in which staff learn about the design and implementation of government revenue systems, national and subnational DRM trends and issues, as well as DRM programming choices and experiences. USAID also provides technical guides such as the Tax Policy Reform Primer. These resources are yielding results at the country level. For example, with USAID support between 2014 and 2018, the government of the Philippines netted an extra \$6.2 billion in tax revenues and was able to raise infrastructure spending as a percent of GDP by 1.6 percentage points. More recently, the

Philippine Department of Budget Management repurposed funds of similar magnitude for the COVID-19 response.

Question:

Tuberculosis has now re-emerged as the biggest leading infectious disease killer. TB is an airborne contagion, has drug resistant strains and now claims 1.6 million lives each year - that's more lives than HIV/AIDS and malaria combined. Given that USAID launched an ambitious new TB strategy, the fact that there's an upcoming UN High Level meeting (HLM) on TB where the U.S. should be pushing other governments to have ambitious national plans on fighting TB, AND the way TB programs globally were the backbone for COVID-response - why does the president's budget cut funding for TB at USAID below the Congressionally enacted level?

It's important to use a full range of U.S. diplomatic efforts to encourage countries with high burdens of TB to come forward with bold national action plans at the HLM and to encourage other donor countries to back up the plans with bold new investments. Will the U.S. show up at the upcoming event High Level Meeting with 1) new concrete pledges for ending tuberculosis to the HLM, 2) by committing to the development of a U.S. whole of government strategy for advancing the global targets to be endorsed at the HLM, and 3) by ensuring highest level U.S. Government representation at the High Level Meeting to end TB?

Answer:

USAID is grateful to Congress for its trust and confidence in the Agency to deliver on consistent Tuberculosis (TB) budget increases. The Administration must consider a range of competing Global Health priorities in determining the FY24 request. Addressing TB is a high priority for USAID and the U.S. government (USG), and with the investment of the Global Fund and domestic resources, the Agency will continue to make progress toward meeting our goals at the President's requested \$358.5 million level.

Thanks to the generosity of Congress, the USG is the largest bilateral donor to global TB efforts and the largest donor to the Global Fund to Fight AIDS, Tuberculosis and Malaria. As the lead USG agency on the international TB response, USAID has been able to use the \$4.7 billion appropriated by Congress since 2000 to contribute to saving 74 million lives and reducing TB incidence by 25 percent and TB mortality by 41 percent in USAID's 24 priority countries¹ for TB programming.

This would not be possible without robust bipartisan support, which will be crucial in recovering lost ground due to COVID-19 and accelerating progress towards meeting the USAID TB Strategy targets and new UN TB High-Level Meeting (HLM) targets currently being negotiated at the UN.

USAID is committed to a successful TB HLM and will work with other USG agency leaders on it. USAID is preparing to launch new TB approaches and tools at the HLM to accelerate progress towards the "to be" adopted political declaration and USAID TB Strategy. USAID is actively participating in TB HLM preparations including through the U.S. Mission to the United Nations to ensure there are ambitious TB targets in the HLM political declaration that align with the USAID TB Strategy and the WHO END TB

¹ Afghanistan, Bangladesh, Burma, Cambodia, DRC, Ethiopia, India, Indonesia, Kenya, Kyrgyz Republic, Malawi, Mozambique, Nigeria, Pakistan, Philippines, South Africa, Tajikistan, Tanzania, Ukraine, Uganda, Uzbekistan, Vietnam, Zambia, Zimbabwe

Strategy. In addition, we will coordinate the interagency to ensure all commitments leverage each other and represent the whole of the USG.

We welcome the increased accountability the END TB Now Act gives USAID and urge for it to pass before the TB HLM in September 2023 to further demonstrate the USG's commitment to ending TB, as well as challenge leaders of high-burden countries to make their own ambitious commitments.

Question:

With food prices and hunger soaring around the world, how is the Administration making sure that quality nutrition – not just food – is a centerpiece of the response? Malnutrition is the underlying cause of nearly half of all child deaths, and is a major driver of poverty around the world. Given that the needs have increased exponentially, why has the budget request remained flat? Do you anticipate returning to the Congress this year for an additional food security supplemental request, and if so how will you prioritize core nutrition interventions within it?

The Administration made a commitment to the new UNICEF Child Nutrition Fund last year, unlocking matching pledges from around the world for high impact treatment for the horrors of acute malnutrition. What is the Administration now doing to scale up reliable, predictable access to this kind of quality nutrition, like wasting prevention, ready to use therapeutic food, vitamin A, and prenatal vitamins? Last year Congress passed the Global Malnutrition Treatment and Prevention Act in a bipartisan way. What is the Administration now doing to increase the reach and impact of its work on nutrition as a key piece of global health?

Answer:

In times of crisis and increasing staple food prices, households often resort to coping strategies that involve buying less food, switching to less nutritious food, and reducing the number of meals eaten daily. USAID activities seek to safeguard households' access to nutritious foods, and promote household consumption of these foods, particularly in the first 1,000 days, while facilitating an enabling environment that supports nourishing food systems.

USAID supports countries in strengthening their health systems to plan, deliver, and monitor evidence-based nutrition interventions with a focus on maternal nutrition, infant and young child feeding including breastfeeding support, micronutrient supplementation, and social and behavior change for families and caregivers. USAID also supports lifesaving nutrition interventions as part of an overall response to humanitarian crises including the treatment and prevention of wasting, the promotion and protection of breastfeeding, and supplemental nutrition assistance to protect and promote nutritional status.

As part of USAID's multi-sectoral approach to address adverse impacts of the global food crisis on malnutrition, the Agency continues to prioritize approaches to support food systems to deliver safe, affordable, nutritious foods and diets. Key priorities include strengthening the food processing sector, increasing large scale food fortification, improving food safety, and strengthening markets to deliver healthy diets. For example, in Rwanda, USAID broadened the Hinga Weze Small Livestock Program to support agribusiness and protect household nutrition and dietary diversity. This was done by

distributing 86,400 chickens to 14,400 households across 8 districts, and supporting households and supply agents with inputs and training.

Through the Global Malnutrition Prevention and Treatment Act of 2021 implementation plan, USAID will focus on evidence-based approaches to combat global malnutrition, which include: strengthening nutrition in primary health care systems, supporting lactating mothers and their families with skilled breastfeeding counseling, improving access to prenatal micronutrient supplements for pregnant women, strengthening the prevention and treatment of wasting, ensuring adequate vitamin A coverage, increasing dietary diversity and appropriate complementary feeding, scaling and sustaining large scale food fortification, and improving food safety. USAID is emphasizing scaling up these approaches in designated Nutrition Priority Countries, which represent a majority percentage of the global malnutrition burden.

In 2022, USAID announced \$200 million in additional emergency support for prevention of child wasting, including both the procurement of ready-to-use-therapeutic-food (RUTF) and associated program costs across 13 priority countries facing severe food insecurity. The announcement challenged other donors and ultimately raised \$330 million. While some donor funding contributed to the new Child Nutrition Fund, USAID's contribution was directly to UNICEF specifically for support in the 13 countries.

USAID continues to pursue an ambitious target of sustained support for the 13 priority countries to ensure that there is no spike in wasting levels through 2025. To achieve this, USAID aims to support predictable funding of specialized nutritious foods in 2024 and 2025 with transparent procurement plans accessible to suppliers in the United States and globally in order to facilitate the production and delivery of nutrition commodities.

Question:

This year marks the tenth anniversary of the Child Survival Call to Action where the U.S. led the charge in spurring forward the global goal of ending preventable child and maternal deaths. This led to the annual Acting on Call report – which has been a critical resource that highlights the impacts of our MCH programs. What are you doing today to prioritize USAID resources to the highest impact, evidence based maternal and child health interventions like treating childhood pneumonia, diarrheal dehydration, immunizations, addressing neonatal sepsis? And with these interventions, what are you doing to make sure that they are targeted to the populations and areas with the highest rates of maternal and child deaths? How can this be highlighted better in that annual report?

Answer:

Every year, nearly 300,000 women die, largely from preventable causes related to pregnancy and delivery. In 2021 alone, five million children died before their fifth birthday, and nearly half of these deaths occur among newborns in the first month of life.

To maximize the impact of our efforts to Prevent Child and Maternal Deaths (PCMD), USAID focuses its programming in 25 priority countries, which together account for more than two-thirds of maternal and child deaths. In 2021, USAID helped more than 91 million women and children access essential – and often lifesaving – care, including reaching 12 million newborns with postnatal care within two days of

birth. Since the 2012 Call to Action, USAID's efforts have reached 33 million newborns with care after delivery and provided 115 million treatments to children for diarrhea and pneumonia.

Postpartum hemorrhage is the leading cause of maternal mortality and accounts for 27 percent of all deaths. Because nearly all of these deaths can be prevented by skilled health personnel with the proper training, USAID invests in the active management of the third stage of labor to prevent postpartum hemorrhage, delivering training and medicines, and strengthening supply chains to save lives. USAID programs have increased antenatal care, facility delivery, and skilled birth attendance. The Agency has also focused on integrating perinatal and postnatal mental health into our maternal health programs, recognizing the high impact it has on maternal health and child development.

Pneumonia, diarrhea, and malaria continue to be leading causes of child mortality, and around 45 percent of deaths among children under five years of age are linked to undernutrition. To reduce the child mortality rate, USAID programming prioritizes: childhood vaccination; dietary counseling to promote exclusive breastfeeding; micronutrient supplementation in pregnancy and childhood breastfeeding; and the prevention and treatment of diarrheal illness, pneumonia, malaria, and malnutrition. In addition, USAID has paid special attention to severe newborn infections, including sepsis and pneumonia, through supporting preventive measures, such as good hygiene practices, "kangaroo mother care" (a method of skin-to-skin care for preterm infants), early recognition and administration of a simplified antibiotic regimen when referral is not possible, and provision of timely and appropriate inpatient hospital care for sick newborns.

Earlier this year, USAID released its new, revised PCMD Framework, designed to accelerate these efforts, with a strategic focus on strengthening primary healthcare systems; reaching the hardest-to-reach and most at-risk populations; catalyzing country commitment and mutual accountability; investing in the health workforce; and identifying bottlenecks and solutions through locally-led development. This revised PCMD Framework enables USAID to more effectively reach women and children with life-saving interventions that enable them to survive and thrive.

Question:

Does USAID have records readily available of all sub-awardees and sub-contractors and details of their activities funded through U.S. taxpayer dollars? If so, since what calendar year has this data been routinely collected by the missions?

Answer:

USAID does not maintain its own subaward data system. However, all subaward records are readily available on the publicly accessible website USASpending.gov, which was developed to capture reported prime and subaward data.

Please note that per the Federal Funding Accountability and Transparency Act (FFATA), the management and reporting of subaward data is the responsibility of prime partners. In March, the Agency outlined to implementing partners the responsibilities of prime contractors and recipients to report certain subcontracts and subawards in the FFATA Subaward Reporting System (FSRS), available at FSRS.gov.

The requirements and detailed instructions for prime contractors and recipients regarding the reporting of subcontracts and subawards are incorporated into acquisition and assistance awards as follows:

- Acquisition: Contractors must comply with the requirements in the FAR 52.204-10 (“Reporting Executive Compensation and First-Tier Subcontract Awards”) (clause found in their contract, as applicable.
- Assistance: Recipients must comply with the requirements in any applicable “Reporting Subawards and Executive Compensation” standard provision found in their award (e.g., RAA24 in ADS 303maa, RAA7 in ADS 303mab, RAA3 in ADS 303mat).
- Links to these sites are available as follows:
 - FAR 52.204-10: <https://www.acquisition.gov/far/52.204-10>
 - ADS 303maa: <https://www.usaid.gov/about-us/agency-policy/series-300/references-chapter/303maa>
 - ADS 303mab: <https://www.usaid.gov/about-us/agency-policy/series-300/references-chapter/303mab>
 - ADS 303mat: <https://www.usaid.gov/about-us/agency-policy/series-300/references-chapter/303mat>

Question:

Too little foreign aid ever leaves Washington, DC because USAID is too reliant on a handful of government contractors that have extremely high overhead rates, salaries, and expensive, but often empty office parks in the era of remote work. Last week, The Economist cited a report that USAID could save 32 cents on every dollar just by shifting resources away from traditional contractors to more in-country partners.

