Functional Series 200   **INTERIM UPDATE 06-02**
Programming Policy

SUBJECT: Policy Framework for Bilateral Foreign Aid

NEW MATERIAL: This notice announces the Agency's Policy Framework for Bilateral
Foreign Aid. It is based on the Agency White Paper, U.S. Foreign
Aid: Meeting the Challenges of the Twenty-first Century. This policy
focuses on the strategic management of United States bilateral
foreign aid. To improve policy coherence and address both real and
perceived issues of effectiveness, this policy identifies, clarifies, and
distinguishes among USAID's core strategic goals; calls for a clearer
alignment of resources with each goal; and establishes principles for
strategic management to achieve results in terms of each goal. It
thereby provides the overarching framework for USAID strategies
and policies, and for USAID strategic planning, budgeting and
programming.

EFFECTIVE DATE: 01/11/2006

ATTACHMENT: **Policy Framework for Bilateral Foreign Aid**

                                                      USAID/General Notice
                              POLICY   A/AID
                                                      02/06/2006

Subject: Policy Framework for Bilateral Foreign Aid

This notice announces the Agency's Policy Framework for Bilateral Foreign Aid. The
policy is the result of many months of effort and consultation involving representatives
from all USAID Bureaus and field missions, other government agencies and outside
experts. It is based on the Agency White Paper, U.S. Foreign Aid: Meeting the
Challenges of the Twenty-first Century.

This policy focuses on the strategic management of United States bilateral foreign aid.
To improve policy coherence and address both real and perceived issues of
effectiveness, this policy identifies, clarifies, and distinguishes among USAID's core
strategic goals; calls for a clearer alignment of resources with each goal; and
establishes principles for strategic management to achieve results in terms of each

goal. It thereby provides the overarching framework for USAID strategies and policies, and for USAID strategic planning, budgeting and programming.

USAID's policy framework is based on five core strategic goals for foreign aid:

– Promote Transformational Development
– Strengthen Fragile States
– Support Strategic States
– Provide Humanitarian Relief
– Address Global Issues and Other Special, Self-standing Concerns

The Policy Framework for Bilateral Foreign Aid brings together the insights and innovations of Foreign Aid in the National Interest, the White Paper, the Fragile States Strategy and At Freedom's Frontiers: A Democracy and Governance Strategic Framework and inscribes in policy USAID's change in strategic direction. It positions USAID in broader discussions of the role of foreign aid not only in the United States, but around the world with our many partners in development. It also serves as an agenda for the work that will be needed to make the policy fully operational. The policy will guide USAID as we take up the development mandate for the betterment of others and for our own national security.

The policy is located on the USAID website at http://pdf.dec.org/pdf_docs/pdacg244.pdf and is also attached to this notice.

Point of Contact: Any questions concerning this Notice may be directed to Joan Atherton, PPC/P, (202) 712-4955.

Notice 0210

File Name	Notice Date	Effective Date	Editorial Revision Date	ADS CD No.	Remarks
IU2_0602_020806_cd43.doc	02/06/2006	01/11/2006		CD 43	This IU will remain active until the policy and procedures in it are incorporated into the ADS Series 200 chapters.

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