

## **ADVISORY COMMITTEE ON VOLUNTARY FOREIGN AID**

**Public Meeting  
October 19, 2005**

**Benjamin Homan**, ACVFA Chairman, welcomed the ACVFA Members, the U.S. Agency for International Development (USAID) staff, and the meeting participants.

### **RECOGNITION OF WILLIAM C. REESE**

**Andrew S. Natsios**, USAID Administrator, officially welcomed Benjamin Homan as the new Chairman of ACVFA, and welcomed as new ACFVA Members Nancy Zucker Boswell, Managing Director of the U.S. Chapter of Transparency International, and British A. Robinson, National Director of the Jesuit Conference's Office of Social and International Ministries.

**Mr. Natsios** then thanked outgoing ACVFA Chairman **William S. Reese** for his long and valuable service, and presented him with a commemorative gift.

**Mr. Reese** noted that he had served three presidential administrations and four USAID administrators. The ACVFA community has accomplished a great deal, Mr. Reese said. But his dream is to see ACVFA play a key role in rebuilding and refashioning a new consensus for foreign aid, one that bridge the divides that at times affect our collective efforts. We want to see a public demand and expectation for a robust foreign aid that reflects American values, promotes our national interest, and brings investment, intellectual property, and expertise to enhance opportunities, entrepreneurship, and democracy for countries and citizens abroad.

### **ADMINISTRATOR'S REMARKS**

**Andrew Natsios** described his sad trip as leader of the presidential delegation to John Garang's funeral in Juba this August. Garang's death will change the course of events in Sudan. Thankfully, the peace agreement has not yet been affected, but it could be, as Garang's enormous presence drove the peace process more than anything else. He was the strongest leader in southern Sudan who still believed in a unified nation. He also had enormous support in northern Sudan among the Arab population.

## CURRENT AGENCY PRIORITIES

**Frederick Schieck**, *USAID Deputy Administrator*

### **The Pakistani Earthquake**

The earthquake occurred on the morning of October 8, measuring 7.6 on the Richter scale and affecting Pakistan, India, and Afghanistan. The epicenter was 60 miles northeast of Islamabad, and most of the damage is in Pakistan. The Pakistani government has confirmed 40,000 dead; local officials estimate that that number could rise as high as 53,000. At least 67,000 are injured and, of the 4 million living in the area, 2.5 million are homeless.

USAID mobilized a Disaster Assistance Response Team (DART), and has sent 11 people to Pakistan and one to India. But there are real challenges:

- The area is cold, remote, and mountainous.
- Some of the damage was in conflict-torn Kashmir.
- Airports are not set up to handle the necessary volume of flights.

The United States has announced a commitment of \$50 million. So far the money has come from USAID's disaster account, but the Agency is concerned that that account not bear the full \$50 million expense, and is working on the issue with the Office of Management and Budget. USAID has spent \$14 million to date to:

- Pay for six airlifts carrying supplies at a total cost of around \$1.4 million.
- Respond to a UN flash appeal with a total of \$10.8 million.
- Provide \$3.8 million to the World Food Program (WFP) to facilitate logistical and airlift operations.
- Provide grants to the World Health Organization (WHO) to reestablish primary and secondary health care and disease surveillance.
- Grant \$2 million to the American Red Cross and \$500,000 to the International Red Cross for emergency response.
- Grant \$2 million to UNICEF to provide sanitation and water.

Because the area is mountainous and cold, full-scale reconstruction may have to wait until spring; in the meantime the Agency will develop livelihood support programs and help people survive the winter by encouraging them to move in with relatives at lower elevations or by providing winterized tents and emergency shelters.

So far USAID has only tentative ideas for the reconstruction that may begin in the spring. Health, governance, and educational facilities will have to be rebuilt. For shelter, the Agency may provide building materials and allow people to construct their own houses. Reconstruction projects may serve as work programs, offering badly needed jobs. There are areas that will not be overly affected by snow, however, and in those areas reconstruction should begin as soon as possible. In fact, bids will be requested soon.

