



**THE UNITED STATES
COMMITMENT TO AID
EFFECTIVENESS: CASE STUDIES**

Captions from bottom to top:

Orphans attend class at the Fountain of Hope center, Lusaka, Zambia, May 7, 1999. Fountain of Hope is a grassroots relief agency that cares for orphans who are usually the sole survivors of families decimated by AIDS. Zambia has the world's highest concentration of AIDS orphans.

CREDIT: AP PHOTO/THEMBA HADEBE

Volunteers take inventory of aid donated by USAID Jan. 12, 2005, in Jakarta, Indonesia.

CREDIT: AP PHOTO/IRWIN FEDRIANSYAH

Children recovering from malnutrition eat a meal in a welfare center in Camotan, Chiquimula, Guatemala, 120 miles east of Guatemala City, Sept. 2, 2001.

CREDIT: AP PHOTO/MOISES CASTILLO

This woman in Haiti used to sell rice on the side of the road to support herself and her family. After receiving a small loan from USAID, she was able to purchase a stall in a prime location in a Haitian market, and diversified her wares beyond rice to include flour, coffee, oil, and other products. She also opened a restaurant to serve the visitors who come to her community since a new airport was built nearby.

CREDIT: ROBERT BENGTON,

FINCA INTERNATIONAL

Registering or renewing a business license in Jordan was once an arduous task. Working with USAID, local software and business consulting firms partnered with Jordan's Ministry of Municipalities to streamline the licensing process. Entrepreneurs and established business owners can now process their applications with ease as a result of simplified processes and an automated system. Pictured: the new licensing section of the municipal office in Madaba, Jordan.

CREDIT: BILL LYONS, USAID

Locals water beds as they implement new farming methods near Andranolava, Madagascar, Dec. 14, 2007.

CREDIT: AP PHOTO/JOANA COUTINHO,
MANTADIA CORRIDOR RESTORATION
AND CONSERVATION PROJECT

THE UNITED STATES COMMITMENT TO AID EFFECTIVENESS: CASE STUDIES

TABLE OF CONTENTS

INTRODUCTION	3
UNITED STATES ACTIONS IN SUPPORT OF THE PARIS DECLARATION AT THE GOVERNMENT-WIDE LEVEL	5
DEPARTMENT AND AGENCY OVERVIEW: ACTIONS IN SUPPORT OF INCREASED AID EFFECTIVENESS WITHIN A WHOLE-OF-GOVERNMENT APPROACH	6
The U.S. Department of State	6
The Millennium Challenge Corporation (MCC)	7
The U.S. Agency for International Development (USAID)	7
The U.S. President's Emergency Plan for AIDS Relief (PEPFAR)	8
The U.S. Department of Defense (DoD)	9
The U.S. Department of the Treasury	10
SUCCESS STORIES FROM THE FIELD	12
Country Ownership	12
1. MCC Compact Development in Moldova – A Country-owned and Led Process	12
2. The PEPFAR Program in Rwanda – Country-owned and Country-led	13
Alignment	15
1. USAID'S Participation in Mozambique's National Agricultural Development Program (PROAGRI)	15
2. U.S. Treasury's Program in Zambia in Support of Financial Systems Reform	16
Harmonization	17
1. The U.S. Government's Coordinated Civilian-Military Response to the Asia Tsunami Disaster	17
2. USAID's Biodiversity Program in Madagascar	19
Managing For Development Results	20
1. Improving Monitoring and Evaluation in Indonesia	20
2. USAID Support for Educational Reform in Guatemala	21
Mutual Accountability	22
1. The Department of State Program to Strengthen Governmental Accountability in Azerbaijan	22
2. The Jordan First Initiative	22

INTRODUCTION

The United States of America is the single largest bilateral provider of foreign assistance.

However, as large as this commitment is, the United States believes that simply providing increased resources will not, in and of itself, reduce global poverty, eliminate diseases, increase global food security or stimulate economic growth in the developing world. In addition to increasing the resources for foreign assistance, the United States is also firmly committed to improving the quality of its aid in order to maximize development benefits. In this spirit, the United States in 2005 endorsed the Paris Declaration on Aid Effectiveness, which in its key principles called for an increase in partner country ownership, alignment of donor resources with partner country development priorities, harmonization of donor assistance, management for results, and increased accountability for development results.

As a result of this commitment, the major U.S. Government agencies that manage the bulk of U.S. foreign assistance¹ have implemented significant policy and operational changes both centrally and in field offices to increase the effectiveness of their assistance.

The United States action agenda to strengthen the effectiveness of its foreign assistance is based on the five principles of the Paris Declaration on Aid Effectiveness:

1. Ownership: Partner countries exercise effective leadership over their development policies and strategies, and coordinate development actions.

2. Alignment: Donors base their overall support on partner countries' national development strategies, institutions, and procedures.

“When nations respect their people, open markets, invest in better health and education, every dollar of aid, every dollar of trade revenue and domestic capital is used more effectively. We must tie greater aid to political and legal economic reform. And by insisting on reform, we do the work of compassion.”
**PRESIDENT GEORGE W. BUSH,
MONTERREY, MEXICO,
MARCH 22, 2002**

1. The major agencies are: the U.S. Departments of State (including the Office of the Global AIDS Coordinator), Defense, Agriculture (USDA), Treasury, and Health and Human Services; the U.S. Agency for International Development (USAID) and the Millennium Challenge Corporation (MCC).

