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ACVFA RECOMMENDATIONS INVESTING IN PEOPLE

INTRODUCTION

Investing in People (IIP) is the crucial foundation for any effective development strategy and must be at the heart of U.S. foreign assistance. Without effective IIP investments to promote healthy and educated populations, lasting gains in democracy, economic growth and poverty reduction become all but impossible. Economic growth, for example, will fail to reduce widespread poverty, unless people are given the opportunity to develop their capacity to participate in the economic system. The mandate for IIP is broad and complex requiring carefully coordinated strategic responses to address multiple needs of different populations. In many ways the effectiveness of U.S. foreign assistance as a whole hinges on the success of IIP investments. In this paper, the IIP ACVFA Working Group aims to affirm the centrality of IIP to U.S. foreign assistance and build on past achievements in education and health for the future.

RECOMMENDATION HIGHLIGHTS

Clarity of Mission

The working group believes that IIP plays a foundational role in the success of all U.S. foreign assistance initiatives and it is critical to make this clear throughout the Agency. We recommend:

- **Creating a policy level leadership position** to coordinate and promote the IIP objective
- **Fully integrating IIP into budget planning** to ensure the availability of adequate resources
- **Establishing specific long-term foreign assistance priorities** in alignment with the Millennium Development Goals and the Paris Declaration to address the full range of education requirements, gender equity and child and maternal health needs
- **Developing incentives and high-level support for cross-sectoral work** to facilitate integrated programming which take advantage of synergies between different sectors and objectives in the framework
- **Making explicit the key role and distinct identity of the Education Offices** at USAID, parallel to those in global health

Organizational Capacity

In order to effectively design, coordinate and support the diverse array of IIP investments, USAID must notably increase its structural capacity. This should include:

- **Revitalizing the USAID workforce** by increasing U.S. direct-hire staffing levels in education, health and trainings
- **Mandating rigorous monitoring and evaluation** at all stages of program implementation
- **Collecting and disseminating information** using new knowledge management technologies
- **Defining a set of processes to determine country level priorities** which includes the participation of host-country stakeholders
- **Pursuing public-private partnerships** to leverage experience, skills and resources of the private sector

Programmatic Definition and Quality

Clearly defining the programmatic objectives of IIP is necessary to promote coherence and suitability of IIP initiatives. The working group recommends:

- **Prioritizing investments for critical populations such as women and youth** whose cross-sectoral needs require targeted, holistic responses
- **Addressing under funded areas of significant need in health** including maternal and child health, chronic malnutrition and an increased emphasis on prevention, including behavior change, to keep pace with the expansion of treatment services within the health sector
- **Continuing to meet the EFA (Education for All) commitment** to achieve quality basic education by 2015 and expanding efforts to address EFA goals on secondary education, early childhood development, adult literacy, and special needs including disabilities and HIV education.
- **Building institutional capacity in health and education systems** through long-term degree training for country personnel from ministries of health, education, and other sectors in the U.S. and third countries for senior public policy and technical positions
- **Invest in greater leadership development and technical capacity** for all social and economic development sectors by strengthening universities within countries by investing more in long-term participant training programs in the United States and third countries

BACKGROUND SUPPORT AND DISCUSSION

Leadership in Investing in People: The importance of effective IIP programs for other foreign assistance investments requires that IIP be a central focus of USAID. In order to promote the role of IIP within the framework, we recommend establishing a new policy level leadership position to focus on health and education investments. This is necessary to ensure that there is coherence both within IIP programs and between IIP and the other sectoral programs. Coordinated health and education programming is also dependent on adequate resources being directed to IIP during the budgeting process.

Staffing: We strongly advocate for the deepening of technical expertise within the agency to position USAID as a thought-leader in development for IIP. U.S. direct hire staffing levels must be significantly increased to support internal capacity in strategic planning, effective management and active field level support. To support staff, the OE budget should be sufficiently robust to enable the long-term planning and policy formation essential to effective, coordinated investments in lasting IIP improvements. Personnel additions should address both specific sectoral and discipline requirements as well as include key personnel who can operate across and among sectors. We also propose reviewing other government agency approaches to meet staffing needs which take advantage of personnel exchanges with universities, businesses, and NGOs, and have demonstrated proven opportunities for mutual advantage through these partnerships.

Long-term policy goals and priorities: For IIP to be truly effective, there must be a vision for broad, long-term commitment. The U.S. has always been a leader in foreign assistance reflecting the American people's top priority to help people to build their own capacity. USAID must be a leader in establishing long-term, holistic U.S. foreign assistance priorities within the globally embraced Millennium Development Goals (MDGs) framework through strategic planning and visionary policy formulation. By aligning its contributions with the MDGs, USAID will be able to better coordinate its investments in IIP with other donor countries, leverage the impact of its funds by building on the efforts of nations with MDG plans, partner effectively with developing countries efforts, and play a leading role in the first truly global effort to improve the well-being of the world's poorest and most vulnerable people. Aligning IIP with the MDGs would further advance the F framework top-line goal to reduce poverty and it would make addressing the causes and consequences of poverty the core objective of IIP efforts. Increased dialogue with the development community is critical to collaborative agreement on priority areas for long-term IIP investment.