How does USAID require its contracting officers to assess cost effectiveness when they make acquisition and award decisions?

How do you plan to change the internal cultural incentives for agency personnel to start shifting resources away from expensive contractors with high overheads to more cost-effective partners?

Answer:

Cost-effectiveness is one of the core principles of evidence employed by USAID. Contracting Officers (COs) collaborate with the technical design team to consider various approaches that can enhance cost effectiveness (e.g., designating key positions for local staff, use of local subcontractors).

As part of the award decision process, COs are required to do a cost evaluation to ensure that the final cost of the contract is fair, reasonable, and realistic to perform the contract. But the question of cost effectiveness entails looking beyond cost to explore outcomes per dollar. USAID is strengthening the use of cost effectiveness evidence by ensuring cost analysis is part of all impact evaluations. USAID is also strengthening the use of analysis that compares the cost-effectiveness of different approaches to help the Agency prioritize the most cost-effective approaches in its program designs. More broadly, in November 2022, USAID onboarded a new Chief Economist who will lead our new Office of the Chief Economist and who has been specifically charged with focusing on enhancing the Agency’s development impact by helping our workforce shift toward more evidence-based, cost-effective approaches.

USAID has committed through the Agency's new Acquisition and Assistance Strategy to diversifying our partner base by lowering barriers for new partners – with a specific focus on local organizations and small businesses. We know from experience that working with local partners, many of which are new to USAID, is time and staff intensive. We are growing our workforce to support localization needs. Last year, we hired 500 new career employees, 35 of which are Civil Service direct hire contracting professionals. We are grateful for the congressional support that made this possible. We have also been updating the skills and competencies for these civil service and foreign service positions in order to incentivize locally led development through performance management.

We know we need to make it easier to work with USAID. That's why we launched WorkWithUSAID.org, a user-friendly portal that facilitates engagement with new partners, and it's why our new Acquisition and Assistance Strategy emphasizes simple shifts that make it easier to work with more local partners.

Question:

The private sector is booming in many of the countries where USAID works, especially in sectors like agriculture and healthcare. How are you directing USAID's largest bureaus to repurpose more of their funding to work more closely with the private sector to build markets rather than continue with traditional models that perpetuate dependence on foreign aid?

Answer:

The 2023 Agency Policy Framework commits to continue enabling business environments through effective and transparent regulatory and legal structures that encourage private sector confidence. Furthermore, the Private Sector Engagement (PSE) Hub within the Bureau for Development, Democracy, and Innovation (DDI) advances the Agency's cultural and operational transformation toward enterprise-driven development.

To deliver on this commitment, we launched an Agency-wide reform effort, Private Sector Engagement (PSE) Modernize, in November 2022. PSE Modernize is designed to significantly expand the Agency's ability to partner with the private sector by updating core Agency operating systems, including building the first enterprise Customer Relationship Management platform to track all of USAID's partner engagement across all missions and offices; establishing formal and professional relationship management positions; making it easier to recruit, hire, and train employees with private sector experience; developing next-generation private sector engagement tools and partnership models; and launching a private sector engagement consultation desk to provide expert and evidence-based PSE guidance and assistance to USAID missions worldwide.

One of the initiatives under PSE Modernize, the \$50 million Enterprises for Development, Growth, and Empowerment (EDGE) Fund, aims to expand USAID's private sector partnerships by supporting activities that lead to both commercial gain and sustained development impact. For instance, a prototypical EDGE Fund activity could support the extension of a local company's supply chain into a remote location reaching marginalized populations, allowing that company to diversify its sourcing and supplier base while connecting that community to sustainable market opportunities to create jobs and increase incomes.

Additionally, other examples of USAID's work with the private sector include:

- The Agricultural Resilience Initiative - Ukraine (AGRI-Ukraine), which has leveraged more than \$100 million from the international community and private sector investments alongside \$100 million in USAID funding to support the agricultural sector in Ukraine.
- The Supply Chain Integrity and Freedom activity, within DDI and funded by the Congressional Countering PRC Influence Fund (CPIF), facilitates private commercial investments into nascent vital supply chains necessary for American and allied security and prosperity. The team is authorized to work in five supply chain sectors: (1) critical minerals; (2) agricultural inputs; (3) construction materials; (4) pharmaceutical precursors; and (5) the manufacture of machinery for the production of micro-processors.

Question:

The budget requests \$100 million each for Prosper Africa and Power Africa, among other proposals. However, the Prosper Africa Coordinator position remains vacant after an interagency battle to manage Prosper Africa. Why has the position remained vacant and what does it's vacancy say about the remaining \$55 billion that President Biden committed to invest in Africa by 2025?

Answer:

USAID put in place strong interim leadership for the Prosper Africa initiative as the Agency works with the White House to appoint a permanent Coordinator. A new Coordinator is expected to be in position imminently.

USAID, its interagency partners, and the full Prosper Africa Executive Secretariat remain committed to the mission of substantially increasing two-way trade and investment between the United States and Africa, and Prosper Africa is delivering on the commitments made in the Business Forum Deal Room at the U.S.-Africa Leaders Summit.

Prosper Africa used dedicated funding through USAID to launch an innovative, continent-wide program with offices in North and sub-Saharan Africa to de-risk transactions, scale opportunities, and attract new firms to African markets. Prosper Africa is redoubling its efforts by planning to invest \$171 million that will increase U.S. investment in Africa and African exports to the U.S. by \$2 billion in the next five years – a conservative estimate. The additional \$100 million in FY 2024 funds will enable Prosper Africa to dramatically increase the number of supported transactions, broaden its geographic coverage, bolster the activities and staff capacity of other U.S. government agencies, and create more opportunities to leverage private capital. In Kenya alone, \$5.3 million in Prosper Africa funds have leveraged more than \$265 million to date – a 50:1 return.

Question:

South Africa is going through an identity and some might say a constitutional crisis. Inviting Xi and Putin to the country is not a reflection of the South African people but of corruption and

greed in the ANC.

What does this budget reflect in terms of support for institutions and people wanting a democratic future for South Africa?

Answer:

The United States considers South Africa a strategic partner on a range of regional and global issues, including health, trade and investment, climate, and energy. The majority of South Africans believe that democracy and good governance are critical to securing a better future for themselves and their children, and we continue to work with a range of South African partners as part of our effort to underscore U.S. leadership and support on key shared challenges.

The FY 2024 Budget Request includes \$3 million for Democracy, Human Rights, and Governance (DRG) bilateral programs for South Africa. These resources will support civil society organizations, community-based organizations, and national and sub-national government institutions to promote accountable and inclusive governance, including mitigating collective violence. Our activities conduct a wide range of civic and voter education activities such as supporting civic and citizen engagement with public outreach campaigns, advancing women's leadership and broader social inclusion of marginalized populations, civic literacy workshops, and town halls with candidates and political party representatives, with the goal to increase citizen capacity to exercise rights and responsibilities and to effectively advocate for government accountability, including in the lead up to the 2024 national elections.

Question:

The President's Budget Proposal asks for \$388 million for the five Sahel countries and USAID's Sahel Regional Program. Yet we have growing Wagner presence, rapidly expanding Islamic jihadist terrorist groups, and understaffed missions.

Can that amount be used effectively in those environments?

The United States can't and shouldn't try to do everything everywhere, so why not focus on the Global Fragility Act areas along the coast where we have a chance to support willing partners?

Answer:

The growth of violent extremism in the Sahel has escalated over the last decade, spanning across national borders and posing significant challenges to countries in and outside the region. The impact of this insecurity in the Sahel impacts various Coastal West African (CWA) states.

The stability of CWA - and the future of the coastal areas - is closely tied to the deteriorating security environment in the Sahel. Border communities in northern CWA countries are socially, ethnically, and economically connected to their Sahelian neighbors. With the requested resources, USAID will continue to proactively support the interconnected needs across the region. A few examples of programming to address the complex security situation in the Coastal States and the Sahel include:

- As part of the US Strategy to Prevent Conflict and Promote Stability, USAID is partnering with Germany to launch a multilateral program called the Coastal States Stability Mechanism. This initiative will work with local community organizations and government leaders to co-design activities to address conflict drivers across Benin, Togo, and Ghana.
- USAID's Office of Transition Initiative's Littoral Regional Initiative (LRI) partners with local actors including local governments and traditional authorities, religious leaders, civil society, women, youth, and minority groups such as Fulbe on short-term interventions to build more resilient communities able to withstand violent extremist organization influence and to set the stage for other regional programs and longer-term interventions.
- USAID also plans to launch regional activities addressing concerns and needs that affect all five CWA countries. These programs will complement existing and future activities, and work cross-border and at regional policy and institutional levels.

Question:

We can't shoot our way out of Somalia, and we need development professionals to be able to get out of the Embassy to meet with counterparts, but we know there's a long and cumbersome process of approval from Washington to do this.

How will there ever be a functional Somali state if our development experts aren't able to get outside the Embassy compound?

Answer:

USAID continues to work with the State Department to balance security and in-country presence in Somalia. With support from the embassy, USAID staff and other members of the Country Team have been able to travel outside the compound, including to Hargeisa and Baidoa, to engage with important regional administrations and Federal Member State leadership. Additionally, USAID's development and humanitarian partners operate outside the compound and have a significant presence in the field.

Question:

Sudan policy is an absolute disaster. After the 2021 military takeover in Sudan, the Administration suspended \$700 million in planned funding for the country, and later reprogrammed most of it. Millions in assistance have been looted since April 15.

What are you doing with your seat on the National Security Council to ensure foreign assistance drives foreign policy since State Department seems to think the old policy playbook still applies?

Answer:

Urgently addressing the crisis in Sudan is critical, and USAID is an active participant in NSC and U.S. government efforts related to the Sudan crisis response. Our field-based expertise helps to inform a

range of discussions. In addition to leading on humanitarian issues, USAID is working with the State Department and other interagency partners on engaging a broad and diverse set of civilian actors, using our standing relationships with civil society organizations and community groups to inform a political process that will return Sudan to a path toward civilian leadership.

Question:

What is USAID specifically doing to monitor implementation of programming to ensure that it is compliant with Helms and Siljander amendments?

Answer:

USAID takes seriously all applicable laws that apply to its foreign assistance programs, and has decades of experience upholding compliance with the legislative requirements related to abortion, including the Helms and Siljander amendments.

USAID implements the Helms and Siljander amendments and other abortion restrictions through a mandatory standard provision in all contracts, grants, and cooperative agreements. USAID provides oversight of foreign assistance funding through routine programmatic monitoring and reporting. The Agency works with Missions and partners to maintain compliance across programs that receive U.S. foreign assistance funds.

Question:

Does PEPFAR provide for training to all government ministries, including for security forces, on HIV/AIDS policy and planning?

Answer:

PEPFAR works closely with partner countries toward achieving HIV epidemic control while promoting the long-term sustainability of their responses. This includes collaborating with a range of government ministries on training related to HIV/AIDS policy and programmatic considerations.

In limited circumstances, USAID, under PEPFAR, may work with security forces on HIV/AIDS policy and training related to programmatic considerations. In such cases, USAID adheres to legal and policy requirements and restrictions, including compliance with the Leahy Law.

Question:

There are certain countries that receive USAID and other foreign assistance, but are not permitted to receive title 22 or title 10 security assistance. In your view, which, if any of these countries need some level of security assistance or cooperation? What happens in these countries when the U.S. does not provide security assistance or cooperation where it is needed?

Answer:

As we begin implementation of the Global Fragility Act, USAID values our close working relationships with the State Department, which manages Title 22 Security Assistance, and the Department of Defense, which manages Title 10 Security Cooperation. In both cases, the primary recipient of these security-related accounts are partner-nation security forces. USAID does not support capacity building for partner-nation militaries. However, each of our Missions have designated a civilian-military coordinator to facilitate the exchange of information and where possible, complementarity between our development and security assistance and cooperation.

Question:

Does USAID see a need for a Ukraine supplemental in the next few months? If so, what accounts does it believe need to be increased? Has USAID submitted this feedback to OMB?

Answer:

We greatly appreciate the bipartisan supplemental appropriations Congress has provided to date for the U.S. response to Russia's full-scale war on Ukraine.