3. Harmonization: Donors' actions are more harmonized, transparent, and collectively effective.

4. Managing for results: Managing resources and improving decision making for development results.

5. Mutual accountability: Donors and partners are accountable for development results.

The U.S. has significantly increased the amount of untied foreign assistance. Current estimates are that almost 65 percent of U.S. assistance was untied in 2006.

UNITED STATES ACTIONS IN SUPPORT OF THE PARIS DECLARATION AT THE GOVERNMENT-WIDE LEVEL

To increase synergies and reduce duplication, the United States, at a government-wide level, has focused on improving the internal coherence of assistance programs managed by various government agencies. In 2001, President George W. Bush established a Policy Coordination Committee (PCC) for International Development under the National Security Council (NSC),² chaired by the U.S. Secretary of State. This PCC convened an Interagency Working Group on Aid Effectiveness, subsequently named the “Sub-PCC on Aid Effectiveness.” Sub-PCC members include all the major U.S. Government agencies managing foreign assistance and other major international trade agencies.

The adoption of an *Inter-agency Aid Effectiveness Action Plan* in October 2007 maps the U.S. Government’s review and revision of policies and procedures in ways that are consistent with the Paris Declaration as well as with current U.S. laws and regulations. The Sub-PCC helps inform consistent government-wide policies on aid effectiveness issues. It coordinates under the mandate of the International Development PCC a pilot effort to harmonize assistance programs of all U.S. Government actors at the country level through a consolidated Country Assistance Strategy (CAS).

In early 2008, the U.S. Director of Foreign Assistance jointly signed, with Nordic Plus counterparts (Denmark, Finland, Ireland, the Netherlands, Norway, Sweden and the United Kingdom) and the Millennium Challenge Corporation, the Potomac Statement on Aid Effectiveness, which reaffirms the commitment to the Paris Declaration principles, and recognizes the importance of government-wide approaches to tackling difficult development issues such as conflict, state fragility and climate change.

²The National Security Council coordinates Executive Branch departments and agencies in the effective implementation of national security policies.

DEPARTMENT AND AGENCY OVERVIEW: ACTIONS IN SUPPORT OF INCREASED AID EFFECTIVENESS WITHIN A WHOLE-OF-GOVERNMENT APPROACH

THE U.S. DEPARTMENT OF STATE

As a critical element in its efforts to establish “transformational diplomacy” as a guiding principle of U.S. foreign policy, the U.S. Department of State created the Office of U.S. Foreign Assistance in 2006. That office is headed by a Director of Foreign Assistance (DFA), who holds an equivalent rank of Deputy Secretary and serves concurrently as the Administrator of the U.S. Agency for International Development (USAID). Key responsibilities of the DFA include leadership, coordination and strategic direction within the U.S. Government and with external stakeholders to enhance foreign assistance effectiveness, to integrate foreign assistance planning and resource management across the Department of State and USAID, and to align resources with policy priorities.

In 2007 the Office of U.S. Foreign Assistance developed a new *Foreign Assistance Framework* as an analytical tool aimed at targeting U.S. Government resources efficiently and effectively within countries and at the regional and global level. The Framework focuses foreign assistance on strategic priorities for country advancement. It also establishes a set of development indicators to measure progress for achieving results across the strategic objectives.

The office is piloting an effort to develop Country Assistance Strategies (CASs) under the leadership of the U.S. Ambassador in partnership with country stakeholders in a select group of countries. The goal is that country-level interventions of all U.S. Government agencies will be guided by a single comprehensive assistance strategy that reflects the priorities of the partner country while stressing the U.S. Government’s comparative advantages.

“Official development agencies have much to learn from each other. In recent years, we have watched with interest as different donors have responded to the changing development environment and the explosion of new actors, ideas and resources. Collectively, we are striving to make our development assistance efforts as effective as possible.”

**HENRIETTA H. FORE,
DIRECTOR OF U.S. FOREIGN
ASSISTANCE AND ADMINISTRATOR
OF USAID**

THE MILLENNIUM CHALLENGE CORPORATION (MCC)

In 2004, the United States established the Millennium Challenge Corporation (MCC) as an independent U.S. Government agency to administer the Millennium Challenge Account. The MCC is based on the principle that aid is most effective when it reinforces good governance, economic freedom and investments in people.

The MCC was designed to provide an incentive for countries to adopt sound policies by rewarding well-performing countries with large grants that complement other U.S. development programs and the efforts of other donors. Countries that meet performance criteria on 17 independent and transparent policy indicators – such as investing in education, control of corruption, and natural resource management – may be invited to submit a proposal for “compact” assistance. Countries that have demonstrated significant improvement in policy indicators, but do not yet qualify for a compact, may be eligible for MCC Threshold Program assistance administered by USAID. MCC Threshold Programs are smaller grants designed to help improve performance on specific indicators.

Although the MCC was established after the Monterrey Consensus and just one year before the Paris Declaration, its model incorporates a number of the principles underlying the Paris Declaration:

- MCC assistance encourages country ownership by giving partners responsibility for identifying their own development priorities, designing their own programs, and implementing their own compacts, in consultation with their citizens.
 - MCC assistance is aligned with national development priorities, supporting country-designed programs so long as they will reduce poverty through growth.
 - MCC compact assistance is untied and committed in full at the time of compact signing, helping ensure a predictable flow of financing.
- MCC strengthens and works with country systems wherever feasible, relying upon partner countries to implement their MCC compacts and demonstrate results.
 - Partner countries integrate capacity development into each MCC compact.
 - Coordination with other donors is required by MCC’s founding legislation and built into every step of the MCC process.

THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID)

USAID remains the largest implementer of development and humanitarian assistance. It has been at the forefront of U.S. Government efforts to advance the Interagency Aid Effectiveness Action Plan. The USAID also represented the United States in the Organization for Economic Co-operation Development Assistance Committee (OECD/DAC) discussions on aid effectiveness, including the Working Party on Aid Effectiveness and its Joint Ventures.

In early 2006, USAID issued comprehensive guidance to all of its field missions on implementation of the Paris Declaration. As recommended by many of the studies on implementing the Paris Declaration, significant authority is delegated to these field offices. USAID has encouraged participation in Joint Country Assistance Strategies and Harmonization Action Plans, and has drafted language to encourage greater participation in Program-Based Approaches. It also made a major change to its procurement sourcing guidance, allowing local and developing country partners the ability to compete for procurements. In 2007, USAID administered a worldwide survey to all of its field missions to determine more ways to better apply the Paris Declaration principles and enhance country participation in harmonization and alignment activities.

THE U.S. PRESIDENT'S EMERGENCY PLAN FOR AIDS RELIEF (PEPFAR)

In 2003, President Bush launched the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) to combat global HIV/AIDS – the largest commitment by any nation to combat a single disease in history. On July 30, 2008, President Bush signed into law a bill that will increase the U.S. financial commitment to the fight against global HIV/AIDS, tuberculosis, and malaria, authorizing up to \$48 billion to combat the three diseases through 2013.

Through PEPFAR, the U.S. Government is working with international, national and local leaders to support integrated HIV **prevention, treatment** and

care programs. A commitment to local ownership is central to PEPFAR's focus on working with host nations and supporting their strategies to bring comprehensive national responses to scale. PEPFAR focuses on supporting local organizations, including host government institutions, associations of people living with HIV/AIDS, and faith- and community-based groups. In fiscal year 2007, PEPFAR partnered with 2,217 local organizations – up from 1,588 in fiscal year 2004 – and 87 percent of partners were local.

At a youth-headed household meeting for “Club Anti-SIDA (AIDS)” young children, along with the community volunteers, dance to the song they wrote.



The United States is also a co-sponsor with UNAIDS and other organizations of the *Three Ones Agreement* – a commitment to support *one* national HIV/AIDS framework, *one* national coordinating authority and *one* country-level monitoring and evaluation system. International support for the *Three Ones* principles has significantly improved the ability of recipient countries to effectively use the funds they receive from different sources, including PEPFAR.

“PEPFAR is the largest commitment by any nation to combat a single disease in human history. It is distinguished from past relief efforts by a few key principles. The Emergency Plan demands specific, measurable targets for progress. It puts local partners in the lead, because they know the needs of their people best.”

**PRESIDENT GEORGE W. BUSH,
JULY 30, 2008**

U.S. Military used helicopters and airplanes to deliver emergency relief supplies following the December 2004 tsunami.

THE U.S. DEPARTMENT OF DEFENSE (DoD)

The U.S. National Security Strategy pledges that the United States will work to bolster fragile states, provide relief in times of crisis, and build capacity in developing states to increase their ability to govern and provide basic services. The realities of today’s efforts to combat terrorism and the need to prevent violent extremism and its underlying causes have highlighted the need to adapt the Department of Defense and civilian structures to work more effectively together.

Department of Defense Directive 3000.05 of November 2005 indicates that stability operations are a core U.S. military mission that the DoD

CREDIT: U.S. NAVY



will be prepared to conduct and support. The Directive acknowledges that many of the tasks and responsibilities associated with reconstruction and stabilization operations are not ones for which the military is necessarily best suited.

In 2005, USAID established an Office of Military Affairs (OMA) within the Bureau for Democracy, Conflict and Humanitarian Assistance to provide a focal point for USAID interaction with U.S. and foreign militaries, to formalize relationships with the military through coordinated planning, training, education, and exercises, and to develop guidelines and standard operating procedures consistent with each organization's mandate. At the same time, DoD has established offices within its command structure to work with civilian agencies – such as USAID and the State Department – to develop coordinated approaches and activities involving issues of mutual concern, such as disaster relief and peace building.

President George W. Bush issued National Security Presidential Directive 44 to establish that engagements with fragile states – both before and after episodes of violent conflict – would be U.S. Government policy. As a result tools and procedures are being developed to ensure that every facet of the U.S. Government response to fragile states – from assessment to planning to operations – is government-wide.

THE U.S. DEPARTMENT OF THE TREASURY

The Treasury Department's Office of Technical Assistance (OTA) provides technical advice to assist partner countries in the implementation of market-based policies and practices. The fundamental aim of the assistance is the adoption of internationally accepted best practices that enable reformist governments to enhance revenue collection, adequately meet funding priorities, manage their borrowing requirements in a sustainable fashion, ensure sound financial intermediation that contributes to economic growth, and combat the multiple forms of corruption and financial crime that hinder development.

In response to the Paris Declaration, and through internal initiatives, OTA has augmented its efforts to increase the effectiveness of its assistance by focusing on improving measurable results. This includes overarching programmatic goals, outputs and measurable results where appropriate. Each plan is developed in consultation with the partner country and is adapted to the country context and particular systemic risks and dynamics.

After receiving a small USAID loan, Madame Fanfan no longer sells rice on the roadside, but was able to purchase a stall in a prime location in a Haitian market where she has diversified her wares to include flour, coffee, oil and other products. She has also opened a small restaurant and plans to open an even bigger restaurant to serve the visitors who come to her community to use the new airport built nearby.