**Guatemalan Landslides**

On October 4, Hurricane Stan came ashore in southern Mexico, dropping heavy rain and causing heavy landslides. Guatemala was the heaviest hit by landslides: 663 people are confirmed dead, many remote villages have been cut off, and 3.5 million people are adversely affected, of whom 280,000 are homeless.

Challenges include the remoteness of the affected areas and impassibility of the roads. USAID has:

- Fielded a DART.
- Flown in plastic sheeting, water jugs, emergency food supplies, etc., at a total cost so far of \$2.5 million.
- Granted \$1.2 million to NGOs for emergency health, water, and sanitation, including \$200,000 to the Pan-American Health Organization (PAHO) for work in Guatemala and \$100,000 for similar activities in El Salvador.

On October 16, Secretary of Commerce Carlos Gutierrez visited Guatemala and pledged \$2 million in food assistance to WFP for the country.

**DISCUSSION**

*With the South Asia Earthquake Task Force:*

**Frederick Schieck**, USAID Deputy Administrator

**William Garvelink**, Senior Deputy Assistant Administrator, Bureau for Democracy, Conflict, and Humanitarian Assistance (DCHA)

**Mark Ward**, Senior Deputy Assistant Administrator, Bureau for Asia and the Near East

In Pakistan, the DART will mediate between NGOs and the military. Overall coordination for relief is managed by the government of Pakistan, with the Pakistani military in the lead. The U.S. military is coordinating with them and with the UN; USAID's DART is in the midst of that work, communicating with civilians. In Washington, during the emergency phase OFDA has the lead on day-to-day decisions; when rehabilitation and then reconstruction begin, the Bureau for Asia and the Near East will become responsible. The Agency will take a participant's suggestion to coordinate its efforts with the UN Human Settlements Programme (UN-HABITAT).

For a long time the Office of Foreign Disaster Assistance (OFDA) has had a program to train other countries in emergency response. USAID has worked with Mexico for 25 years, for example, and today Mexico responds not only to its own emergencies but to others in South and Central America.

## OVERVIEW OF USAID'S OFFICE OF MILITARY AFFAIRS

**Michael Hess**, *Assistant Administrator, DCHA*

USAID has a long history of working with the military. The Agency's new approach is an effort to codify that relationship and make it more effective. This new approach will involve two organizations:

- The USAID Military Policy Board
- The Office of Military Affairs

### **USAID Military Policy Board**

Chaired by Doug Menarchik, Assistant Administrator of the Bureau for Policy and Program Coordination (PPC), residing in PPC, and attended by all of USAID's Assistant Administrators, this body focuses on the Agency's long-term strategic relationship with the Department of Defense (DOD). It aims to influence planning, operations, and military doctrine in the *long term*. Many in the aid community have concerns about working with the military. Clear guidance will be needed on a range of issues, including objectives of working with the military and defined parameters for cooperation on reconstruction tasks.

### **The Office of Military Affairs**

The Office of Military Affairs will be headed by Thomas Baltazar, former Chief of Joint Psyop Support Elements. The Deputy will be a Senior Foreign Service Officer, and the Office will also have a military advisor. USAID will send seasoned, experienced Foreign Service Officers to each of the military's Combatant Commands (COCOMs). This will help USAID become part of the military's plans from the outset.

The Office of Military Affairs will:

- Be the single focal point for USAID interaction with the military.
- Maintain emergency response readiness.
- Forge effective working relationships, including between the military and NGOs.
- Coordinate planning among organizations.
- Develop training, education, and exercises.
- Develop guidelines and standard operating procedure consistent with the mandates of the military and USAID.

The near-term priorities include:

- Getting the office up and running. Thomas Baltazar will start work on October 31.
- Hire and place COCOM advisors.
- Develop a joint training plan with DOD and coordinate USAID participation in exercises.
- Review USAID–Civil Affairs cooperation/plans.