Despite this historic support, Ukraine faces monumental challenges in funding the defense of its nation and democratic values, meeting the needs of its people, and ultimately, recovering from Putin's invasion. We are continuing to monitor our programming and the needs in Ukraine very closely, taking into account feedback from our Mission and partners on the ground, the Government of Ukraine, and interagency concerns and priorities. We do anticipate the need for an additional supplemental appropriation. We will remain in close coordination with our colleagues in the interagency, including the Office of Management and Budget, regarding the challenges on the ground and our ability to meet U.S. government objectives in Ukraine.

Question:

Since 2014, the U.S. foreign assistance programs to Ukraine have sought to address needed good governance and anti-corruption reforms. This has included support to existing and new anti-corruption institutions, as well as to members of Ukraine's vibrant civil society to help them hold their leaders accountable.

How has this assistance since 2014 helped Ukraine in its fight against corruption? What progress has Ukraine made in this fight over the past nine years?

How has Ukraine's battle against corruption fared even as its fight against Russia's full-scale invasion rages on? Is the U.S. still providing anti-corruption support to Ukraine during the war?

Do you believe any future reconstruction assistance to Ukraine should have conditionality attached requiring progress on good governance, anti-corruption and other reforms?

Answer:

Partnering with the Government of Ukraine and civil society organizations in their efforts to fight corruption has been a top priority for the USAID Mission in Ukraine since the invasion in 2014 and following the full-scale invasion in 2022. During this period, the USAID Mission in Ukraine has invested in 16 programs aimed at anti-corruption and strengthening governance, and that work continues. For example:

- The Decentralization Offering Better Results and Efficiency (DOBRE) activity is part of a coordinated package of international donor assistance to the Government of Ukraine to implement nationwide decentralization reforms and support the success of efforts in communities that have already implemented these reforms. DOBRE has two primary objectives: (1) build the capacity of participant communities to carry out their responsibilities and provide quality services to their constituents, and (2) increase the involvement of local residents and civil society organizations in local government decision making, while holding local officials accountable through monitoring and oversight.
- Under the Support to Anti-Corruption Champion Institutions (SACCI) activity, the National Agency on Corruption Prevention conducted in-depth verification of about 500 asset declarations by government officials and public service employees in 2020. It detected and acted upon detected false information in more than 130 declarations, which led to criminal and administrative charges. Wartime assistance to the Government of Ukraine under SACCI has focused on (1) preserving continuity of operations of anti-corruption institutions and civil society organizations; (2) reducing corruption in humanitarian aid delivery; (3) promoting transparent and accountable reconstruction; (4) supporting the Government of Ukraine's efforts to trace and seize Russian assets subject to sanctions; (5) strengthening anti-corruption compliance of state owned enterprises; and (6) advancing wartime anti-corruption reforms relevant for advancing Ukraine's European Union membership.
- Since 2016, USAID, through the Transparency in Accountability in Public Administration and Services (TAPAS) activity, has supported anti-corruption efforts in Ukraine by bringing increased transparency in public administration and procurement processes with the development and launch of high-priority social eServices on both the Diia mobile app and portal to support Ukrainian citizens. Wartime support under TAPAS has focused on the creation and expansion of digital solutions, such as Diia, the PROZORRO e-Procurement platform, and DOZORRO watchdog network, that work together to help ensure transparency, accountability, and integrity of public procurement and wartime public service delivery. PROZORRO has helped Ukraine save an estimated \$6 billion in public funds from 2017 to 2021.
- Most recently, USAID and the U.S. Government Accountability Office's (GAO) Center for Audit Excellence launched a new activity to strengthen the Accounting Chamber of Ukraine (ACU), the country's supreme audit institution. The \$2.2 million USAID-funded activity will support and strengthen the ACU through September 2025 to support greater transparency of, and accountability for, public funds, including the \$22.9 billion in direct budget support appropriated for Ukraine since the start of Russia's full-scale invasion. With greater capacity, the ACU will enhance government integrity for the Ukrainian people and enable a robust recovery from the war.

USAID is also supporting Ukraine's effort to reduce corruption in the energy sector, which has historically served as the primary source of oligarchic wealth accumulation and corruption. USAID has a

five-year, \$244 million activity that addresses corruption in the sector by advancing the development of transparent, competitive electricity and gas markets that are integrated with European markets. USAID is also strengthening the capabilities of Ukraine's oversight bodies, such as Ukraine's national energy and financial regulators, to combat anti-competitive behavior in the sector and establish fair market rules to enable new private sector entities to compete with oligarch-controlled companies.

While significant progress remains to be achieved, Transparency International has highlighted Ukraine for making notable improvements over the past decade on its respected Corruption Perceptions Index (CPI).

USAID considers good governance, reform, and rule-of-law to be necessary components of Ukraine's reconstruction and restoration of its pre-invasion Euro-Atlantic trajectory. USAID continues to emphasize with Government of Ukraine counterparts the importance of demonstrated progress on reforms and accountability measures that are feasible for Ukraine to enact now. Conditionality on future reconstruction assistance could be a powerful tool in advancing the reform agenda in Ukraine, and USAID is currently discussing this with interagency partners. As for the current phase of the conflict, it is critical that the U.S. government continue to work with the Government of Ukraine, civil society groups, the European Commission, international financial institutions (IFIs), and other donors to encourage and undergird the Government of Ukraine's commitment to fighting corruption, bolstering the rule of law, and strengthening democratic institutions that are transparent and accountable to its citizens.

Question:

The U.S. has appropriated significant sums in direct budget support to Ukraine. What oversight mechanisms are in place to ensure American taxpayers' money is being used as intended by our Ukrainian counterparts? Are you aware of any significant examples of fraud or misuse involving U.S. assistance?

Answer:

USAID is fully committed to accountability for all funding to Ukraine. We share your goal of ensuring our assistance reaches those most in need. To date, we have not identified any instances of fraud or misuse with respect to direct budget support. We also have an unprecedented level of oversight and accountability built into our assistance to safeguard these resources:

- USAID provides funding through the World Bank PEACE mechanism, which only disburses funding to the Government of Ukraine (GOU) as reimbursement following verification of expenses under pre-approved expenditure categories.
- USAID has contracted Deloitte to monitor direct budget support. Deloitte's experts are reviewing the Ukrainian Ministry of Finance's existing monitoring, transparency, verification, and reporting systems and procedures; identifying gaps and strengthening responses to them; and supporting reporting on direct budget support tranches. Deloitte is conducting three tiers of spot checks to trace payments down to individual beneficiaries.
- USAID has entered into a \$2.29 million Inter-Agency Agreement with the U.S. Government Accountability Office's (GAO) Center for Audit Excellence to strengthen the capacity of the

Accounting Chamber of Ukraine, the Government of Ukraine's Supreme Audit Institution. This will help Ukraine accurately monitor, audit, and report on U.S. budget assistance and recovery and reconstruction resources utilized by the GOU.

- USAID is also planning to have an independent audit conducted to further ensure that budget support funds provided to the GOU have been used for their intended purposes.
- Additionally, USAID's Office of Inspector General (OIG) provides independent oversight of USAID. In a congressionally-mandated report released in January 2023, the OIG determined that the design of the monitoring mechanisms and safeguards for the World Bank PEACE mechanism (through which USAID provides budget support) aligned with federal internal control standards.

Question:

Burden sharing among our partners and allies is key to a Ukrainian victory against Russia and ensuring that American taxpayers are not disproportionately shouldering the costs of this war. How much budget support, humanitarian, and other assistance have our European allies and partners provided to Ukraine? Do you assess they need to step up their assistance to Ukraine, particularly in regard to economic assistance?

Answer:

The scope and scale of Putin's brutality will require a sustained, shared response. The United States has rallied our partners to respond swiftly and in unity, and we will continue to work closely with a range of partners to encourage strong, fulsome support for Ukraine.

Since the start of Russia's war of aggression until May 2023, the European Union (EU), Member States, and the European Financial Institutions – in a Team Europe approach – have provided over €37.8 billion in financial, humanitarian, and budget support to Ukraine (\$40.7 billion).

For budget support, the EU is providing over €25.2 billion through macro-financial assistance loans. In 2022, it provided €7.8 billion in loans and grants. And for 2023, the EU has approved over €18 billion of budget assistance through highly concessional loans. The EU disbursed the first €3 billion on January 17 and started disbursing €1.5 billion a month beginning in March 2023.

Non-EU donors have also stepped up with significant contributions. The majority of these commitments come from Norway, Canada, and Japan. Both Canada and Japan have committed more than the United States as a percentage of gross domestic product. Canada has provided \$5 billion in financial assistance to enhance Ukraine's economic resilience. In February 2023, Japan announced \$5.5 billion for Ukraine, including \$500 million in grants and \$5 billion in credit enhancement, which will enable the World Bank to mobilize the same amount of new lending. Norway announced a \$7.3 billion package of aid to Ukraine over five years. In 2023, half the assistance would fund military needs while the rest would cover humanitarian aid, although this split could change in coming years. This is the largest aid program Norway has ever had. The funds are anticipated to be distributed according to the Ukrainian government's priorities and not necessarily transferred directly to Ukrainian authorities; \$1.4 billion will be provided annually.

For the Ukraine humanitarian response, other donors including EU, Germany, Japan, UK, France, Canada and Norway have provided \$5.1 billion, alongside the \$1.9 billion provided by the United States.

Question:

What assistance has the United States provided to address the deteriorating humanitarian situation in Nagorno-Karabakh? What level of oversight is the U.S. able to do on assistance being provided to Nagorno-Karabakh?

Answer:

Since September 2020 to May 2023, the United States has provided more than \$24 million in humanitarian assistance to aid vulnerable populations affected by the ongoing situation in Nagorno-Karabakh (NK). This funding enables the U.S. government's (USG) partner organizations to provide food, healthcare services, cash-based transfers, and other urgent support to individuals residing in the territory and in Armenia.

Access to NK continues to be extremely limited as of May 17, 2023. As of this date, the Government of Azerbaijan (GoAZ) had not agreed to formal assessments by the United Nations (UN) within the region, and no U.S. Agency for International Development (USAID) partners were operating in the territory. The U.S. Department of State's Bureau of Population, Refugees, and Migration (PRM) is supporting vulnerable populations in NK via the International Committee of the Red Cross (ICRC), the sole international humanitarian organization approved by all parties to operate in the region. With PRM support, ICRC is providing food and medical supplies and facilitating family reunifications, and medical evacuations. USAID would refer you to PRM for additional information about its oversight measures for this programming.

USAID has played a leading role in providing targeted support to displaced populations that relocated into Armenia from NK. USAID's Bureau for Humanitarian Assistance promptly provided \$2.5 million to deliver cash, food, healthcare services, and other urgent support to displaced individuals arriving into Armenia due to the 2020 conflict between Armenia and Azerbaijan. In addition, USAID's Mission in Armenia provided more than \$2.6 million in additional funds to support the Government of Armenia and communities in responding to those affected by the conflict in NK, as well as those living in border communities inside the Republic of Armenia affected by related military actions between Armenia and Azerbaijan. The response included food and cash assistance, as well as livelihood opportunities. USAID's Office of Transition Initiatives also provided over \$660,000 to support regional and municipal governments in meeting the immediate needs of the estimated 100,000 displaced people from NK in Armenia.

Question:

What assistance does USAID provide to the Belarusian opposition in exile? How has this assistance helped the opposition remain relevant to the Belarusian people still in the country and keep the fight for Belarusian freedom and democracy alive?

Would USAID benefit from the appointment of a U.S. envoy to Belarus, a post which has been open since June 2022?

Answer:

USAID partners with a broad range of Belarusian democratic actors to help them showcase to the people of Belarus a better alternative to the Lukashenka regime. USAID continues to play a role in combating disinformation, promoting Belarusian social cohesion, supporting pro-democratic institutions and preparation for an eventual democratic opening, and preserving and expanding the EU-oriented Belarusian private sector in exile. We work closely with the Belarusian democratic movement operating in exile, but it's important to note that we also continue to have willing partners and programs inside Belarus. USAID's consistent support to the democratic forces, to Belarusian civil society, non-state media, and the private sector, whether in exile or inside Belarus, has maintained and elevated the visibility of Belarusians who stand apart from the Lukashenka regime.

Examples of USAID programming include:

- USAID civil society programs that include support for independent media reporting, citizen engagements, and other opportunities to identify common initiatives shared by most Belarusians.
- Our political processes programs for the democratic forces have helped ensure they remain visible, engage their fellow Belarusians, and are able to capitalize on the anti-war sentiment of the Belarusian people.