SUCCESS STORIES FROM THE FIELD

COUNTRY OWNERSHIP

I. MCC COMPACT DEVELOPMENT IN MOLDOVA – A COUNTRY-OWNED AND LED PROCESS

The U.S. Government’s Millennium Challenge Corporation (MCC) has adopted a flexible, country-driven approach to development that puts partner countries, not donors, in the lead. Under the MCC model, partner countries are responsible for leading all stages of “compact” development and implementation.

The first step in MCC’s compact development process is for partners to identify and propose their own development priorities. Partner countries begin by conducting a rigorous constraints analysis to determine the impediments to economic growth and continue with an open process that includes public, timely, and

Civil society, private sector, and local government representatives gather in Ungheni, Moldova, for consultations around the Moldovans’ MCC compact proposal.



CREDIT: MCC

broad-based consultations with their civil society, private sector, and other local and national stakeholders. Based on these results, partner countries submit a concept paper and, ultimately, a proposal for MCC appraisal.

Moldova was the first partner country to undertake a formal constraints analysis as part of its MCC compact proposal process. The local Moldovan team leading the analysis – which included economists from the government, academia, and civil society – embraced the technical challenge of sorting through data to identify the primary bottlenecks to economic growth. Team members actively sought input and feedback from a broader network of experts, both local and international, and held a series of regional town hall meetings to discuss preliminary findings and determine when and why regional priorities differed from national priorities. The Moldovans have used the results of their analysis, which are publicly available in both Moldovan and English, to shape their compact proposal and inform the broader national development strategy.

The Moldovans are currently conducting ongoing consultations around their compact proposal, and MCC is working with local counterparts to appraise proposed activities. If the MCC signs a compact with the Government of Moldova, the Moldovans will manage the program themselves, leading all aspects of the implementation process as well.

“Today, I call for a new compact for global development, defined by new accountability for both rich and poor nations alike. Greater contributions from developed nations must be linked to greater responsibility from developing nations. The United States will lead by example . . . we will increase our development assistance by \$5 billion . . . over the next three budget cycles . . . these funds will go into a new Millennium Challenge Account.”

**PRESIDENT GEORGE W. BUSH,
INTER-AMERICAN DEVELOPMENT
BANK SPEECH ON GLOBAL
DEVELOPMENT,
MARCH 14, 2002**

2. THE PEPFAR PROGRAM IN RWANDA — COUNTRY-OWNED AND COUNTRY-LED

Rwanda faces a generalized HIV/AIDS epidemic, with an HIV prevalence rate of 2.8 percent among people ages 15-49. The Government of Rwanda leads the response through a national HIV/AIDS action framework developed collaboratively with the U.S. Government and other major partners. The U.S. Government works with the Government of Rwanda to coordinate resources in support of the Rwanda National HIV/AIDS Strategic Plan (2005-2009), the HIV/AIDS Treatment and Care Plan (2003-2007), and the National Prevention Plan.

Rwanda is one of 15 focus countries, which collectively represent approximately 50 percent of HIV

infections worldwide, in the U.S. President's Emergency Plan for AIDS Relief (PEPFAR). Under PEPFAR, Rwanda received more than \$39.2 million in fiscal year 2004, which rose to approximately \$103 million by fiscal year 2007, to support comprehensive HIV/AIDS prevention, treatment and care programs. In fiscal year 2008, PEPFAR is providing approximately \$123 million.

One of the cornerstones of the Rwandan HIV/AIDS program is a close collaboration between the Rwandan Government and its international and implementing partners to pioneer an effective and accountable system to jointly procure antiretroviral drugs (ARVs) for the country's citizens. Project partners include the U.S. Government, the Global Fund, the World Bank, and others.

In October 2004, the Rwandan Ministry of Health issued a Ministerial Order requiring all ARVs be

procured through the Centrale d'Achats des Médicaments Essentiels Consommables et Equipements Medicaux du Rwanda (CAMERWA), the national pharmaceutical procurement agency, in order to maximize purchasing power.

The CAMERWA-coordinated procurement in February 2006 included support from program partners, which purchased portions of Rwanda's overall ARV needs while adhering to their individual procurement requirements. PEPFAR funds were used to buy first- and second-line ARVs approved or tentatively approved by the U.S. Food and Drug Administration, while the Global Fund, World Bank and others purchased other drugs pre-qualified by the World Health Organization for first-line treatment. As a result of this new system, CAMERWA now distributes ARVs to pharmacies according to their patients' needs, regardless of which donor supports the site.

A sergeant is tested for HIV at Kinigi in a mobile unit that was set up to respond to the needs of the military who are often posted in remote rural locations with no access to health facilities.



CREDIT: S. MOUNTZIS



A woman in Mozambique is using information she learned in a USAID program to teach other farmers in her community the best ways of selecting seed for the next planting season.

There are several benefits associated with the combined procurement system. Rwanda obtains a better price for the ARVs due to the large quantities being ordered, and money is also saved through lower management costs and reduced transportation costs. The coordination also reduces confusion and potential non-adherence that results from drugs coming in different shapes, being packaged in varying quantities, and displaying a variety of inscriptions.

