

MFAN MODERNIZING FOREIGN ASSISTANCE NETWORK

The Emerging Reform Agenda

In the past decade, both Republican and Democratic administrations have taken important steps toward reforming U.S. development policy and practice. Most recently, the Obama Administration has initiated a series of efforts, including the first-ever government-wide Presidential Policy Directive on Global Development, the Quadrennial Diplomacy and Development Review (QDDR), and the USAID Forward initiative, all of which seek to increase the impact and accountability of development programs in partner countries. More effective and accountable foreign assistance will yield better results for those we are trying to help, and will more faithfully serve U.S. national security, foreign policy, economic, and humanitarian interests.

Legislative Standards

MFAN continues to believe that an overhaul of the 1961 Foreign Assistance Act (FAA) is the most effective way to forge an agreed-upon Executive-Legislative approach to foreign assistance that addresses the realities of the 21st century. In the absence of a rewrite of the FAA, applying the following reform standards to development-related legislation will help support progress on key reforms. We hope this document will be a useful tool to guide policymakers and advocates in the crafting of new legislation. We recognize that these standards do not capture all of the unique nuances and characteristics of every development policy and program.

MFAN urges policymakers, advocates, and other global development stakeholders to consider the following reform-oriented standards when developing legislative proposals, ensuring that legislation works toward:

- Achieving an Overarching Global Development Strategy (GDS)
- Reducing Funding Directives
- Empowering Developing-Country Citizens through Investment in Local Capacity Building
- Adopting an Integrated, Coordinated, Long-Term Approach to Development that is Flexible Within and Across Sectors and Agencies
- Focusing on Impact, Transparency, and Accountability
- Utilizing and Strengthening Existing Structures and Authorities
- Partnering with Other Public- and Private-Sector Donors and Actors
- Relying on Evidence-Based Policies and Analysis and Committing to Rigorous Impact Evaluation
- Achieving an Overarching U.S. Global Development Strategy (GDS): A "grand bargain" between Congress and the Administration is necessary to ensure a coherent approach to U.S. development efforts. This grand bargain should be codified in a new FAA that reflects a shared Executive-Legislative vision for the U.S. approach to development, as articulated in an overarching GDS. The GDS should outline the overall goals for U.S. development policy and offer a unified framework for achieving them. Additionally, it should provide a basis for measuring progress and clearly communicating the overall mission of U.S. development policy to the American people and development partners. Proposed legislation should therefore call for a GDS and link to it accordingly.
- ☑ Reducing Funding Directives: U.S. development policies and programs should derive first and foremost from an assessment of developing-country needs and priorities and be further informed by U.S. global development goals and international targets, norms, and standards. Too often, however, increasing local responsibility for assistance programs has been short-changed by a Washington-centric perspective. Legislative proposals should reduce Washington-initiated funding directives and promote and facilitate locally-led solutions that are developed through a broad, inclusive, and participatory country planning process among government and civil society. Funding levels and authorizations should be derived from a GDS that is reflective of local needs, capacity, and priorities.
- ☑ Empowering Developing-Country Citizens through Investment in Local Capacity Building: Good development practice should start with identifying the needs of those we are trying to help, and enabling people in developing countries to be in charge of their own development. The priorities of

both developing country governments and citizens should guide U.S. development efforts, as well as contribute to improvements in democratic governance and respect for human rights. They must be directly involved in implementation and empowered through local advocacy to hold their governments accountable in combating corruption.

- ✓ Adopting an Integrated, Coordinated, Long-Term Approach to Development that is Flexible Within and Across Sectors and Agencies: Rather than encouraging the silo-inducing effects of short-term and overly prescriptive programming, an integrated and flexible approach must be applied. This approach must be outcome- and impact- based, be comprehensive within and across sectors, and work towards long-term results by planning programs and strategies 5-10 years into the future. Furthermore, the complexity and fragmentation of our current development policymaking and assistance efforts are exacerbated by the lack of coordination among the various government agencies within sectors, much less across them. Proposed legislation should underscore integration and coordination as drivers of aid effectiveness.
- Focusing on Impact, Transparency, and Accountability: Strong and transparent monitoring-and-evaluation systems that measure development impact are critical to meeting long-term, sustainable development goals. While short- and medium-term benchmarks can show signs of early progress in some areas, development takes time and overemphasizing indicators in the near term can hinder the achievement of lasting development goals in the long term. Moreover, without mutual accountability from donors and recipients alike, assistance will fail to achieve maximum return on investment.
- Utilizing and Strengthening Existing Structures and Authorities: Too often coordinators and czars have been used as a work-around for policies and processes that do not work. With an already-dizzying array of USG agencies (+27) and offices (+60) managing U.S. foreign assistance, we need less bureaucracy and more consolidation. Development efforts are often complicated by a range of directives and regulations from Congress and the Executive Branch that undermine our ability to deliver assistance when, where, and how it is needed most. In order to ensure that the delivery of this assistance can be effectively expedited, proposed legislation should reflect clear lines of authority while assigning program responsibility to the U.S. agencies that have the experience and history of working on development programming. In addition, any legislative language should ensure that the programs it authorizes can be adequately staffed with the senior leadership and technical expertise required to complete the mission effectively.
- ☑ Partnering with Other Public- and Private-Sector Donors and Actors: Working in cooperation with other donor and recipient countries to include local governments, NGOs, civil society, and private sectors— as well as with international institutions and the U.S. civil society and private sector leverages our strengths, pools our expertise, expands our options, and shares costs and risks. The U.S. should pursue a systematic approach to burden sharing and collaborate with other donors and actors in order to reduce duplication and achieve these efficiencies in a manner consistent with efforts to empower local citizens. Legislative proposals should foster the creation of more effective partnerships that will mitigate the creation of parallel initiatives and better achieve sustainable development outcomes.
- Relying on Evidence-Based Policies and Strategies and Committing to Rigorous Impact Evaluation:
 The U.S. should recommit itself to making decisions based on empirical evidence and strong methodology in its approach to global development challenges. Problems should be defined by target communities and solutions should entail political, social, economic, and environmental analysis, all of which should include gender analysis.

MFAN is a reform coalition composed of international development and foreign policy practitioners, policy advocates and experts, concerned citizens and private sector organizations. MFAN was created to build upon the bipartisan consensus that has emerged over the last decade that the U.S. should play a leadership role in achieving economic growth and reducing poverty and suffering around the world, and that we can play this role more effectively, efficiently, and transparently. In 2011-2012, MFAN will monitor and encourage the Administration's development policy reform agenda and support action in Congress to achieve bipartisan agreement and legislation in support of reform.