USAID continues to work closely with the Belarus Affairs Unit in Vilnius and the Office of Eastern European Affairs in the State Department. USAID would benefit from having a senior leader at the Department of State elevating Belarus equities and in engaging Belarusian civil society. Belarus will remain of the utmost importance given its critical role in regional security, and we support the Department of State in its engagements in support of a democratic Belarus.

Question:

With Moldova's announcement that it no longer receives gas from Gazprom, how is USAID assisting Moldova in ensuring it retains long-term energy security and independence, especially given that the majority of Moldovan electricity is produced in Russian-controlled Transnistria?

Answer:

With USAID's assistance, Moldova is now importing natural gas from commercial suppliers in Romania, Azerbaijan, and Greece. The commercial gas is directed to Moldova, while Gazprom gas supply continues to be directed to Transnistria. Due to Moldova's strategic gas purchases from alternative suppliers, it now has about 100 million cubic meters in storage, which is sufficient to meet three months of demand for summer 2023.

USAID is also supporting Moldova with new gas transactions from commercial suppliers to continue supply and storage for the upcoming winter months. Concurrently, USAID has expanded this support,

since fall 2022, to support Moldova's capacity to purchase European electricity supply, particularly from Romania.

USAID is also supporting Moldova's active efforts to expand physical electricity interconnections and market integration with Europe and to increase its domestic power generation and energy efficiency. In many respects, USAID efforts are building off prior support to help both Ukraine and Moldova desynchronize their power system from the Russian grid and integrate with the European electricity system. As of March 2022, Ukraine and Moldova's power systems have been synchronized with the European grid on "an emergency basis," and USAID continues to work with both countries to meet the conditions to make this connection permanent and expand interconnectivity and commercial trade between Ukraine/Moldova and Europe.

While this assistance is critical to expand opportunities for Moldova to secure greater supply from Europe, USAID is concurrently supporting Moldova's efforts to scale up private sector investment in domestic, low-cost clean electricity generation and attract investment for energy efficiency improvements. Through these efforts, and the efforts of the Government of Moldova, other donors, and the private sector, USAID support is helping Moldova move away from Russia's control of Moldova's energy, toward a clean and secure energy future.

Congress has provided \$412 million in supplemental assistance to Moldova through USAID, including \$300 million for additional targeted support to the energy sector, which is vital for stabilizing the energy sector and increasing energy interconnectivity with European markets.

Question:

Over the last 30 years the U.S. government has provided significant U.S. assistance to the Republic of Georgia as it has pursued democratic reforms and struggled against Russian malign influence. However, there are serious concerns about Georgia's democratic future, evidenced by the EU's decision to withhold EU candidate status and the recent massive protests around the so-called "foreign agent" law. How will USAID programming support Georgia speed up needed rule of law, judicial, media freedom and other reforms as well as bolster the country's resilience to Russian malign influence?

Answer:

USAID's democracy, rights, and governance work in Georgia is designed to address democratic backsliding and provide targeted support to partners who are working to counter disinformation, support citizen's access to basic rights, and ensure that the government remains accountable to citizens. Despite strong political headwinds, USAID programming continues to promote needed reforms and initiatives that protect the media, civil society, and the rule of law.

Protecting Media Freedom

Over the last few years there has been a steep rise in mis/disinformation within Georgia's information and media space, including, but not limited to, attacks on U.S. assistance writ large and USAID partners in particular. Against that backdrop, USAID programming is proactively countering disinformation. For example, the USAID Information Integrity Program is building the capacity of young people and others to identify disinformation and find credible sources of information. It is also conducting media literacy

training courses for journalists to provide the public with better information across all areas of USAID programming.

Countering Anti-CSO Disinformation

In the face of direct attacks on civil society in the press, USAID is building the capacity of community-based organizations and other civic actors to counter disinformation, smear campaigns, and anti-CSO narratives through more effective, strategic communications with key audiences on issues that are most important to the public.

Increasing Access to Justice

USAID has played a crucial role in improving the quality of legal aid services (LAS). USAID supported the creation of the LAS Training Center and trained 217 staff lawyers. USAID has also helped develop LAS's IT infrastructure and capabilities to use modern IT solutions in delivering services.

Empowering CSO Watchdog Organizations on Judicial Processes

USAID supports Georgian civil society in monitoring court hearings and researching challenges in the judiciary, raising public awareness of corruption in the judiciary, and in inequitable application of the law. As a result of Georgian NGOs advocacy, between 2015-2021, 16 laws and regulations related to judicial affairs were adopted consistent with CSO input.

Question:

What is USAID's view on China's growing footprint and influence in Latin America and the Caribbean? How is USAID working to counter this trend and show that it is the region's preferred partner?

Recently, the Honduran government severed ties with Taiwan and established relations with China, leaving Guatemala and Belize as Taiwan's remaining diplomatic partners in Central America. What is USAID doing to strengthen Taiwan's position in the region?

Answer:

USAID is responding to the PRC's increasing interest in Latin America and the Caribbean by supporting energy investment, investigative journalism, countering disinformation and misinformation, public procurement management, cybersecurity, disaster resilience, and promoting and protecting transparent and democratic governance systems and inclusive economies.

Over the last several years, USAID has prioritized strengthening engagement with Taiwan under the auspices of the American Institute in Taiwan (AIT) and the Taipei Economic and Cultural Representative Office in the United States (TECRO) and is now seeing robust engagement with Taiwan across the agency, including both in Washington and with our Missions.

In November 2022, AIT and TECRO signed an Memorandum of Understanding (MOU), institutionalizing a framework for ongoing and new development and humanitarian cooperation between USAID and the Taiwan International Cooperation and Development Fund (TaiwanICDF), Taiwan's development agency. This MOU was a historic first for USAID and signifies USAID's commitment to strengthen cooperation with Taiwan in receptive third partner countries as well as with key development partners.

USAID has been working to operationalize this arrangement by doubling down and deepening our engagement with TaiwanICDF globally, including in Latin America and the Caribbean. For example, In Paraguay, USAID and TaiwanICDF are jointly providing technical assistance, training, and logistical support for the establishment of small business development centers around the country, in partnership with the Government of Paraguay.

Question:

Earlier this year, USAID's Bureau of Humanitarian Affairs ordered and delivered 100 sets of firefighter personal protective equipment for Cuban regime officials. How does USAID rationalize providing this in-kind donation to officials from a designated State Sponsor of Terrorism?

Answer:

Following the August 2022 oil fires in Matanzas, which resulted in 16 fatalities and 146 injuries, as well as the loss of a large amount of firefighting equipment, the U.S. government provided 100 sets of firefighting personal protective equipment (PPE) to Cuba's National Firefighting Academy in order to support the preparedness of the firefighters to conduct firefighting operations and prevent loss of life in the future. The delivery of PPE to the firefighting school underscored the Administration's focus on support for the Cuban people, consistent with efforts to advance United States government foreign policy interests.

Question:

Can you help the committee understand how USAID is thinking through implementation of the Global Fragility Act in Haiti?

How will this result in new approaches to problem sets that USAID and other partners have been seeking to address for years?

What reforms are necessary for Haiti to hold credible elections? Within what time frame and what costs would you estimate the implementation of these reforms would take?

Answer:

Recognizing the challenges of the ongoing political, economic, and security crises in Haiti, Haiti's 10-year plan under the Global Fragility Act (GFA) envisions a phased approach. During the first phase, USAID will focus on bolstering citizen security as a complement to the Department of State's support to the Haitian National Police. USAID expects to soon award a new activity to improve citizen security and strengthen communities' resilience to gangs and violence.

The 10-year plan under the GFA also acknowledges that past foreign assistance and diplomatic efforts have not always achieved their goals in Haiti. This plan seeks to respond to and incorporate lessons learned from decades of engagement in Haiti, and identify new approaches to guide the U.S. government's efforts in Haiti. As one example of this, USAID's expected new citizen security program,

referenced above, represents one facet of a broader package of policing, sanctions, and diplomatic efforts across the U.S. government that offers a new coordinated approach to addressing the security situation in Port-au-Prince.

In addition, insights gleaned from consultations with over 300 stakeholders from across Haitian society highlighted that addressing fragility cannot be achieved solely by responding to the visible symptoms of fragility in Port-au-Prince, but also necessitates addressing the underlying root causes in rural areas. Finally, the extended 10-year timeline of the GFA strategy has allowed USAID to extend its strategic thinking beyond the next election cycle to understand how elections are a milestone, not an end goal, in addressing fragility in the country.

In addition to ensuring sufficient security that Haitians feel safe enough to vote, there are a number of necessary preconditions that must be in place to ensure credible elections. USAID is working to support Haitians as they build a foundation for elections. For example, USAID recently signed a new elections support program with the Consortium for Elections and Political Process Strengthening (CEPPS). The first phase of this five-year program will support Haiti's Provisional Election Committee, civil society, marginalized groups and other key political stakeholders as they create the socio-political conditions for Haiti to conduct credible elections that reflect the will of the people. When a date for elections is determined, this program is expected to shift to supporting the administration of elections in line with any reformed electoral framework and international best practices.

Question:

For decades, the U.S and international donors have spent billions on foreign assistance to stem migration and the regional migration crisis is worse than it has ever been. What specifically in the Biden administration's root causes of migration approach has proven effective? Can you highlight specific programs or lessons learned from failed approaches?

Answer:

USAID recognizes that there are considerable headwinds in Central America, where we see setbacks for the rule of law and the fight against corruption. But even against those headwinds, there are clear signs of progress amid a challenging backdrop. Our development assistance is achieving tangible results. Over the last year, we have seen progress in several areas. For example:

- USAID support for nearly 8,000 private sector firms in northern Central America has helped create and sustain more than 90,000 jobs.
- USAID has reached more than 465,000 youth through support for primary and secondary education in areas of high out-migration in El Salvador, Guatemala, and Honduras, exceeding our planned targets.
- USAID leveraged roughly \$189 million from both the public and private sectors to increase productivity and incomes for more than 60,000 agriculture industry producers participating in food security programs in Guatemala and Honduras.

We track intentions to migrate through the surveys conducted by the Latin America Public Opinion Project (LAPOP). Based on the FY 2022 survey data, intentions fell by double digits in 2022 in Guatemala and Honduras (with almost no change in El Salvador) compared to 2021.

Migration intentions historically have tracked closely with actual migration patterns and encounter data from the U.S. Customs and Border Protection (CBP) further validates this finding. CBP encounters of Guatemalans, Hondurans, and Salvadorans at the US southwest border dropped substantially for Guatemala and Honduras between fiscal years 2021 and 2022 (decreases of 18 percent and 33 percent respectively), while levels from El Salvador changed only slightly (decreasing just 2 percent).

And we see this borne out in our programs. In Honduras, for example:

- Feed the Future participants had migration intention rates 78% lower than the general population - even after accounting for age.
- Participants in our rural economic development programs migrated at half the rate of the surrounding community.

And while many factors contribute to migration rates, our programs are clearly contributing to reduced out-migration.

Question:

Frequently, USAID announces private sector commitments from the Partnership for Central America (PCA). Can you help the committee understand how much of these funds were pre-existing commitments versus new pledges announced as a direct result of the Vice President's call to action?

Answer:

All of the commitments made by members of PCA, who are also partners of USAID, are new commitments of funding, and are not announcements of previously committed or planned USAID funding or that of USAID's partners. For questions about non-USAID partners, we recommend contacting the State Department, which manages the relationship with PCA.

Question:

How can the U.S. and international partners put more pressure on the Ortega regime? What specific steps should like-minded partners in the Western Hemisphere take?

Answer:

The Ortega-Murillo regime continues to escalate its repression of civil society, religion, and any independent voices, with widespread human rights violations. The U.S. government has a variety of tools to put pressure on the Ortega regime, including those outlined in the RENACER Act of 2021, such as additional sanctions, reviewing Nicaragua's participation in CAFTA-DR, and expanding oversight mechanisms for international financial institutions lending to Nicaragua.

Although many of these efforts are led by the Department of State and other agencies, USAID continues to coordinate closely and support our interagency colleagues regarding the implementation of these tools. USAID's work to support civil society, independent media, human rights, and political consensus-building among the democratic alternatives is more important than ever. USAID supports human rights defenders to investigate, produce, and widely disseminate evidence of the regime's crimes against humanity; contributes to the survival of independent media in the face of repression; and supports the formation of a democratic alternative to better represent and guarantee the freedoms and rights of the Nicaraguan people.