ALIGNMENT

I. USAID'S PARTICIPATION IN MOZAMBIQUE'S NATIONAL AGRICULTURAL DEVELOPMENT PROGRAM (PROAGRI)

In 1999 the Government of **Mozambique**, working with a group of international donors, of which USAID was one of the core members, developed the PROAGRI Basic Principles document to guide program development, investment and institutional reform in the agricultural sector. Before PROAGRI,

most agricultural services in Mozambique were delivered through donor-funded projects and the role of the very weak Ministry of Agriculture and Rural Development (MADER) was somewhat marginal. The development of PROAGRI led to the elaboration in 2001 of an agricultural sector policy within Mozambique's Action Plan for the Reduction of Absolute Poverty, 2001-2005 (PARPA). In the process of refining PROAGRI, the program evolved into what became the Government of Mozambique's first Sector Wide Approach (SWAp) to guide the investment of resources in an important sector of the country's economy over a 15-year period. PROAGRI sought to bring together over 70 donor-funded projects into a totally restructured central government ministry, subsequently renamed the Ministry of Agriculture (MINAG). PROAGRI includes all agricultural public expenditures managed by MINAG. Some 20 development partners, including USAID, agreed to support PROAGRI. The donor partners formed what came to be called the Partnership Committee, which worked closely with MINAG in implementing the program.

PROAGRI has successfully replaced fragmented donor-driven projects within a comprehensive program consistent with the role of MINAG in a market-based economy.

Started in 1999, the PROAGRI Program seeks to bring together over 70 donor-funded projects into a restructured Ministry of Agriculture and Rural Development (MADER) that effectively delivers agricultural services to Mozambican farmers either by direct provision of services in primary areas or increasingly by outsourcing to the private sector or nongovernmental organization (NGO) partners.

2. U.S. TREASURY'S PROGRAM IN ZAMBIA IN SUPPORT OF FINANCIAL SYSTEMS REFORM

In 2002, the executive director of **Zambia's** newly formed Task Force on Corruption engaged Treasury's Office of Technical Assistance (OTA) and the U.S. Department of Justice to conduct an assessment of Zambia and assist its anti-corruption efforts.

The donor-supported Task Force functioned effectively despite overwhelming obstacles, including government interference and a great deal of political pressure to disband. According to Zambian reformers, external assistance such as that provided by OTA was instrumental in the persistence of the Task Force.

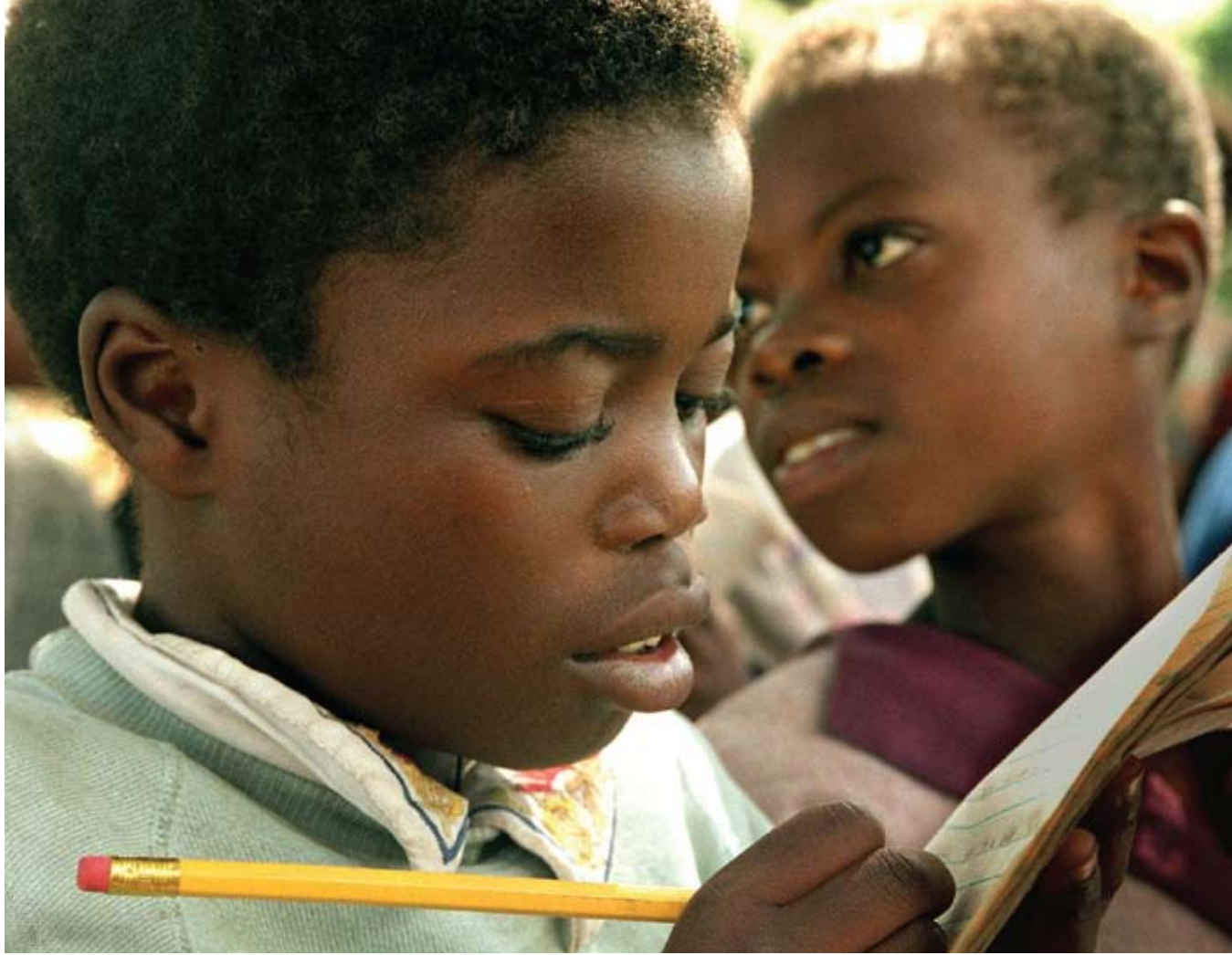
The success of the Task Force led the Bank of Zambia in 2003 to request OTA assistance to strengthen its financial management systems. After a comprehensive Banking and Financial Services Assessment, OTA provided technical assistance to director-level professionals to strengthen the organization and operations