- Upgrade USAID classified communications.
- Develop “lessons learned” from Afghanistan provincial reconstruction teams.

## **DISCUSSION**

There is a risk of USAID becoming too involved in the agendas of intelligence and diplomacy: these agendas may be parallel in the case of emergencies, but they are not always. The Military Policy Board is meant to set defined boundaries for USAID’s engagement with the military; one reason to send senior advisors to COCOMs is to make sure the military understands what USAID does and doesn’t do. Some coordination with the intelligence community is needed to do effective planning within the Agency, to define goals, and to know when to pull DARTs out.

The perception of neutrality is the strongest protection the NGO community has. That is why the second issue the Military Policy Board will discuss is the neutrality of the NGO community.

There are encouraging signs that the military is figuring out how to engage in development efforts:

- The Civil Affairs corps structure has been increased.
- Development has been integrated into the military’s educational and training process.
- Senior leaders understand the nuances of development.

Recent changes in the law do allow USAID to get involved in security sector reform, although not to work with foreign militaries. The Agency helps train local police forces, for example.

## **THE PRESIDENT’S MALARIA INITIATIVE**

**Michael Miller**, *Deputy Assistant Administrator, Bureau for Global Health*

Each year, an estimated 1.2 million people die of malaria. Africa accounts for 80–90% of these deaths, and 80–90% are children under five. Malaria in adults costs an estimated \$12 billion a year in lost productivity.

Efforts to control malaria in Africa have lagged far behind those in other regions. Transmission in Africa is intense, and infrastructure is lacking. Treatment-based intervention has sown the seeds of its own demise, as strains of malaria have emerged resistant to common drugs. There are recent drugs that seem to work against drug-resistant strains, called ACT (artemisinin combination extracts), but these are 20 times more expensive than common therapies (such as sulfadoxine-pyrimethamine, or SP) and only have a shelf life of 18 months, making distribution complicated.

Fortunately, ACT is only one of a few prevention and treatment tools developed during the 1990s:

- Insecticide-treated mosquito nets (ITNs) and long-lasting insecticide-treated nets (LLINs).
- Intermittent preventive treatment (IPT) for pregnant women.
- ACT.
- Indoor residual spraying (IRS), based on use of an insecticide that remains active on sprayed surfaces for 3–6 months.

On June 30, 2005, President Bush announced a new, five-year, \$1.265 billion initiative to combat malaria in Africa. The President's Malaria Initiative (PMI) will focus on three countries initially, scaling up to 15 countries by 2010. By the end of the fifth year PMI will cover 175 million people. Its goal is to reduce malaria-related mortality by 50% in target countries. It will do so by achieving 85% coverage of vulnerable groups with ACT, IPT, and a combination of ITNs and IRS.

Countries will be selected according to the following criteria:

- High burden of malaria.
- Political will and commitment on the part of host governments.
- Willingness to partner with the U.S. government.
- National malaria control policies and practices consistent with those recommended by WHO.

The initiative will fund:

- Commodities (ACTs, SP, and drugs for severe malaria; ITNs, especially LLINs; and equipment and supplies for IRS).
- Technical support to strengthen national malaria control capabilities and ensure effective program implementation.
- Monitoring and evaluation.

Angola, Tanzania, and Uganda have been selected as the program's initial target countries. In August, USAID conducted needs assessment visits to these three countries. In September and October it conducted planning workshops to discuss and set priorities for FY2006 activities. It is now planning high-impact "jump-start" activities to build momentum for the initiative in each of these first three countries:

- IRS with synthetic pyrethroids to cover 1 million residents of four epidemic-prone provinces of southern Angola.
- Distribution of free LLINs:
  - as part of a nationwide measles immunization campaign in Angola;
  - to HIV/AIDS patients and families in displaced persons camps in Uganda; and
  - to cover unmet needs on Zanzibar.