Question:

Given the recent elections in Colombia and points of friction emerging with the new government in Colombia, can you speak to USAID activities in Colombia with respect to supporting the implementation of the peace accords?

One controversial aspect of the peace accords is the agreement on restorative justice. Instead of going to prison for crimes like murder, demobilized FARC combatants would serve reduced sentences or provide acts of public service. Given that many of FARC's illicit activities are also considered crimes in the U.S., will USAID support restorative justice efforts?

Answer:

The 2016 Peace Accord between Colombia and the FARC was an historic achievement and remains the country's best tool for achieving lasting peace. Fulfilling the Accord's commitments requires sustained budgetary, political, and institutional support. USAID's support to peace implementation has been vital given its close alignment with the Accord's Rural Development, Transitional Justice, and Ethnic Inclusion chapters.

- With regard to the Rural Development Chapter, USAID has made implementation of the Peace Accord's Territorially-Focused Development Plans the focus of our support. Implementation of these plans strengthens rural development and improves services in conflict-impacted regions which USAID believes is essential to ending the conflict and achieving peace.
- To expand support for Ethnic Chapter implementation, USAID recently awarded a new standalone activity to strengthen ethnic inclusion, while also integrating ethnic inclusion components into multiple other activities. USAID has also made direct awards to local Colombian Afro-Colombian and Indigenous organizations, allowing them to implement their own vision of development and participate actively in Peace Accord implementation.
- On transitional justice, our assistance helps Colombia reconcile and move beyond past atrocities and establish consequences for transgressions committed on all sides during the state's conflict with the FARC. USAID has focused on assisting conflict victims to prepare cases for presentation to the Special Jurisdiction for Peace (JEP); accelerating cases in the JEP; and helping to protect the brave witnesses who come forward to share their testimony.

At this time we are not supporting any restorative justice sentencing work being conducted by the JEP. If this should change, we will do so in accordance with all legal requirements, including congressional notification.

Question:

Almost immediately after entering office, the Administration decided to resume U.S. assistance to the Palestinians. Two years later, we've seen significant waves of terrorist violence against Israeli civilians and we are not closer to any kind of solution to the conflict. What does the Administration think this assistance is accomplishing, and why is this a good use of the American people's money?

Answer:

The United States is committed to advancing prosperity, security, and freedom for both Palestinians and Israelis. At the time of resuming assistance in 2021, as directed by P.L. 117-103, our programs were designed to improve the lives of millions of Palestinians by providing immediate relief, increasing opportunities for stable employment, and advancing development across sectors such as health, economic growth, civil society, climate, and water. USAID funding was also to support people-to-people peacebuilding programs through the Middle East Partnership for Peace Act, which aimed to address these same development challenges while also building trust and addressing grievances in underserved communities.

Question:

Bashar al Assad is diverting and weaponizing international aid, including aid provided via the United Nations. As one of the largest donors to the UN's Syria Response, how is the U.S. leveraging its contributions to ensure assistance to Assad-held areas provided through the UN is delivered consistent with humanitarian principles and not diverted by the Assad regime? How is the U.S. using its leverage at the UN to try to limit the Assad regime's influence over UN operations in Syria including as relates to hiring practices and procurement of goods and services?

Answer:

To prevent the Assad regime from having any direct or indirect influence on aid operations, USAID and its United Nations (UN) and non-governmental organization (NGO) partners have multiple risk mitigation controls in place. Safeguards include award-specific risk assessment and management plans, established internal controls, safety and security plans for staff movements and transport of cash and program materials, award-specific third party monitoring (TPM) mechanisms, and numerous USAID reporting requirements.

USAID's TPM mechanism monitors our humanitarian programs countrywide. Partners are also required to report all incidents of diversion, fraud, waste, and abuse and sexual exploitation and abuse to USAID's Office of Inspector General. USAID staff immediately follow up on any reports received and continually assess such incidents to ensure that our assistance is reaching those for whom it is intended. We

continue to work with the UN and other humanitarian partners to strengthen these oversight and accountability mechanisms.

Lastly, USAID actively participates in the donor-UN Syria Regional Dialogue Mechanism to ensure our contributions provided through the UN are delivered in a manner consistent with humanitarian principles and do not benefit the Assad regime. For example, USAID and other donors are utilizing this platform to engage with and hold the UN accountable on their procurement practices to ensure that the UN is increasing their due diligence and learning from human rights experts per the Syria Legal Development Program (SLDP) report released in October 2022.

Question:

Lebanon is currently experiencing a political and economic crisis, driven in part by widespread corruption and graft in the energy sector. USAID's Lebanon programming has a significant focus on local level solar projects and programs. Given the involvement of Lebanon's corrupt state energy company in these programs, and the lack of regulation, please explain the tangible benefit these types of projects provide to the Lebanese people. What steps is USAID taking to ensure US funds aren't used to acquire black market, counterfeit, or Chinese- origin solar panels?

Answer:

USAID's Lebanon Mission began providing solar power assistance in Lebanon in 2016. These activities have become vital to respond to growing energy needs due to the economic crisis and electricity supply collapse. Currently, Lebanon's national electricity supply grid only provides 1-2 hours of power per day. The Lebanese people must rely on a network of back-up fuel generators, which have become increasingly costly due to the rising price of fuel. The energy crisis has severely hindered the delivery of essential public and municipal services, including water distribution and wastewater treatment, which is affecting communities, as well as critical institutions like hospitals and schools.

Through its solar interventions, USAID's Lebanon Mission is benefiting the Lebanese people in several ways, including by providing reliable access to water to over half a million Lebanese citizens and refugees in more than 150 towns and villages via solar-powered water pumping projects. This decreases operating costs and dependence on fuel. Solar interventions also are helping farmers more efficiently water their crops through solar-powered irrigation systems and supporting dairy producers with solar-operated milk cooling tanks and solar-operated cold storage. Additional examples include providing fishermen with solar-operated refrigerators to help them continue producing fish products and rehabilitating a major hydropower station that will provide additional eight hours of electricity to 17 villages.

USAID's Lebanon Mission has proactively taken steps to implement safeguards to ensure that its partners are in compliance with U.S. laws and regulations. Furthermore, USAID's implementing partners conduct due diligence of proposed subcontractors or suppliers of solar panels by searching the System for Award Management database, the Office of Foreign Assets Control Specially Designated Nationals and Blocked Persons List, the UN Consolidated List, the Department of State Non-Proliferation Sanctions List, the Department of State Foreign Terrorist Organization List, and the Department of Commerce Entity List.

Question:

Congress gave the Special Investigator General for Afghanistan Reconstruction (SIGAR) broad authority to oversee all funds spent on Afghanistan, regardless of which agency spent them. And yet, SIGAR John Sopko testified in April that USAID was not in full compliance with SIGAR's oversight efforts of the billions of tax-payer dollars being spent in Afghanistan.

Why has USAID been obstructing SIGAR's oversight work?

Please affirmatively commit that USAID will be in full compliance with all SIGAR efforts to conduct oversight moving forward.

Answer:

USAID has long been—and remains—committed to helping SIGAR fulfill its important statutory mandate. Consistent with President Biden's strong commitment to transparency for the American people, USAID believes in the importance of inspectors general to protect against fraud, waste, and abuse and cooperates with all oversight bodies—including SIGAR, Congress, and USAID's Inspector General (IG). We are working in good faith to provide timely and accurate responses for the increasing number of oversight investigations. Having a dialogue with oversight bodies—including SIGAR, our own IG, and Congress—is a normal part of our working relationship.

USAID met with SIGAR Inspector General John Sopko on December 21 to discuss our continued cooperation. USAID requested this meeting and stressed that we intend to continue cooperation on all requests for information. Over the past several months, USAID has held several senior-level discussions with SIGAR to ensure a shared understanding of information requests and a production schedule. We are actively engaging with SIGAR staff at the working level to seek clarity on requests for information to ensure we provide accurate responses, as timely as possible, and in order of priority.

USAID is working on three new SIGAR engagements and six requests for information, 26 financial audits, and 66 open audit recommendations, which we are working with our partners to close. Since August 2021 alone, USAID has provided SIGAR with thousands of pages of responsive documents, analyses, and data describing our assistance in Afghanistan, reflecting our commitment to assisting SIGAR fulfill its important statutory mandate.

Question:

Special Investigator General for Afghanistan Reconstruction (SIGAR) John Sopko testified in April that neither USAID nor the State Department have been able to identify how much U.S. assistance in Afghanistan goes to the Taliban for taxes, fees, bills, rent, and other expenses.

Why is your office unable to identify how much money this Administration is paying directly to the Taliban?

How much money would you be comfortable giving to the Taliban for these types of expenses? 5 million? 10 million?

Please affirmatively commit to providing the Committee an itemized list of all expenses paid to the Taliban for taxes, fees, bills, rent, and other expenses.

Answer:

USAID's assistance is not provided to or through the Taliban. All USAID humanitarian assistance supports the work of UN agencies and experienced, carefully chosen international non-governmental organizations (NGOs) with robust risk mitigation measures in place which often include specific staff dedicated to mitigating fraud, waste, and abuse and written standard operating procedures on how to mitigate, manage, and report attempted Taliban interference. USAID requires all cases of fraud, waste, and abuse to be reported. These instances are all documented, tracked, and reported to USAID's OIG.

USAID partners do not pay any new taxes to the Taliban, as pre-Taliban agreements regarding taxation are still being honored. Our partners in Afghanistan pay incidental transactions costs to operate, such as fees, import duties, licenses, or public utilities to various Afghan ministries, including costs related to registration to maintain NGO status. These are necessary operational costs that are not different from costs humanitarian and development organizations pay in other countries and that are authorized under General Licenses issued by the Department of Treasury's Office of Foreign Assets Control (OFAC). It would not be possible for our partners to provide lifesaving support and basic needs assistance to the Afghan people without paying these required operational costs. It is important to distinguish payment of these incidental transactions from the rare instances of attempted assistance diversion.

Both prior to and following the fall of Kabul, partners have withheld taxes on behalf of employees, contractors, and leaseholders for three types of payments partners made for wages, rents, and contractor payments, as explained below:

1. Salaries: In many cases, partners have withheld salary withholding taxes for locally-employed Afghan staff based on personal income tax regulations, as required by Afghanistan income tax law provisions. The amount withheld depends on the salary, and the employer must transfer it to the Afghanistan so-called Ministry of Finance (MoF) account. Such salary withholding is typical in every country USAID does business.
2. Rents for office buildings/leases for staff housing: Partners withhold ten or fifteen percent of the rent, depending on the amount they pay, to their landlords and submit that to the so-called MoF on behalf of their landlords.
3. Contractor/vendor services: Partners withhold two percent of payments they make to contractors or vendors that are registered under Afghan law and seven percent of those that are not registered, and make withholding payments on behalf of contractors/vendors to the so-called MoF.

The purpose of these withholding payments is not to tax USAID's implementing partners, but to make sure that partners' local employees, landlords, contractors, and vendors pay their own taxes to local revenue authorities across the country.

Question:

The Taliban banned Afghan women from working for the UN and NGOs in Afghanistan. There are reports of the UN and some NGOs going forward with male-only implementation of aid, which is a direct

violation of humanitarian aid principles and would further victimize Afghan women who are unable to receive humanitarian aid from male implementers. Is USAID committed to opposing male-only implementation of assistance in Afghanistan?

Please affirmatively commit to using all U.S. leverage at the UN to oppose male-only implementation.

Answer:

USAID is committed to opposing male-only implementation of assistance in Afghanistan and committed to the meaningful inclusion of women in all humanitarian assistance. We condemn the Taliban's edicts limiting women's ability to work for non-governmental organizations (NGOs) and the United Nations (UN) in Afghanistan, and are determined to prevent normalization of restrictions that remove women from public life. We are closely engaged with all of our implementing partners to ensure that they safely include women staff in their programming and to ensure that they reach women as recipients of their efforts on a needs based approach while adhering to the "do no harm" principle.

We applaud the stated commitment of the UN humanitarian agencies to stay and deliver, and commend our partners who have negotiated principled access and are continuing to do the life-saving programs that so many Afghans count on. USAID expects all partners to uphold humanitarian principles and follow a "do no harm" approach to ensure female aid workers can meaningfully participate in all stages of the program cycle.