of the banking and non-banking supervision departments. The assistance supported the professional staff as they made significant progress in implementing International Financial Reporting Standards and inspection procedures, as well as installing both supervisory policies and the reporting and examination standards required under a new Anti-Money Laundering Law. Further OTA technical assistance to the Bank of Zambia also led to the design of a Deposit Insurance program, scheduled to be considered by Parliament in 2008. The Bank of Zambia has also recently requested additional OTA technical assistance in the areas of banking supervision, including an introduction to Islamic banking and in streamlining and strengthening liquidations processes.

This initial progress led the Minister of Finance to request technical assistance from OTA in debt management in 2005. The assistance was instrumental in Zambia's reaching the Heavily Indebted Poor Countries' (HIPC) "Completion Point" to qualify for debt relief from the Paris Club.

In 2007 the Government requested OTA technical assistance in public budgeting to improve Zambian treasury systems and procedures as well as to strengthen organizational structure. OTA is assisting in the design and implementation of an integrated financial management system, and in strengthening cash management and banking operations. The overall goal is to create a modern and well-functioning Treasury Department.

With stronger, more accountable and transparent financial management systems, donors will increasingly be able to make use of Zambia's institutions and procedures to deliver their development assistance.



Orphaned children, most the sole survivors of families decimated by AIDS, attend class at the Fountain of Hope center, a grassroots relief agency caring for orphan in Lusaka, Zambia, a country with the world's highest concentration of AIDS orphans.

At the request of the Zambian government, the U.S. Department of Treasury's Office of Technical Assistance has designated two officers to serve as long-term resident advisors in Zambia – one at the Bank of Zambia to help the Bank improve bank supervision and the other to oversee anti-corruption programs.

HARMONIZATION

I. THE U.S. GOVERNMENT'S COORDINATED CIVILIAN-MILITARY RESPONSE TO THE ASIA TSUNAMI DISASTER

On December 26, 2004, millions of people in five densely-populated Asian countries were traumatized by the massive earthquake off the coast of **Sumatra** and the catastrophic tsunami that it spawned. This disaster was one of the most widespread and devastating quick-onset natural disasters in recent world history.

The scale of the disaster itself and of the humanitarian relief effort required to address the

immediate needs of the affected populations required unprecedented levels of coordination among those trying to help. Immediately after the extent of the disaster became apparent, the U.S. Government established a Response Management Team in Washington and dispatched USAID's Disaster Assistance Response Teams (DARTs) to the region. The DARTs reviewed NGO, United Nations and host government funding requests and recommended appropriate U.S. Government-wide relief efforts. The Department of Defense (DoD) also immediately deployed its logistical assets. Without that ability to rapidly provide urgently needed supplies and equipment, the response to the tsunami would not have been effective. The U.S. State Department also set up a "core group" of nations, along with Australia, Japan and India, to coordinate assistance.

In disasters of the magnitude of the tsunami, it is essential to coordinate civilian response activities with those of the U.S. military. In the years prior to the tsunami disaster, cooperation between USAID

and DoD had begun to expand dramatically. The relationships fostered by this cooperation were essential to an effective partnership between USAID and DoD, and made a coordinated and seamless U.S. Government response to the tsunami possible. It also resulted in a unified U.S. Government voice in its interactions with other international organizations and foreign governments that had mobilized to provide relief.

Building on the immediate post-tsunami relief experience, collaboration between DoD and U.S. civilian development organizations, as well as with other international organizations, has continued to grow, particularly in disaster relief and post-conflict efforts. For example, in assessing more long-term needs to rebuild infrastructure in the countries affected by the tsunami, the U.S. Army Corps of Engineers worked directly with USAID and World Bank/Asian Development Bank rapid appraisal and damage assessment teams.

Volunteers take inventory of food aid donated by USAID in Jakarta, Indonesia, that was intended for the tsunami-devastated areas of Aceh.



CREDIT: AP PHOTO/IRWIN FEDRIANSYAH

At the height of the DoD humanitarian support of relief operations in Thailand, Indonesia, Sri Lanka, and the Maldives, there were nearly 16,000 U.S. military personnel, 26 ships, 58 helicopters, and 43 fixed wing aircraft in the region. DoD delivered over 10 million pounds of food and supplies, provided over 400,000 gallons of fresh water, and treated almost 2,500 patients.

Locals water seed beds as they implement new farming methods near Andranolava, Madagascar. Much of that country's land on the edge of the rain forests has been ruined through slash-and-burn agriculture techniques.

2. USAID'S BIODIVERSITY PROGRAM IN MADAGASCAR

More than 80 percent of **Madagascar's** astounding diversity of flora and fauna appears nowhere else in the world. The island's biodiversity, however, has been severely threatened by population pressures, poor agricultural cultivation, outdated livestock breeding practices and weak governance. Primary natural forest cover has declined from about 25 percent in 1950 to less than 15 percent today, eliminating viable habitat critical to innumerable plants and animals.

