

November 17, 2015

Shaun Donovan, Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Director Donovan:

On behalf of the Modernizing Foreign Assistance Network (MFAN), a reform coalition of international development advocates and practitioners focused on strengthening U.S. development policy and results, we urge you to solidify this Administration's legacy of improved aid effectiveness.

President Obama's sweeping Presidential Policy Directive #6 in 2010 declared that the U.S. government would "underscore the importance of country ownership and responsibility" and "pursue development through partnership, not patronage." To implement this vision, the President vowed to "[work] closely with the Congress to establish a shared vision of the way forward on global development...[by seeking] greater flexibilities, including a reduction in earmarks and the ability to reallocate funding from less to more effective programs, while committing departments and agencies to a much higher standard of accountability for results."

As you consider Presidential priorities for the final year of this administration, we urge you to renew political leadership for this agenda and further embed aid accountability through: enhanced transparency, monitoring, evaluation, and learning; and country ownership through the increased utilization of local institutions, systems, and resources to achieve local priorities.

In particular, we write to draw your attention to three critical areas where your immediate leadership is needed:

1. Catalyze Local Ownership of Resources, including Domestic Resource Mobilization

Where countries are willing, United States assistance can be transformational: encouraging them to generate more of their own revenue and spend it on development priorities, paving a path toward long-term poverty reduction and self-reliance. Recognizing the catalytic impact of such investment, at the 2015 Financing for Development Conference Treasury Secretary Jack Lew committed the U.S. to doubling support for public sector domestic resource mobilization over the next three years. To ensure the success of this important commitment, President Obama's FY17 budget request should put the U.S. on a transparent path to fulfill its Addis Tax Initiative commitment **to double total support for public sector domestic resource mobilization – in agencies including USAID, Treasury, and PEPFAR – in three years**, aligned with [MFAN's principles of public sector domestic resource mobilization](#) and without establishing additional earmarks or directives.

In keeping with the President's vision, the U.S. government should also better align investment with country priorities by increasing the flexibility of programming funds instead of carving up aid into Washington-driven Congressional directives and Presidential initiatives.

2. Partner with Congress and Fulfill Major Commitments to Foreign Aid Transparency and Accountability

In 2011, the Obama Administration committed to reporting to the International Aid Transparency Initiative (IATI) registry and subsequently directed through [OMB Bulletin No. 12-01](#) that federal agencies managing or implementing U.S. foreign assistance establish an automated and timely process for publishing foreign aid data to ForeignAssistance.gov by December 2015. Yet to date, only ten of the more than 22 agencies that manage foreign assistance programs have published any data to ForeignAssistance.gov, falling far short of meeting the OMB standard that “Data should be published with the level of detail, quality, and speed needed to enhance government development planning and empower citizens to hold their government accountable,” including “detail on where, when, on what, and to what effect (i.e. results) assistance is planned, obligated, and spent.”

We strongly urge you to redouble efforts to meet this commitment and endorse the “Foreign Aid Transparency and Accountability Act” (H.R. 3766/S. 2184) to advance this goal. This bipartisan, bicameral legislation was developed in consultation with multiple foreign assistance agencies and was recently approved unanimously by both the House Committee on Foreign Affairs and the Senate Committee on Foreign Relations. Enactment of this legislation would advance this administration’s mandate in the OMB bulletin that “The USG should institutionalize a process that facilitates the collection and dissemination of data on international assistance flows across agencies.”

3. Continue to Prioritize Food Aid Reform

Reform of U.S. food assistance that enables greater reach and impact would be a profound legacy of this administration. We urge you to once again make U.S. food aid reform one of your budget and legislative priorities and maintain the high-level leadership that is critical to delivering food assistance more effectively and efficiently in reaching millions of additional vulnerable people worldwide.

We thank you for your consideration of each of these recommendations and look forward to collaborating with you further to maximize the effectiveness of U.S. foreign assistance.

Sincerely,



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Senior Fellow, Brookings



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Cc: Jonathan Lachman, Associate Director for National Security Programs