USAID has and will continue to raise these priorities in engagements with the UN, donors, and other implementing partners. Where women cannot be fully involved, we are prepared to reassess our funding. No country can function when half its population is cut off from— and cannot contribute to—the economy or workforce.

Question:

USAID reported that the Taliban interferes with our implementing partners by demanding to be involved in project decision making and implementation, and requiring partners to sign memorandums of understanding (MOUs). The Taliban benefit from humanitarian aid entering Afghanistan by stealing or diverting it to preferred recipients, such as Taliban fighters or loyal provinces. And yet, USAID has allowed implementing partners to take directives from the Taliban on how they can provide aid and has allowed them to sign memorandums of understanding (MOUs) with the Taliban. How can USAID ensure the Taliban is not diverting aid when you allow our partners on the ground to take orders from the Taliban?

Please affirmatively commit that USAID will share all MOUs that USAID has authorized implementing partners to sign with the Taliban.

Answer:

U.S. Agency for International Development (USAID) partners do not take directives from the Taliban; such actions would compromise the humanitarian principles of neutrality, impartiality, and independence. USAID implementing partners frequently sign memoranda of understanding (MOUs) with de facto authorities, a common practice when negotiating access in humanitarian contexts, including

prior to August 2021. This practice is common in most countries where USAID operates to facilitate coordination and establish a broader framework for humanitarian or development assistance with national and local authorities, which helps ensure that program goals and objectives are well understood by all parties.

In accordance with the terms and conditions of Mission awards, USAID guidance includes recognition that MOUs are not binding or enforceable. USAID's Afghanistan Mission has not authorized any implementing partner to sign an MOU with the Taliban, and USAID does not require partners to provide us with MOUs. As such, we do not have MOU documents to share with Congress.

USAID maintains oversight of implementing partners through strict risk mitigation procedures. Per USAID standard provisions in awards, partners are required to report to USAID's Office of Inspector General (OIG) all incidents of diversion, theft, or other incidents that may benefit any entity or individual not targeted for assistance. Should USAID become aware of any alleged incident, staff follow standardized procedures and engage implementing partners to collect information on the incident in question.

Question:

The Special Investigator General for Afghanistan (SIGAR) estimates that nearly 30% of approximately \$63 billion that the U.S. spent in Afghanistan from 2002 to 2019 was lost to waste, fraud, and abuse. Today, the U.S. has no footprint in Afghanistan, the Taliban is in charge, and a sanctioned specially designated global terrorist - who managed funds intended for bomb-making - sits on the board of the Afghan central bank. How is USAID able to ensure that my constituents' taxes aren't being lost to waste, fraud, and abuse in Afghanistan today?

Answer:

USAID takes its duty as a steward of U.S. taxpayer funding seriously and holds our implementing partners to the highest standards to ensure that taxpayer funds are used wisely, effectively, and for their intended purposes. USAID assistance is not provided to the Taliban and does not directly benefit the Taliban.

Our implementers have extensive experience operating in high-risk environments around the world. We require them to have proper safeguards and risk-mitigation systems in place to help ensure that principled development and humanitarian aid reaches those who need it most — and that taxpayer resources are not lost to waste, fraud, and abuse. These include:

- **RISK ASSESSMENT AND MANAGEMENT PLANS (RAMPS):** USAID employs risk analytic processes that include an examination of the risks associated with the diversion of assistance to the Taliban and Haqqani Network in Afghanistan. USAID requires that partners submit Risk Assessment and Management Plans (RAMPs) as part of their applications for funding. USAID utilizes these RAMPs, along with our robust internal analysis, to examine how applicants for funding will mitigate the risk of our assistance benefiting sanctioned entities, among other risks.
- **OFFICE OF THE INSPECTOR GENERAL (OIG):** Per USAID standard provisions in awards, partners are required to report to USAID's Office of the Inspector General (OIG) all incidents of fraud,

waste and abuse, including diversion. USAID staff continually coordinate with our partners to ensure that our assistance is reaching those for whom it is intended and that our partners have effective mitigation measures in place to help safeguard against similar incidents occurring. USAID requires all cases of fraud, waste, and abuse to be reported. These instances are all documented, tracked, and reported to USAID's OIG.

- **PROGRAM REPORTING:** USAID staff regularly meet with partners, and review programmatic and financial reports corresponding with their respective awards, to assess the progress of award implementation and to obtain key contextual and programmatic updates, including access to beneficiary populations, safety and security, and attempted Taliban interference. Partners are required to provide regular program updates on the progress of their activities and report any diversions, seizures, or losses. We monitor these reports to verify not only that our assistance reaches those for whom it is intended, but to also ensure that our partners have effective mitigation measures in place to help safeguard against incidents occurring.
- **SANCTIONS RISK ANALYSIS:** All USAID partners are required to comply with U.S. government legal authorizations restricting transactions with the Taliban, including annual appropriations restrictions. However, USAID and our partners also have authorization via General Licenses issued by the Department of Treasury's Office of Foreign Assets Control (OFAC) to engage in incidental transactions that are necessary to facilitate the provision of assistance (i.e., fuel, electricity, etc.). This is not unique to Afghanistan. This authorization also exists via various OFAC licenses across OFAC sanctions programs in non-permissive environments (e.g. Yemen, Venezuela, and countries in the Horn of Africa). While USAID has legal authorizations in place to safeguard against sanctions violations, we still require our implementing partners to report any instances of diversion, fraud, waste, and abuse, including incidents involving the Taliban and Haqqani Network, and will suspend funding if necessary.
- **TERRORIST FINANCING RISK ASSESSMENT:** We have a track record of ensuring that our assistance does not benefit terrorists or other blocked persons. In 2009, the Mission implemented a Terrorist Financing Risk Assessment, a document that requires USAID staff to adhere to policies that ensure USAID-financed projects and activities are insulated so that benefits are not provided, even inadvertently, to terrorists.
- **VETTING:** USAID's partner vetting policies are outlined in ADS Chapter 319, which includes requirements for pre-award vetting and an option for post-award vetting for urgently needed humanitarian assistance (see ADS 319.3.6.3). Special standard operating processes are further described in the country specific partner vetting orders.
- **MISSION ORDER:** USAID's Afghanistan Mission's vetting Mission Order (M.O.) 201.06 outlines the vetting process in detail. Generally, USAID vets proposed non-U.S. prime or sub-awardees when the proposed award amount exceeds \$25,000. Vetting is done by award, and is redone annually for multi-year awards. U.S. citizens are generally not vetted. Per M.O. 201.06, however, USAID reserves the right to vet any entity, or any person, at any time when there is a noted concern of being involved with a prohibited party.

Question:

Suggested follow up if Power cites third-party monitoring: USAID has admitted that third-party monitoring by contractors is less reliable than monitoring conducted by USAID. Given that SIGAR estimates that 30 percent of assistance was lost when the U.S. had a presence on the ground, would you agree that it is a reasonable assumption that more than 30 percent is being lost now?

Answer:

No, we do not agree. USAID takes its duty as a steward of U.S. taxpayer funding seriously and holds our implementing partners to the highest standards to ensure that taxpayer funds are used wisely, effectively, and for their intended purposes. All partner award agreements include requirements that partners report any confirmed or suspected instances of fraud, waste, and abuse to their overseas field representative, Agreement Officer's Representative, and USAID's Office of Inspector General. There are no minimum thresholds for reporting. A partner's failure to report confirmed or suspected cases of fraud, waste, and abuse could result in award suspension or termination.

Question:

Southeast Asia is in desperate need of many of USAID's programs, particularly capacity building and technical assistance, and is a main target of CCP influence. U.S. allies in the Indo-Pacific, such as South Korea, Japan, and Taiwan, have also adopted their own strategies to bolster their development programming in Southeast Asia. How is USAID working with our allies in Northeast Asia to pursue co-development or co-financing programming in Southeast Asia?

Answer:

USAID has deep collaboration with northeast Asian countries such as Japan, South Korea, and Taiwan, as well as other like-minded partners in the region like Australia, India, and New Zealand. We work to identify areas of collaboration, overlap, gaps, and/or opportunities to leverage resources. USAID engages these partners through multilateral initiatives such as the Quadrilateral Security Dialogue (Quad), the U.S.-Japan-Australia Trilateral Infrastructure Partnership, and the Partners in the Blue Pacific, amongst others. USAID is also elevating the leadership of emerging development partners like Indonesia and Thailand through co-designed health training courses and other initiatives. Alongside India, these partners help provide the region with more sustainable alternatives to the PRC's development model.

USAID is negotiating a memorandum of understanding with the Korean International Cooperation Agency (KOICA) to advance health systems strengthening, improve environmental resilience, and accelerate the transition to clean energy in the Pacific Islands region. USAID also continues to pursue opportunities to establish relationships with multilateral financial institutions and other new development partners who share our values and objectives in the region. For example, USAID signed a regional assistance agreement with the Asian Development Bank (ADB) to help Pacific Island countries better adapt and respond to climate and disaster impacts, pandemics, and economic shocks.

**Questions for the Record Submitted to
USAID Administrator Samantha Power by
Representative Salazar
House Committee on Foreign Affairs
May 17, 2023**

Question:

Tuberculosis has now re-emerged as biggest leading infectious disease killer. TB is an airborne contagion, has drug resistant strains and now claims 1.6 million lives each year – that’s more lives than HIV/AIDS and malaria combined. Given that USAID launched an ambitious new TB strategy, the fact that there’s an upcoming UN High Level meeting on TB where the U.S. should be pushing other governments to have ambitious national plans on fighting TB, AND the way TB programs globally were the backbone for COVID- response - why does the president’s budget cut funding for TB at USAID below the Congressionally enacted level?

As follow up – It’s important to use a full range of U.S. diplomatic efforts to encourage countries with high burdens of TB to come forward with bold national action plans at the HLM and for encourage other donor countries to back up the plans with bold new investments. Will the U.S. show up at the upcoming event High Level Meeting with 1) new concrete pledges for ending tuberculosis to the HLM, 2) by committing to the development of a U.S. whole of government strategy for advancing the global targets to be endorsed at the HLM, and 3) by ensuring highest level U.S. Government representation at the HLM to end TB?

Answer:

USAID is grateful to Congress for its trust and confidence in the Agency to deliver on the consistent Tuberculosis (TB) budget increases. USAID and the Interagency must consider a range of competing Global Health priorities in determining the Fiscal Year 2024 Request. Addressing TB remains a very high priority for USAID and the U.S. government (USG), and with the investment of the Global Fund and domestic resources, the Agency will continue to make progress toward meeting our goals at the requested \$358.5 million level.

Thanks to the generosity of Congress, the USG is the largest bilateral donor to global TB efforts and the largest donor to the Global Fund to Fight AIDS, Tuberculosis and Malaria. As the lead USG agency on the international TB response, USAID has been able to use the \$4.7 billion appropriated by Congress since 2000 to contribute to saving 74 million lives and reducing TB incidence by 25 percent and TB mortality by 41 percent in USAID’s 24 priority countries for TB programming.

This would not be possible without robust bipartisan support, which will be crucial in recovering lost ground due to COVID-19 and accelerating progress towards meeting the USAID TB Strategy targets and new UN TB High-Level Meeting (HLM) targets currently being negotiated at the UN. USAID is committed to a successful TB HLM and will work with other USG agency leaders on it. USAID is preparing to launch new TB approaches and tools at the HLM to accelerate progress towards the “to be” adopted political declaration and USAID TB Strategy.

Furthermore, USAID is actively participating in TB HLM preparations including through the U.S. Mission to the United Nations to ensure there are ambitious TB targets in the HLM political declaration that align with the USAID TB Strategy and the WHO END TB Strategy. In addition, we will coordinate the interagency to ensure all commitments leverage each other and represent the whole of the U.S. government.

We welcome the increased accountability the *END TB Now Act* gives USAID and urge for it to pass before the TB HLM in September 2023 to further demonstrate the U.S. government’s commitment to ending TB, as well as challenge leaders of high-burden countries to make their own ambitious commitments.

Question:

We are very glad to see the Global Fund is fully funded in the budget – and we greatly appreciated this Administration’s work to support the largest replenishment in history. That said– there are still goals to be met in the global fundraising space to fully fund the Global Fund. What else will the administration be doing to continue to bring additional donors and top ups to the table in support of this critical program? And How can this administration support the Global Fund even more in its critical role – not only in ending the current pandemics of HIV/AIDS, TB, and Malaria – but in preventing future ones?