For the past 15 years, USAID has helped Madagascar protect its exceptional natural heritage, and directly supports Phase III of the Government's National Environmental Action Plan (2003-2008).

A Strategic Framework focuses on common objectives and results, facilitates ownership of a common vision that links development and conservation, promotes a multi-sectoral, multi-actor and multi-level model for collaboration, and implements a results-based program approach with instruments and tools for planning, management, coordination



CREDIT: AP PHOTO/JOANA COUTINHO. MANTADIA CORRIDOR RESTORATION AND CONSERVATION PROJECT

and decision-making. A joint donor-government results framework has been developed to lay out expected outputs and results. To improve coordination and reduce reporting and transactions costs, a Joint Steering Committee, chaired by USAID for the last five years, has agreed to a common monitoring and evaluation framework as the basis for accountability of their individual investments.

In implementing its biodiversity program in Madagascar, USAID collaborates closely with a group of international donors, local and international NGOs and community-based organizations, and all levels of the Malagasy government. It also actively promotes public-private partnerships. The group of donors includes the United States, France, Germany, Switzerland, Japan, the World Bank, the Global Environmental Facility, the World Wildlife Federation, Conservation International and the Wildlife Conservation Society.

Donor harmonization and coordination has also been reinforced through the development of joint issues papers on topics such as illegal logging, reform of the Ministry of Environment, management modalities for the new protected areas and effectiveness of the National Park Service.

In September 2003, Madagascar's president, Marc Ravalomanana, announced the "Durban Vision," an effort to preserve his island's exceptional biodiversity. This provided a truly unique opportunity for Madagascar to improve management of its own ecosystem, fully benefit from the island's biodiversity, and move beyond unsustainable and environmentally unfriendly practices.

MANAGING FOR DEVELOPMENT RESULTS

I. IMPROVING MONITORING AND EVALUATION IN INDONESIA

Since 2003, **Indonesia** has received nearly \$100 million through five grants from the Global Fund to Fight AIDS, Tuberculosis and Malaria. In March 2007, however, the Global Fund notified the Government of Indonesia (GOI) that it required stronger grant monitoring procedures and better reporting on the work of grant sub-recipients before further funds could be made available.

By October 2007, the GOI Ministry of Health was required to develop a monitoring and evaluation (M&E) training curriculum and a plan to train M&E officers at the district, provincial, and national levels throughout Indonesia. With limited M&E procedures written into its new Project Implementation Manual, the Ministry of Health faced a daunting challenge.

Indonesia found the help it needed through a new mechanism, called Grant Management Solutions, sponsored by the U.S. President's Emergency Plan for AIDS Relief (PEPFAR).

Within 10 weeks of requesting support, Indonesian counterparts, assisted by Grant Management Solutions consultants, had designed an M&E curriculum, trained 29 master trainers and program trainers in its use, and devised a plan to coach nearly 500 health program officers in 33 provinces in M&E techniques. M&E is now part of Indonesia's Project Implementation Manual and the everyday work of health project officers.

Since the October deadline, the Global Fund and GOI have signed a sixth grant agreement, and Indonesia is once again receiving funds to combat HIV, tuberculosis, and malaria.

Schoolgirl reads a new Guatemalan education standards brochure featuring the Mayan symbol for “Noj” – a cultural icon which signifies ideas, wisdom, and knowledge.



“We have a responsibility to make sustained progress towards fulfilling the promise of Paris Declaration and Monterrey Consensus: to promote and support country ownership. Moving past a failed and flawed era of donors and recipients, we are entering a new era in development based on partnership between equals – in fact, one in which international partners must acknowledge their role as the junior partner to the countries we are privileged to support.”
**AMBASSADOR MARK DYBUL,
PEPFAR COORDINATOR,
KAMPALA, UGANDA,
JUNE 3, 2008**

2. USAID SUPPORT FOR EDUCATIONAL REFORM IN GUATEMALA

For more than 15 years, USAID has supported the Government of **Guatemala** to develop a national education information system. Thanks to this assistance, the Ministry of Education of Guatemala is one of the few public institutions in the country with reliable statistics for compiling strategic information.

Through its Education Standards and Research Program (2005-2009), USAID/Guatemala began an effort to strengthen the Ministry of Education’s ability to collect and analyze data and to disseminate evidence-based policy analysis to educational specialists and governmental bodies. Educational profiles were prepared to help the Ministry establish priorities, performance indicators and targets. The program also pioneered research that identifies essential data such as the determining factor for first-grade success and the effectiveness of the Ministry’s decentralization effort. The evidence-based analysis encourages understanding, promotes informed policy dialogue and ultimately improves public and private investment in education.

An equally important component of the current USAID education program in Guatemala is improving content standards, the main components of which are: education standards, basic life competencies/skills, systems for evaluation of learning, education research and systems for teacher development. With technical assistance provided through the Education Standards and Research Program, the Guatemala Government has made great progress in developing standards that are of international quality and are aligned with curriculum policy. Technical assistance provided by USAID has strengthened the capacity for testing and built the foundation for an evidence-based approach to strategic decision-making.

Results of the program to date have been encouraging. In February 2007, for the first time in the country's history, the Ministry of Education published a Ministerial Decree that establishes national education standards for pre-primary through the sixth grade. The USAID program is currently informing basic standards for the middle school level.

Education experts can now begin to evaluate students' and teachers' progress as well as the effectiveness of the curricula. Education standards contribute to accountability. As teachers become accountable to students, parents and authorities, those authorities in turn become accountable to their citizenry.