## RECENT STEPS TO ADDRESS AVIAN INFLUENZA

**Frederick Schieck**, *USAID Deputy Administrator*

USAID has begun working closely with other members of an interagency task force that includes the Departments of State, Health and Human Services (HHS), and Agriculture (USDA).

In FY2005, USAID obligated \$13.7 million for avian influenza, including \$10 million from the emergency supplemental appropriation for the tsunami, and an additional \$3.7 million that was reprogrammed. This money has gone mainly to Laos, Cambodia, Vietnam, Indonesia, and China. Of that, \$6 million went to the Food and Agriculture Organization of the United Nations to strengthen disease surveillance, laboratory diagnosis, and the capability to respond rapidly to animal outbreaks; \$1.5 million went to USDA for technical assistance; and \$1.7 million to WHO to support national pandemic planning efforts and strengthen surveillance systems.

Within the United States, HHS is fully engaged and preparing for possible outbreaks.

**Richard Greene**, *Director of the Office of Health, Infectious Diseases, and Nutrition, Bureau for Global Health*

Pandemics have occurred roughly every 30–40 years. It has been 35 years since the last one. There are three requirements for an influenza virus to cause a pandemic:

1. Novel virus.
2. Ability to replicate in humans and cause serious damage.
3. Ability to pass efficiently from person to person.

The H5N1 virus (the current avian influenza virus circulating) has met the first two. The third is in serious danger of occurring: during a flu season the virus could exchange genes with human influenzas and attenuate so that its lethality becomes lower. In its current form, the avian influenza virus is very lethal to animals and humans.

Already the H5N1 virus has caused an estimated \$10 billion in lost income. It diverts people from their jobs and affects agriculture, tourism, and trade. A pandemic, with up to 25% of the population ill, would be economically devastating even in fairly mild scenarios. The health care system would be overwhelmed and basic services interrupted. Production, transportation, and consumption of goods and services would be severely affected. Nations would have a decreased ability to govern themselves and enforce their laws. And a forecasted 10–180 million people would die worldwide.

The U.S. government is taking a strategic approach to animal and human health, pursuing activities with three main goals:

- Limiting animal infections.
- Limiting human infections.
- Preparing for possible outbreaks.

As part of this response, USAID has several key advantages:

- It is used to working with NGOs and the private sector and coordinating with multilateral organizations.
- It has country and regional missions already in place.
- OFDA is experienced in emergency planning, prepositioning commodities, and participating in U.S. government response teams.

## **DISCUSSION**

*On the President's Malaria Initiative and USAID's response to avian influenza.*

In the field and in Washington many of the same people are working on both PMI and the President's Emergency Plan for AIDS Relief (PEPFAR). This has made it easier to mimic PEPFAR's easy successes and avoid some of its difficulties. Antenatal care is important to the treatment of both AIDS and malaria, making cooperation between governments and NGOs important in that area. In addition, people with AIDS are a key group for malaria protection with ITNs.

There will be a coordinator for PMI but not a separate office. There will be stand-alone malaria funding and a substantial amount of dedicated procurement. This represents a departure from current malaria programs, which are often part of larger child-survival and health programs.

PMI will include education on how to use nets effectively, take medicine properly, and eliminate mosquito breeding pools around homes and neighborhoods. The Agency conducts environmental assessments based on U.S. government policy before conducting IRS, which identifies and helps to minimize risks.

In order for treatments to work worldwide, they must be generic drugs. Roche doesn't have the ability to produce enough Tamiflu to meet world demand, and countries don't have the finances to buy it at brand-name prices. WHO, the U.S. government, and the UN avian influenza coordinator are working with Roche to make Tamiflu more widely available through technology transfer. Under World Trade Organization rules, during a national emergency compulsory licensing becomes an option, effectively waiving patent restrictions.