Answer:

There continues to be strong support for the Global Fund, including by its top donors – the United States, France, the United Kingdom, Germany, Japan, Canada, and the Gates Foundation. By November 2022, partners pledged approximately \$15.67 billion to support the 2023-2025 funding cycle. The United States’ contribution to the Global Fund may not exceed 33 percent of the total funds contributed from all donors. Therefore, the United States’ intended contribution of up to \$6 billion, subject to availability of appropriations and completion of required procedures, as well as legally required withholdings, will need to be matched by \$12 billion in funding from other sources.

The Global Fund has until September 30, 2023, to mobilize matched resources from other sources. For this reason, the Administration remains actively engaged in leveraging bilateral and multilateral discussions to encourage donors, including the private sector, to increase contributions to unlock the full potential of the United States’ contribution. The U.S. government’s partnership with the Global Fund is a central element of the Administration’s strategy for achieving success in the fight against HIV,

tuberculosis, and malaria. Through its funding for these three diseases, the Global Fund provides a platform that strengthens health systems and overall pandemic preparedness, prevention and response.

**Questions for the Record Submitted to
USAID Administrator Samantha Power by
Representative Christopher Smith
House Committee on Foreign Affairs
May 17, 2023**

Question:

The Consolidated Appropriations Act, 2023 appropriated 20 million USD of American taxpayer's money to the so-called "Central Europe Program." While the announcement of the Program claimed that it focused on a group of Central European countries, USAID Administrator Samantha Power visited only Hungary to launch the Program since December 12, 2022. What benefits are expected to be gained from such a program in NATO ally countries? Would you agree that the Program carries the risk of being interpreted by the recipient countries as unwanted foreign influence?

How does the Program serve American foreign policy interests from the perspective of the traditionally good and strong US-Hungary bilateral relationship, especially in the current fragile geopolitical situation in Central and Eastern Europe?

Why did Administrator Samantha Power only visit Hungary to launch the program? Why is the Program being conducted through and with the help of NGO's, such as the German Marshall Fund, which are well-known critics of the Hungarian government?

Does the administration wish to include the Program in the Fiscal Year 24 State and Foreign Operations Budget, and what is expected to be achieved by doing so?

Answer:

The purpose of USAID's Central Europe Program is to promote resilient democratic societies in Central Europe by strengthening democratic institutions, civil society, and independent media. This program is rooted in values shared by the United States and our Central European allies, such as respect for human rights and fundamental freedoms and adherence to the rule of law. These values are enshrined in the foundational documents of the Organization for Security and Cooperation in Europe, of which the U.S. and our Central European allies are participating members. USAID's work in Central Europe is a natural extension of our long-standing partnership with the nations of Central Europe.

Administrator Samantha Power traveled to Hungary in February 2023, the primary purpose of which was to build on the United States' long-standing partnership and collaboration with the Hungarian people. During her visit, Administrator Power engaged with Hungarian civil society, independent journalists, and young people building the future of Hungary. Administrator Power concluded her visit by meeting Hungarian Minister of Justice Judit Varga, Minister of Defense Kristóf Szalay-Bobrovniczky, and Chair of the Hungarian Parliament's Foreign Affairs Committee Zsolt Németh.

The launch of the Central Europe program also included previous visits by other senior officials from USAID's Bureau for Europe & Eurasia (E&E). At the time of the program's launch, E&E officials met with relevant U.S. embassies, implementing partners, and local stakeholders, as well as the Embassies of Poland, Hungary, and Slovakia in Washington, D.C. in order to share information about the Central Europe program.

In compliance with the congressional directive to re-engage in Central Europe democracy programs, USAID conducted a full and open competition to solicit programming ideas. As a result of a rigorous merit-based selection process, USAID has partnered with organizations to implement activities. USAID has briefed congressional staffers throughout the process on this approach.

To achieve the anticipated development results, the program is designed for five years. USAID's request for Fiscal Year 2024 for Central Europe is \$10 million, which is planned to be used to support locally-led initiatives of Central European local civil society and media, paired with technical assistance, building their organizational capacity, and networking across borders for best practices.

Question:

Many of us have been reading about the developing humanitarian crisis in Nagorno-Karabakh, where 120,000 Armenians are subject to the Azerbaijani government's military-enforced blockade. For over 150 days now, the Azerbaijani government has prevented free access to food, fuel, medicine, and other essential goods. In April, Azerbaijan established a military checkpoint on the corridor, which has completely blocked the ICRC's access to provide medicine and patient transport to the region.

The FY23 State Foreign Operations/Omnibus bill appropriated funding to Armenia. Has any of this funding been spent to support the humanitarian and recovery needs of those impacted by the Nagorno-Karabakh conflict? This would be in line with the committee's request for an assistance strategy.

Answer:

Fiscal Year 2023 funds have been appropriated, and USAID is actively working with the Department of State to finalize the 653(a) process, the next step in advancing the appropriations towards the provision of allocations to USAID Missions.

Since September 2020, the United States has provided more than \$24 million in assistance to aid vulnerable populations adversely affected by the ongoing situation in Nagorno-Karabakh (NK). This funding enables U.S. government partner organizations to provide food, healthcare services, cash assistance, and other urgent support to individuals residing in the territory and Armenia.

USAID has played a leading role in providing targeted support to displaced populations that relocated into Armenia from Nagorno-Karabakh. USAID's Bureau for Humanitarian Assistance promptly provided \$2.5 million to deliver cash, food, healthcare services, and other urgent support to displaced individuals arriving into Armenia due to the 2020 conflict between Armenia and Azerbaijan. In addition, USAID's Armenia Mission provided more than \$2.6 million in additional FY20 funds to support the Government of Armenia and communities in responding to those affected by the conflict in Nagorno-Karabakh, as well as those living in border communities inside the Republic of Armenia affected by related military actions between Armenia and Azerbaijan. The response included first aid supplies, food and cash assistance, as well as livelihood opportunities. In addition, USAID's Office of Transition Initiatives provided over \$660,000 to support regional and municipal governments in meeting the immediate needs of the estimated 100,000 displaced people from Nagorno-Karabakh in Armenia.

**Questions for the Record Submitted to
USAID Administrator Samantha Power by
Representative Titus
House Committee on Foreign Affairs
May 17, 2023**

Question:

I firmly believe that U.S. foreign humanitarian and development assistance must prioritize the full economic, social, and political participation of all, and people with disabilities must play a prominent role in U.S. foreign assistance. In March of this year, I sent you, Secretary Blinken, and Secretary Austin a letter asking you to prioritize the promotion and inclusion of persons with disabilities across your agencies' international efforts. Specifically, I asked USAID to release a new disability policy with a plan and timeline as USAID's current disability policy is over 25 years old. While I'm aware that USAID is in the process of updating its disability policy, I'd like to ask where USAID is in that process, how this plan will advance our global leadership on disability rights, and how this budget request supports that effort?

Answer:

USAID is pleased to be updating the Agency Disability Policy, building on the Agency's experience over the past two decades, and responding to the invaluable input from a broad array of stakeholders, including first and foremost persons with disabilities and organizations staffed and led by persons with disabilities. A draft of the policy is currently being readied for internal agency review, after which it will be further updated as needed, and we plan to make it available for public comment. At that stage, all interested individuals and groups will be welcome to offer their comments and feedback on the draft. We would welcome the opportunity to brief you and your staff at that time. We anticipate adoption of the final updated policy, and the updated policy will inform the development of a robust implementation plan.

In addition to advancing empowerment and elevating the lives of the world's more than one billion persons with disabilities, intentional and meaningful inclusion of persons with disabilities across all areas of USAID's work is key to ensuring that countries can meet their development goals and potential. The updated policy will place USAID's work within the current global context, and situate USAID to fulfill its long-standing commitment to non-discrimination and inclusion of persons with disabilities in society on an equitable basis with others. The policy will also position USAID to partner with persons with disabilities in meeting the myriad challenges and opportunities of the twenty-first century. The policy will emphasize the importance of disability across USAID portfolios, and in that manner animates a disability-inclusive approach to activities implicated in our budget request. The Fiscal Year 2024 budget request also affirms our commitment to supporting disability-inclusive programming.

Question:

May 17 marked the International Day Against Homophobia, Biphobia, and Transphobia, and I am proud to stand with the LGBTQI+ community both at home and around the world as they combat an increasing wave of anti-LGBTQI+ laws and policies, whether that is in Uganda or Kenya, or in Russia and Hungary. I am delighted that USAID is pushing back against these threats, and I want to congratulate you on your efforts to upgrade the LGBT Vision for Action to a stand alone policy that will strengthen our ability to reach the most marginalized communities and uplift more inclusive, rights-affirming countries. As we all know, LGBTQI+ rights are intrinsically linked to, not separate from, the goals of international development. How will the Agency's LGBTQI+ policy strengthen USAID's inclusion of LGBTQI+ communities in all of our development efforts, whether that is related to food security or humanitarian assistance?

Answer:

The first-ever USAID LGBTQI+ Inclusive Development Policy – planned for release this summer – reiterates, guides, and reinforces USAID's commitment to championing LGBTQI+ inclusive development and the human rights of LGBTQI+ people as part of a coordinated, whole-of-U.S. government effort with our partners on the ground.

The new Policy encourages LGBTQI+ inclusion in USAID policies and programming. For example, the draft of the Policy released for public comment calls for USAID to advance LGBTQI+ inclusive development through its development diplomacy, including pursuing meaningful external engagement on food security. The Policy also references USAID sectoral guidance on integrating LGBTQI+ considerations into education and resilience and food security.

Additionally, the Policy prioritizes improving responses to a wide range of crises – including humanitarian emergencies – through inclusion. Finally, the Policy provides important background on challenges faced by LGBTQI+ individuals in a wide range of areas including health, employment, education, and civic engagement among others.

Question:

The bureaucratic barriers that come with partnering with USAID often employ very rigid and restricted funding. As many of us here know and recognize, in conflict zones and humanitarian crises, the dynamics change daily, if not hourly. Funding models need to be adapted to allow local organizations to change programming and humanitarian support delivery to have a better chance of effectuating a positive impact in the community they are serving. What steps are being taken to reform procurement and grant contracts to be more flexible and adaptable to changing local realities? What more can be done to support efforts to reform procurement processes? What

more can be done to increase flexibility in funding that will allow partners to experiment with different approaches that are most responsive and adaptive to the local context?

Answer:

USAID has created or revised several key policies and strategies, developed new tools and guidance, and taken steps to strengthen and grow its workforce, all milestones that will help underpin and facilitate progress toward the Agency's localization goals. The Agency's new Acquisition and Assistance (A&A) Strategy outlines the shifts needed in USAID's business practices to better enable sustainable, inclusive, and locally led development.

USAID is also strengthening how it works with local actors, including issuing new guidance for staff to streamline A&A processes, expanding the use of co-creation approaches, and developing new training on advancing locally led and sustainable development through activity design. The new A&A Strategy emphasizes making USAID more accessible to local actors by reducing barriers to entry, including using more proactive communications to reach local partners and share funding and partnership opportunities; using more flexible, adaptable, and simple award mechanisms to provide direct funding to local organizations; improving local partners' abilities to recover their full costs of implementing awards by expanding existing and introducing new indirect cost-recovery options; and expanding opportunities for local partners to engage in these processes in languages other than English. Many of these reforms are already underway.

In addition, WorkWithUSAID.org, an online platform launched by the Agency in late 2021, seeks to demystify the process of partnering with USAID through an easy-to-navigate website that provides clear and accessible information about opportunities with USAID, with key documents translated into multiple languages.

Question:

USAID defines localization as "the set of internal reforms, actions, and behavior changes that we are undertaking to ensure our work puts local actors in the lead, strengthens local systems, and is responsive to local communities." The Agency identifies four lines of effort in its localization work: (1) adapting policies and programs to better incorporate locally led development; (2) shifting power to local actors; (3) directing more funds to local partners; and (4) advocating for a broader shift toward locally led development within the donor and implementing partner community. How has USAID advanced localization efforts across each of these four pillars?