“This support from USAID is what we have been waiting for to help us get education in Guatemala up to par with other countries. ... Education standards are essential factors for education reform here because they are the umbrella we need to develop all the curriculum content.”

**DELFO CETINO,
EDUCATION QUALITY AND
DEVELOPMENT OFFICE (DICADE)**

MUTUAL ACCOUNTABILITY

I. THE DEPARTMENT OF STATE PROGRAM TO STRENGTHEN GOVERNMENTAL ACCOUNTABILITY IN AZERBAIJAN

Policy formulation and strategic direction of U.S. foreign assistance to Eastern Europe, Eurasia and the countries of the former Soviet Union is the responsibility of the Department of State's Office of the Coordinator of Assistance to Europe and Eurasia (EUR/ACE).

A significant part of U.S. assistance to the region has been geared toward establishing and strengthening the democratic institutions that supplanted the authoritarian regimes of the previous decades and toward increasing the accountability of national, regional and local governments to their citizens.

A key element of the U.S. Government's assistance strategy in **Azerbaijan** involves strengthening important democratic institutions. Two important components of the democracy and governance portfolio implemented by USAID are the Parliamentary Program and the Public Investment Policy Project.

The Parliamentary Program seeks to put in place new operating norms and improve institutional professionalism and responsiveness to citizens. With an eye towards the future, European Union standards and legislative compliance mechanisms are being used, even as capacity development activities are designed and implemented.

The Program provides technical assistance to members of parliament and permanent parliamentary staff, assists them in accessing information on topics of interest, and helps promote greater legislative and procedural transparency in an effort to enhance the overall effectiveness of the institution. Easy citizen access to legislation will also be established.

A second major component is the Public Investment Policy (PIP) Project. Azerbaijan is currently enjoying a windfall from oil exports. To manage the revenues from this resource, the Government seeks to



The Student Action Committee at School 177 in Baku, Azerbaijan, organized their first-ever presidential election in March 2005 and invited representatives from a USAID-sponsored election-monitoring program to observe. The students were joined by representatives from the local education department, the town government, the local precinct's election commission, and the school administration.

strengthen its institutional and technical capacity in the areas of long-term planning, budget formulation and project development and management.

The core objective of the PIP project, begun in 2005, is to help strengthen the country's institutional and technical capacity in the areas of medium- and long-term national and sector development planning, capital budgeting and public investment programming, project preparation, appraisal, and monitoring and evaluation. The program provides practical training to the cabinet and staff of the Ministry of Economic Development, the Ministry of Finance, and other key ministries. Through improved criteria for the selection of investments and more rigorous analysis, the public investment program is being brought into greater alignment with the Government of Azerbaijan's developmental priorities, especially the Poverty Reduction Strategy. The PIP project is expected to reduce the scope for corruption in public expenditures.

2. THE JORDAN FIRST INITIATIVE

In November 2002, the Government of **Jordan** launched *Jordan First* – an initiative designed to promote political openness and expand the role of civil society in public decision-making. Under Jordan First, King Abdullah articulated his vision for a more responsive and accountable government through a more effective Parliament, greater levels of public accountability, a more free and open media, greater civic participation, expanded civic education, and a more efficient judiciary.

Many of Jordan's key democratic institutions and civil society organizations have inadequate technical, organizational, and policy skills to effectively perform their respective roles in a competitive, efficient, and responsive way. Further, the role of the media is limited due to a system of self and de facto censorship.

To address these challenges, donor nations are providing significant support to civil society

organizations to improve their technical and analytical capabilities, expand their role in public discourse, and protect human rights. Six donors are implementing activities aimed at supporting local civil society organizations. Programs funded by the Norwegian, British, Swedish, and Dutch Governments promote greater levels of public participation and the protection of human rights. From 2003–2005, the Government of Canada supported its Human Security Center in Amman, which provides a focal point for bringing together experts from the government, NGO, and academic sectors in order to share information about issues of human rights, gender, and democracy in Jordan and the region. In addition, the European Union contributed \$3.25 million to support a small grants program aimed at promoting human rights and democratization through local and international non-governmental organizations.

As the largest donor in this sector, USAID will complement other donor activities by increasing the participation of civil society in public decision-making, strengthening the legislative and public policy capacity of the Parliament, and promoting transparent systems of resource allocation and use in selected Government of Jordan bodies.

Assistance will also be provided to address the limited role of the media and improve the skills of journalists to help implement the King's major initiative involving "freedom of the press."

In the area of democratization and improved governance, USAID programming addresses the special needs of women as a key development priority. USAID expects to improve the ability of female parliamentarians to perform their roles in the recently-elected legislature, and to ensure that the status of Jordanian women improves through greater advocacy by non-governmental organizations.

In recognition of the need for a stronger governance structure in Jordan, the government set up a committee consisting of all sectors of society – public, private, civil society groups, women's groups – to devise a means of bringing more people into the governance structure.

CREDIT: AMIR PROGRAM



Jordan's national e-government initiative launched in 2000, trained government workers how to use the Internet and e-mail to improve communication among government agencies, streamline government procedures, and make information and services available to citizens on the Internet. To bridge both hardware and software gaps, USAID created a secure network that would allow government organizations to exchange information electronically and develop programs that offer government services over the Internet, and then trained government workers how to use the Internet and e-mail, and trained managers to oversee the network.



USAID
FROM THE AMERICAN PEOPLE

U.S. Agency for International Development
1300 Pennsylvania Avenue, NW
Washington, DC 20523
Tel: (202) 712-0000
Fax: (202) 216-3524
www.usaid.gov