

Bureau for Policy and Program Coordination

The Development Challenge: President Bush's National Security Strategy (NSS) of September 2002 outlines a new direction in foreign policy, including a new emphasis on "development." This new emphasis provides an opportunity for USAID, as the leader in development, to play an even stronger role in U.S. foreign policy. USAID and the Department of State subsequently developed the 2004-2009 Joint Strategic Plan to identify a shared foreign policy and national security agenda, reflecting USAID's five core operational goals: promote transformational development; strengthen fragile states; provide humanitarian relief; support geo-strategic interests; and address global issues and special concerns. USAID's development activities within those operational goals are in direct response to the new challenges of the 21st century, particularly the risks posed by fragile states and terrorism. Operationally, USAID is a participating Agency in the President's National Strategy for Combating Terrorism, which further highlights the fact that conflict and failed states provide opportunistic environments in which terrorists can operate. Additionally, in the face of these and other global challenges, USAID also coordinates closely with State's HIV/AIDS Coordinator and the Office for Reconstruction and Stabilization, and liaises with the Millennium Challenge Corporation (MCC), along with participating in other inter-Agency meetings on foreign policy.

The Bureau for Program and Policy Coordination's role is to help develop and coordinate sound policies and strategies within the Agency and among U.S. Government agencies. Internationally, its role includes implementing the development component of the NSS. The Agency achieves this by guiding the evolution and adaptation of Agency programs to changing global conditions consistent with U.S. national interests, values and foreign policy objectives. Account levels managed by the Agency have grown from \$7.8 billion in FY 2001 to nearly \$14.2 billion in FY 2003, (including supplemental funds for Iraq).

The USAID Program: USAID's Bureau for Policy and Program Coordination (PPC) addresses the above development challenge on four fronts: 1) providing the most up-to-date knowledge for development in the form of information, analyses and evaluations related to policy and critical development issues, including coordinating with the MCC; 2) directly addressing and shaping the global policy debate on development assistance and humanitarian relief; 3) coordinating with other donor governments; and 4) integrating the best practices of strategic budgeting and performance monitoring to ensure that budgets reflect strategic priorities of Congress and the Administration.

The PPC Bureau performs internal analytical work and actively engages external groups to both better inform the Agency's policy agenda and influence the international development policy agenda. New and ongoing research and analysis is sharpening our understanding and effectiveness in working with fragile states, and enhancing our understanding of the Muslim world. In addition, Knowledge for Development (KfD), the Agency's knowledge management initiative, is actively developing a systematic approach to harness, tap and replicate international development best practices. USAID will continue to promote creative and innovative ways to provide timely and pertinent information and analyses to its workforce in order to help them excel in their program activities. Elements of this area include mid-term, final, and impact evaluations of Agency programs, the USAID Library, interactive Web sites, access to electronic journals and other data resources, and the facilitation of "technical communities of practice" to facilitate the sharing of knowledge and experience within and between groups of practitioners. In so doing, USAID will maximize the value of its knowledge and provide a stronger base of understanding personnel and for its development partners. USAID will also use this learned knowledge to support and transfer lessons learned to the MCC for eligible and threshold countries.

Additionally, we will continue to work with the Office of Management and Budget (OMB) to use the program assessment rating tool (PART) process to advance budget and performance integration, and improve the strategic budgeting model. We will continue to reshape and streamline the strategic planning process, establishing a new standard set of program components in FY 2005 and performance monitoring plans for improved performance and accountability reporting under the Government Performance and Results Act. In FY 2004, USAID went from red to yellow in status on performance and budget integration under the President's Management Agenda (PMA), and the Agency is on track to reach green in status by July 1, 2005.

USAID will also be conducting comprehensive Mission Management Assessments on most of its overseas missions during the next five years, coordinated by PPC. Such assessments will evaluate the effectiveness of mission programs and operations, as well as identify best practices, lessons learned and Agency-level issues for broader application or resolution.

Other Program Elements: An innovative aspect of the PPC Bureau's program is that almost any overseas mission or Washington-based office can participate in and benefit from the Bureau's activities through "buy-ins" to many of PPC's contracting mechanisms. For instance, over two-thirds of the funding for the Integrated Managing for Results contract is provided by non-PPC entities that cover expenses for activities such as the Agency's Planning, Achieving and Learning course, considered to be the principal introductory course ("USAID 101") for new direct-hire personnel. Other activities funded through this contract are Performance Monitoring Plan preparation and Mission Strategic Planning workshops and technical assistance. With buy-ins, USAID missions and offices are able to work directly with the contract vendor to customize the delivery of services, which allows PPC to respond to the wide variety of programmatic needs experienced in the field.