Answer:

USAID is advancing localization across each of the pillars in the following ways:

Adapting policies and programs to better incorporate locally led development

- In the past year, USAID has created or revised several key policies and strategies, developed new tools, and taken steps to strengthen and grow its workforce, all milestones that will help underpin and facilitate progress toward the Agency's localization goals.
- A new Acquisition and Assistance (A&A) Strategy outlines the shifts needed in USAID's business practices to better enable sustainable, inclusive, and locally led development.
- In addition, WorkWithUSAID.org, an online platform launched by the Agency in late 2021, seeks to demystify the process of partnering with USAID through an easy-to-navigate website that provides clear and accessible information about opportunities with USAID, with key documents translated into multiple languages
- A fully updated Risk Appetite Statement clarifies that USAID has a high appetite for taking smart and disciplined risks in working with local partners, because of the opportunities for more equitable and sustainable development outcomes when local organizations are in the lead.
- USAID's new Local Capacity Strengthening Policy establishes Agency-wide principles to build on the skills and expertise that already exist in local organizations and communities, committing USAID to responding to local priorities for capacity strengthening.

Shifting power to local actors

- In late 2022 and early 2023, USAID conducted a series of engagements with over 300 local community based organizations, local and U.S.-based partners, and USAID staff to try to better understand the practices USAID can adopt to meaningfully and visibly create space for local actors to exercise leadership in USAID's procurement processes and program cycle. These engagements informed the development of a new way to track how we elevate local leadership in our programs.
- Our first Localization Progress Report will be released soon and will lay out how USAID will track progress toward this goal of enabling local leadership throughout procurement processes and the Program Cycle.

Directing more funds to local partners

- In Fiscal Year (FY) 2022, USAID provided nearly \$1.6 billion, or 10.2 percent of attributable obligations, to individuals, organizations, or corporations based and legally organized in a country where they implement USAID-funded work. This is the highest level and percent of Direct Local Funding in at least a decade.

Advocating for a broader shift toward locally led development within the donor and implementing partner community

- To advocate for a broader shift toward locally led development within the donor community, USAID, in partnership with the Norwegian Agency for Development Cooperation (Norad), drafted a Donor Statement on Supporting Locally Led Development, which 13 other donor countries endorsed in December 2022 at the 2022 Effective Development Cooperation Summit.

USAID and the other signatories are initiating an effort to engage the philanthropic community and invite foundations to sign the statement.

- Additionally, USAID engages regularly with bilateral and multilateral partners, as well as foundations, on locally led development. USAID has elevated locally led development by sharing good practices, lessons learned, and successes in these conversations at the leadership and working levels. USAID also hosted multiple donor roundtables with key donor partners on localization.

**Questions for the Record Submitted to
USAID Administrator Samantha Power by
Representative Waltz
House Committee on Foreign Affairs
May 17, 2023**

Question:

During the hearing you agreed to provide the Committee with a list of the NGOs working on the ground in Afghanistan that are receiving funding through the United Nations. Can you include that list with your written responses to the questions submitted to the record for this hearing?

Answer:

USAID funds the following Public International Organizations (PIOs) partners in Afghanistan:

- The International Organization for Migration (IOM)
- The United Nations Food and Agriculture Organization (FAO)
- The United Nations Children's Emergency Fund (UNICEF)
- The United Nations Office for the Coordination of Humanitarian Affairs (OCHA)
- The United Nations Population Fund (UNFPA)
- The World Food Programme (WFP)
- The World Health Organization (WHO)
- The United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)

Question:

When questioned as to whether or not you are confident that terrorist groups, like the Taliban and Haqqani network, are not directing or accessing U.S. funding for humanitarian aid, you stated that you were confident in the United Nations partners and their robust reporting systems. However, a 2019 report from SIGAR found that US "funds provided to international organizations, such as the UN, have fewer oversight requirements than funds provided to other implementing partners" and that "international organizations failed to provide even the minimal information that USAID required in its grant agreements." Further, SIGAR's 2022 follow-up report on the World Bank-managed Afghanistan Reconstruction Trust Fund (ARTF) found that the World Bank did not give donors timely access to required reporting and the World Bank did not "adhere to its own performance measurement guidance."

SIGAR's independent and objective reports clearly demonstrate that the United Nations and their implementing partners have consistently failed to meet basic USAID reporting requirements.

What objective evidence substantiates your confidence in the UN and their implementing partners' reporting systems today? Can you please provide concrete documentation proving that these reporting

systems are not only more sufficient than in 2019, but also effectively monitor distribution and use of these funds despite current restrictions on direct oversight on the ground?

Answer:

USAID disagrees with the assessment that USAID implementing partners have consistently failed to meet basic USAID reporting requirements. USAID takes its duty as a steward of U.S. taxpayer funding seriously and holds our implementing partners to the highest standards to ensure that taxpayer funds are used wisely, effectively, and for their intended purposes. All partner award agreements include requirements to report any confirmed or suspected instances of fraud, waste, and abuse to their overseas field representative, Agreement Officer's Representative, and USAID's Office of Inspector General (OIG). There are no minimum thresholds for reporting. A partner's failure to report confirmed or suspected cases of fraud, waste, and abuse could result in award suspension or termination.

Furthermore, USAID has made specific enhancements in its Afghanistan oversight and reporting systems since 2019. Both the Mission and the Bureau for Humanitarian Assistance (BHA) use a third-party monitoring (TPM) contractor to provide in-person oversight of awards and promptly follow up with partners on reported findings, including diversion or other program irregularities. USAID/Afghanistan's third-party monitoring contractor visits up to 60 USAID/BHA-specific program sites each month, with a particular focus on our large UN awards, in addition to visiting program sites for the Mission's 30 activities. These monitoring visits complement and validate regular reporting from USAID implementing partners.

Reporting. USAID staff regularly meet with partners, as well as review programmatic and financial reports corresponding with their respective awards, to assess the progress of award implementation and obtain key contextual and programmatic updates, including access to beneficiary populations, safety and security, and attempted Taliban interference. Partners are required to provide regular program updates on the progress of their activities and report any diversions, seizures, or losses. We monitor this to verify that our assistance reaches those for whom it is intended, but also that our partners have effective mitigation measures in place to help safeguard against incidents occurring. Our partners have consistently met our reporting deadlines and requirements.

Monitoring. USAID programming is dynamic and adjusted to meet the requirements of monitoring and evaluating our programs from outside Afghanistan. USAID and our implementing partners monitor programs through numerous methods, including by remote monitoring, post-distribution monitoring, and third-party monitoring. As previously stated, USAID uses a TPM contractor to provide in-person oversight of awards and to help ensure that USAID's development and humanitarian programs in Afghanistan achieve their intended results. This is done through strong evaluation of technical support services, learning and adaptive management services, and program support services.

In addition to regular reporting, USAID implementing partners also have multiple channels to report fraud, waste, or abuse. Per USAID standard provisions in awards, partners are required to report to USAID's OIG all incidents of fraud, waste and abuse, including diversion. Beneficiaries can also report concerns about potential fraud through Awaaz, a communications and accountability center that coordinates between organizations operating in Afghanistan, which provides communities the ability to access information and register feedback on assistance programs through a toll-free hotline. USAID staff coordinate with our partners continually to ensure both that our assistance is reaching those for which it is intended and that our partners have effective mitigation measures in place to help safeguard against

similar incidents occurring. These instances are all documented, tracked, and reported to USAID's OIG.

Question:

If you believe the UN is sufficiently monitoring distribution and expenditures of US funds, then why haven't you, or any of your colleagues from the Administration, definitively confirmed to this Committee that U.S. taxpayer-dollars are not being diverted to, or directly benefiting the Taliban and Haqqani network?

Answer:

USAID assistance is provided neither to the Taliban nor through Taliban authorities.

All USAID humanitarian and development assistance supports the work of UN agencies and experienced, carefully chosen international NGOs with extensive experience working in challenging environments. These partners have robust risk mitigation procedures in place to help ensure that our funded assistance reaches its intended recipients.

The U.S. government (USG) maintains a steadfast commitment to the needs of the Afghan people. Afghanistan requires sustained assistance to address critical humanitarian and basic needs and to help alleviate the worst humanitarian outcomes for the most vulnerable people in the country, and the USG is committed to delivering aid, while working to mitigate risk amid a complex operational context. USAID considers the humanitarian imperative to save lives and alleviate suffering alongside the increased risks inherent to the challenging operating environment in Afghanistan. Through careful partner selection and close engagement and coordination, including employment of monitoring systems, implementation of internal controls, and other oversight measures, USAID and our implementing partners have been able to continue oversight of USAID's assistance and adapt our responses to risks and challenges when we encounter them.

USAID takes any reports of diversion or funds benefiting the Taliban very seriously and works with implementers, both non-governmental organizations (NGOs) and Public International Organizations (PIOs), to assess any such allegations and determine further risk mitigation measures. Through public statements and engagements, we have consistently conveyed our standards for needs-based and principled humanitarian assistance to Taliban interlocutors.

In some cases, USAID partners may be required to pay incidental transactions costs to operate, such as fees, import duties, licenses, or public utilities to various Afghan ministries, including costs related to registration to maintain NGO status. These are necessary operational costs that are not different from costs humanitarian and development organizations pay in other countries, and they are authorized under General Licenses issued by the Department of Treasury's Office of Foreign Assets Control (OFAC). Direct financial transfers to the Taliban (or Haqqani Network) are otherwise prohibited.

Question:

Has the UN provided USAID or State with detailed accounts of their expenditures or those of the UN's implementing partners? Can you confirm whether or not the UN even has detailed accounts of those expenditures? Please provide that information to the Committee.

Answer:

USAID requires UN partners to provide quarterly financial reports on total federal expenditures and unobligated balances, which include expenses accrued by UN implementing partners. As detailed in USAID's Automated Directives System (ADS) 308 "Agreements with Public International Organizations," the financial reporting requirements vary depending upon the type of agreement and the UN counterparty.

At a programmatic level, USAID diligently reviews quarterly financial reports against approved activities to ensure consistency and accountability. USAID teams frequently communicate with PIO partners, and continually assess that program objectives are being met.

In addition to robust oversight measures at the program level, USAID conducts an organizational capacity review (OCR) of PIO policies, organizational framework, and operational and managerial capacity every five years. When conducting an OCR, USAID considers policies and procedures regarding financial management and internal controls.

With regard to the UN, the Emergency Relief Coordinator (ERC) briefs the UN Security Council on implementation of United Nations Security Council Resolution (UNSCR) 2615 as part of its biannual reporting requirement. As part of this reporting requirement, the UN Office for the Coordination of Humanitarian Affairs (OCHA) surveys humanitarian organizations operating in Afghanistan on how UNSCR 2615 has enabled financial transactions critical to the humanitarian response to take place. The biannual survey also enables humanitarian organizations to report on any reasonable efforts they have taken to minimize benefits to designated individuals or entities, in addition to any ongoing challenges faced regarding the processing and payment of funds, other financial assets or economic resources, or the provision of goods and services necessary to enable the humanitarian response.

Question:

The FY 24 budget request for USAID repeatedly highlights funding needs to increase access to safe drinking water in developing countries. Safe, accessible drinking water is an important aspect to USAID's overarching water security goals. Recently, we have seen major clean water successes with the development of point-of-use water filtration systems.

Does USAID currently have any projects supporting distribution point-of-use water filters?

How can implementing point-of-use water filters benefit communities in need and do you think use of these systems will push USAID closer to achieving its water security goals?

Answer:

USAID's investments deploy a wide range of technologies to ensure the safety of drinking water. Appropriate technologies, including point-of-use technologies such as chlorination or filtration systems, are an important element of achieving global water security, particularly in situations where piped water and centralized water treatment systems are unavailable, such as in emergency settings. However, while

point-of-use water filters can play an important role in advancing drinking water outcomes, they are often a short term solution to water quality issues, deployed with USAID's humanitarian funding, and only intended to be used until more centrally managed water treatment can be made available.

Consistent with the Water for the World Act of 2014, USAID's development investments in safe drinking water are designed to maximize impact and sustainability. This includes broader work with governments and water service providers to improve water quality, which means that we have moved away from funding point-of-use filters with development funding. When point-of-use products are deployed through programs by the Bureau for Humanitarian Assistance, specific products and technologies are identified for implementation at the local level based on: (1) the availability of products and replacement parts in local markets; (2) the level of appropriate local technical skills for correct installation, use, and maintenance of a given product or technology; and (3) anticipated impact on access to safe drinking water in the local context.

