

RECOMMENDATIONS TO PRESIDENT OBAMA ON SECOND TERM PRIORITIES FOR GLOBAL DEVELOPMENT

The September, 2010 Presidential Policy Directive on Global Development (PPD-6) sought to “address the new strategic context faced by the United States,” through three pillars:

- A policy focused on sustainable development outcomes;
- A new operational model; and
- A modern architecture.

The approach embodied in PPD-6 is still in the early stages of implementation, with some aspects progressing more quickly than others. MFAN makes the following recommendations of several practical actions that can be taken – during the first year of President Obama’s second term and by the end of his Presidency – to ensure the approaches embodied in PPD-6 are implemented and, indeed, embedded in U.S. global development policy and practice. These recommendations, which are organized according to the three pillars of PPD-6, are not exhaustive, but represent actions that MFAN believes are achievable with sufficient political will and will contribute substantively to advancing a modern approach to development.

Pillar 1: A policy focused on sustainable development outcomes.

Within the first six months of your second term:

- Provide leadership in the elaboration of the post-2015 round of multilateral global development goals.
- Complete a public assessment of the first round of Partnership for Growth (PfG) country programs, and announce the next round of PfG countries that are ready to engage in a productive dialogue with the U.S. on non-aid development cooperation with a focus on poverty reduction.
- Support legislation to make AGOA permanent, and provide technical assistance and support to ensure countries are able to take advantage of the law’s provisions in sectors with a high impact on poverty.
- Include details on a country-by-country basis in your Fiscal Year 2014 Congressional Budget Justification on how the U.S. is investing in:
 - Building the capacity of local organizations to lead development efforts themselves;
 - Enhancing government capacity to deliver essential services;
 - Increasing budget transparency in the U.S. and partner countries; and
 - Promoting policies and programs to foster a healthy enabling environment for non-state actors in developing countries, where such an environment does not exist.
- Send a proposal to Congress for inclusion in the next Farm Bill that would improve the delivery of U.S. food assistance while cutting spending by: eliminating restrictions on the use of local and regional food procurement; repealing inefficient cargo preference provisions; and scaling down food aid monetization over a five-year period, accompanied by an equivalent increase in development assistance, with the goal of ending monetization.

By the end of your presidency:

- Ensure that, in countries that have undergone constraints-to-growth analyses and have active U.S. assistance programs, the next round of Country Development Cooperation Strategies are informed by the results of those analyses, with a rigorous focus on poverty reduction.
- Ensure compliance with OMB deadlines from all 22 of the Federal Agencies that are required to submit information under the International Aid Transparency Initiative (IATI) implementation process, and ensure that all relevant information is cross-posted to the ForeignAssistance.gov dashboard on a quarterly basis, including information on programs, partners, resources, and evaluations.
- Fully incorporate a country's progress toward embracing and fulfilling its Open Government Partnership commitments into eligibility criteria for MCC Compacts, USAID country government funding mechanisms, and the Partnership for Growth.

Pillar 2: A new operational model.

Within the first six months of your second term:

- Advance selectivity in foreign assistance – and provide needed flexibility to invest resources for maximum impact – by identifying, in your Fiscal Year 2014 budget request, a total of seven:
 - USAID program countries in which the conditions exist to support a non-aid relationship; and
 - Low-priority missions that should be phased out over the next five years.
- Work with Congress to ensure speedy passage of the Poe/Berman/Lugar/Rubio Foreign Assistance Transparency and Accountability Act. This will make foreign assistance more effective by measuring the results that Americans are getting for their investments and ensuring public access to information about how and where the U.S. spends foreign assistance dollars, the partners with whom we're working, and the results we're achieving.
- Consistent with the U.S. commitment at Busan, publicly release results of assessments of suitability of country systems for U.S. government investment. Such assessments will provide valuable feedback for recipients to strengthen their systems, or for civil society to hold stakeholders accountable for failure to strengthen systems.
- Begin a broad dialogue about how to leverage public development resources through more effective and systematic engagement of private sector stakeholders, in the U.S. and in developing countries.

By the end of your presidency:

- Expand the use of high-quality evaluation – to ensure better results and a learning culture – from USAID and MCC to all U.S. government foreign assistance programs with an impact on development. This would help, in the language of PPD-6, “hold all recipients of U.S. assistance accountable for achieving development results” and would “drive our policy and practice with the disciplined application of analysis of impact.”
- Conduct an assessment, in collaboration with implementation partners, of the first phase of Implementation and Procurement Reform (set to be completed in 2015), and work with Congress and development stakeholders to modify and potentially scale up the program based on the findings and recommendations.
- Announce a plan to expand USAID's Implementation and Procurement Reform initiative to include select and appropriate State Department-managed program funds.

Pillar 3: A modern architecture.

Within the first six months of your second term:

- Fill vacancies at USAID and other development agencies as they occur and without lag time.
- Appoint the Administrator of USAID as a permanent member of the National Security Council, setting precedent for Administrations to come.

By the end of your presidency:

- Produce a comprehensive U.S. Global Development Strategy in 2013 that, pursuant to PPD-6, elevates “development as a core pillar of American power and charts a course for development, diplomacy and defense to mutually reinforce and complement one another in an integrated comprehensive approach to national security.” The strategy should, among other things:
 - Align the U.S. approach to development with our commitments to and role in achieving the post-2015 multilateral global development goals;
 - Set out parameters for prioritizing the allocation of U.S. development assistance;
 - Set out a method to assess trade, defense, agriculture, and other key policies based on their alignment with U.S. global development goals;
 - Incorporate a strategy to transform the U.S. relationship with middle-income countries by embracing and employing all U.S. development policy tools – including non-aid tools such as trade, technical assistance, and investment – as well as the resources of national governments, civil society, and private-sector organizations.
- Work with Congress to craft legislation translating the new Global Development Strategy into a modern legislative framework for the U.S. approach to foreign assistance and global development.
- Make provision of a Working Capital Fund for USAID a priority in engagement with Congress, in order to provide USAID the flexibility it needs to fully implement the USAID Forward suite of reforms.

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.