Other Donors: In helping to shape the global policy debate, USAID will actively participate in a host of international fora carried out between governmental and quasi-governmental development partners from around the world. These partners include Great Britain's Department for International Development, the Canadian International Development Agency, the European Commission, the United Nations, the international development banks, and the Japanese International Cooperation Agency, among others. USAID plays a crucial role in coordination of international responses to both natural and man-made disasters and took the lead in the President's Famine Initiative at the Sea Island G8 Summit. USAID assists other donors in strategy development; supports U.S. Government (USG) reporting to the Organization for Economic Co-operation and Development's Development Assistance Committee (OECD/DAC), and produces reports on other donors. USAID will continue to promote and develop the policy priorities elaborated in its new Joint Strategic Plan with the Department of State, the 2002 Agency report on "Foreign Aid in the National Interest," and the White Paper entitled "U.S. Foreign Aid: Meeting the Challenges of the Twenty-first Century."

Data Sheet

USAID Mission:	Bureau for Policy and Program Coordination
Program Title:	Learning from Experience
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	996-013
Status:	Continuing
Planned FY 2005 Obligation:	\$3,621,000 CSH; \$4,714,000 DA
Prior Year Unobligated:	\$300,000 CSH
Proposed FY 2006 Obligation:	\$3,157,000 CSH; \$6,795,000 DA
Year of Initial Obligation:	1998
Estimated Year of Final Obligation:	2005

Summary: The USAID program embraces policy and program coordination on four main fronts: 1) providing the most up-to-date knowledge for development in the form of information, analyses and evaluations related to policy and critical development issues, including coordinating with the MCC; 2) directly addressing and shaping the global policy debate on development assistance and humanitarian relief; 3) coordinating with other donor governments; and 4) integrating the best practices of strategic budgeting and performance monitoring to ensure that budgets reflect strategic priorities of Congress and the Administration.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Program Evaluations and Knowledge Management Systems (\$5,930,000 DA and/or CSH). USAID will continue to develop the Knowledge for Development (KfD) initiative, including design of a prototype "Portal" for secure, web-based collaboration space; piloting of a prototype "Yellow Pages" to the knowledge repositories within USAID; and development of an Expertise Locator database to access USAID's technical experts. The semi-annual report of Presidential Initiatives impact will continue, as will database support to the Agency. Data for the President's Report on Overseas Economic Assistance will be collected and analyzed by USAID on behalf of the President. Support and transfer of lessons learned to the MCC will also be included in this work, including coordination for MCC programs in Compact and threshold eligible countries, and supporting the Administrator's role on the MCC Board of Directors. In Millennium Challenge Account (MCA) eligible countries, USAID field missions will support MCC visits in the country; and offer insights on program and implementation issues. PPC will serve as the central contact and liaison in USAID on organization, direction and assessment of the threshold program administered by USAID with funds transferred from the MCA. Principal partners include: Academy for Education Development, International Business Initiatives, and Logical Technical Services.

Shape the Development Policy Debate (\$1,105,000 DA and/or CSH). PPC will lead the Agency in aligning policies and programs with priorities laid out in the aid effectiveness strategy, ensuring that the Agency's core mission is reflected in a common and coherent policy framework. That strategy will be complemented by a new policy on mitigating and managing conflict and a strategy for combating corruption. Other policy initiatives include issuance of a strategy for catalyzing agricultural growth, policy guidance on minimizing the impact of HIV/AIDS on development progress, and continuation of a series of papers to improve our understanding of the Muslim world. As the co-chair for the State-USAID Joint Policy and Management Councils, PPC will contribute to strengthening interagency policy coordination.

Promote Donor Coordination and Outreach (\$700,000 DA and/or CSH). USAID will assist other donors in strategy development; support USG reporting to the OECD/DAC, and produce reports on other donors. PPC will participate in a United Kingdom (UK) Microenterprise Reform Study, follow-up on the Millennium Development Goals, coordinate USAID's participation in fall/spring meetings of the World Bank, and prepare the Administrator and other USAID/State officials for bilateral and multilateral consultations. Principal partners include: U.S. Department of Agriculture, USAID Development Information Services, the OECD/DAC, and the UK Development Agency.

Reform Strategic Management Policy and Implement Performance Management Tools (\$900,000 DA and/or CSH). PPC will lead the Agency reform of strategic management policy to improve the strategic allocation of resources. These policies will result in revisions of the Automated Directives System Series 200; and in the development of common indicators to aid in reporting on USAID activities. Operation performance will be enhanced by development of improved analytical tools to inform policies to better align staff with program priorities, and by implementation of new mission management assessments to improve overseas operational effectiveness. PART continues to be an important element of the Agency's efforts to assess program performance. Principal Partners include Management Systems International.

FY 2006 Program: Improve Program Evaluations and Knowledge Management Systems (\$7,100,000 DA and/or CSH). USAID will continue its Agency-wide KfD initiative, including review and improvement of the prototype "Portal"; deployment of the pilot "Yellow Pages"; and the Expertise Locator database. After Action Review facilitation and training, evaluations of international development impact, refinements to the virtual e-library; the semi-annual report of Presidential Initiatives impact; and database support to the Agency will continue. With a number of MCA Compacts likely to be under implementation, the Agency will coordinate between MCC and USAID programs on all aspects of program implementation, including initiating new programs in FY 2006 in threshold countries. On threshold programs, PPC will continue to serve as the central contact in USAID on organization, direction and assessment of programs administered by USAID with funds transferred from the MCA.

Shape the Development Policy Debate (\$900,000 DA and/or CSH). The implementation of the MCA, the aid effectiveness and the fragile states strategies will likely continue to have implications for the way USAID does business as we enter FY 2006. PPC will play a key role in helping to articulate and shape new strategic priorities, work to align Agency policies and programs to achieve those priorities, and will ensure inter-agency policy debate is informed by an analytically grounded development perspective.

Promote Donor Coordination and Outreach (\$800,000 DA and/or CSH). PPC will continue its role in coordinating bilateral/multilateral development consultations for USAID, in representing USAID at the OECD/DAC, and in the dissemination of USG/USAID development policies and programs among donor countries and international organizations.

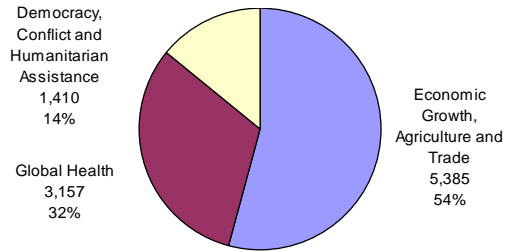
Reform Strategic Management Policy and Implement Performance Management Tools (\$1,152,000 DA and/or CSH). USAID will begin utilizing common indicators for reporting on common elements of every USAID program. Managing for Results training and technical assistance to the Agency will continue, as will Mission Management Assessments. In FY 2006, USAID is proposing an expansion of our Transition Initiatives account to better link strategy and budget in four key fragile states, and will continue to work with OMB to use the PART process to improve budget and performance integration, and acquire technical policy experts.

Performance and Results: In FY 2004, USAID led the global development policy debate by establishing broad policy consultation with international donors, providing knowledge for development support to field and Washington-based offices, and implementing performance management practices Agency-wide. USAID broke new ground in enhancing the effectiveness of foreign assistance with the publication of "U.S. Foreign Aid: Meeting the Challenges of the Twenty-first Century," and began the process of applying its principles to the Agency's budget and operations. USAID also led the donor community in issuing a new policy on responding to the needs of internally displaced persons. The Agency also improved its rating on the OMB PMA Scorecard for performance and budget integration, and ranked in the top one-third of all Federal programs to date in the PARTs.

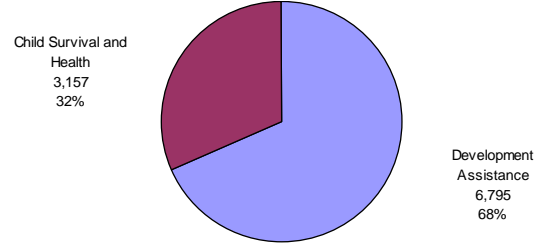
In FY 2005, PPC will also likely provide assistance to the Health, Education, Labor and Pensions (HELP) Commission, a Congressionally-mandated commission to study the effectiveness of U.S. foreign assistance programs, initiate the MCC threshold program; and incorporate aid effectiveness principles into policy and strategic budgeting approaches. With successful completion of this strategic objective, USAID will continue to strengthen its position among the world's top development assistance and humanitarian aid organizations while promoting U.S. national security interests and strategic priorities.

Bureau for Policy and Program Coordination

FY 2006 Assistance by Sector



FY 2006 Assistance by Account



Objectives and Budget

Objective	SO Number	FY 2004	FY 2005	FY 2006
Learning from Experience	996-013	10,208	8,335	9,952
Total (in thousands of dollars)		10,208	8,335	9,952

Assistant Administrator: Edward Menarchik

**Bureau for Policy and Program Coordination
PROGRAM SUMMARY**

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
Child Survival and Health Programs Fund	5,310	4,310	3,621	3,157
Development Assistance	5,272	5,898	8,714	6,795
Total Program Funds	10,582	10,208	12,335	9,952

STRATEGIC OBJECTIVE SUMMARY				
996-013 Learning from Experience				
CSH	5,310	4,310	3,621	3,157
DA	5,272	5,898	8,714	6,795

Douglas Menarchik
Assistant Administrator
Bureau for Program and Policy Coordination

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US Financing in Thousands of Dollars

Bureau for Policy and Program Coordination

	CSH	DA
996-013 Learning from Experience		
Through September 30, 2003		
Obligations	10,923	32,515
Expenditures	7,680	27,874
Unliquidated	3,243	4,641
Fiscal Year 2004		
Obligations	4,310	5,898
Expenditures	6,213	8,092
Through September 30, 2004		
Obligations	15,233	38,413
Expenditures	13,893	35,966
Unliquidated	1,340	2,447
Prior Year Unobligated Funds		
Obligations	300	0
Planned Fiscal Year 2005 NOA		
Obligations	3,621	4,714
Total Planned Fiscal Year 2005		
Obligations	3,921	4,714
Proposed Fiscal Year 2006 NOA		
Obligations	3,157	6,795
Future Obligations	3,157	6,795
Est. Total Cost	25,468	56,717

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