Integrated programming: With the framework's vertical divisions by sector, we are concerned that integrated (cross-sectoral) programming is unintentionally inhibited. It seems that the system of accounting which requires funding to neatly fit into budget boxes has resulted in a decreased ability or commitment to design, implement and monitor integrated programs. In IIP, for example, synergies between basic education and nutrition programs should be integrated to address hunger in the classroom, improve basic nutrition and contribute to better attendance rates and learning outcomes. Education also plays a crucial role in any effective response to HIV and AIDS. We support creating linkages between objective areas to facilitate cross-sectoral work that is not naturally fostered by the framework or USAID's organizational units. In addition to high-level support, overcoming fund authorization barriers will require the creation of incentive mechanisms to reward initiatives which undertake challenging cross-sectoral work. A commitment to these cross-cutting themes and programs should be reflected in foreign assistance strategic planning and for future budget support requests. It is important to remember, however, that not all programming needs to be cross-sectoral. There is a need to establish criteria to determine when single sector approaches may be more valuable, such as when attempting to measure change over the medium and short term.

Sustained Resources: We believe that achieving effective programming in IIP which is responsive to the increasing complexity of development concerns will require innovative approaches and sustained funding. USAID can benefit from the lessons learned with

PEPFAR and the many successful examples of multi-year funding in addressing the HIV and AIDS pandemic. Sustained funding allows for the development of solid partnerships with local NGOs and national governments, strategic and coordinated planning and a greater emphasis on institutional strengthening and capacity building. Many IIP programs require a 10- to 15-year implementation horizon with clear-cut, 3- to 5-year benchmarks to ensure opportunity for course correction, modification, and measurement on progress. Such long-term horizons also enable private sector and NGO partners to be more effective in their planning program design and implementation. We also believe that USAID should remain the lead agency of U.S. government foreign assistance for IIP programs with development resources managed by civilian organizations.

Monitoring and Evaluation: To design and implement effective IIP programs, it is critical to know what works. USAID must engage in the development of quality outcome indicators, especially for the education sector, to enable useful and regular performance monitoring at all stages of implementation. Indicators of progress need to recognize and reflect the complexity and variety of IIP programs, rather than single, simplistic indicators. Quality indicators should be coupled with a commitment to devote 3 to 5 percent of program funds to support monitoring and evaluation. Resources for monitoring and evaluation should take advantage of host-country expertise. Often in-country evaluators are able to deliver quality assessment that is grounded in an understanding of the local situation as well as cost-effective. Objective monitoring and evaluation provides relevant, accurate and timely information essential to improving effectiveness and impact.

Knowledge Management: USAID and the F Bureau should establish strong knowledge management resource bases that capture and maintain current development experiences in IIP for easy analysis and dissemination within its organizational structure. This should also allow USAID to easily access and integrate experiences and share best practices from other agencies and its partner institutions including universities, NGOs, and businesses. Utilization of easy access portals, new data distribution, and management systems should be acquired or contracted to take advantage of the existing state-of-the-art knowledge management programs.

Public-private partnerships: Actively engaging private sector institutions in development work has the power to create mutually beneficial partnerships improving health outcomes and supporting quality education. USAID should continue its current focus on partnering with the private sector to leverage skills and technologies and pool resources. The ability of private sector corporations to partner with NGOs and government makes it possible to bring innovation, technology know-how, and efficiency, and also to relate IIP to economic growth. The three-way partnership among USAID, NGOs and corporations is increasingly successful for long-term development

Host-country input: As USAID knows, the inclusion of host country input in establishing priorities is essential. This becomes especially important in IIP where program quality and results depend most visibly on local perceptions. The process of determining priorities should be as transparent as possible and involve mechanisms to solicit feedback and input from country level stakeholders including mission staff, host country government staff, international and local NGOs and the private sector. Funding mechanisms must also be flexible to effectively respond to changing host country priorities. The accomplishment of significant, at-scale development for IIP requires collaboration and partnership by the U.S. for assistance with other donor agencies,

working in concert with overall leadership from the country itself. Open planning discussions within countries between USAID and the clusters of social and economic development ministries with civil society participation should be held at the start of the program design and annual budget process

Youth and secondary education: Given the framework's organization by sector, as opposed to population segments, we are concerned that critical populations for development are not adequately addressed. This is especially true with regard to youth. The youth cohort, currently the largest in the world's history with 1.5 billion people ages 12-24, faces tremendous challenges and will require sustained, strategic, multi-sectoral investments if young people are to become healthy, engaged, productive adults. We recommend that youth become an agency priority within the framework in order to address critical concerns of education, workforce development, health and civic engagement in a comprehensive and cohesive way. As countries succeed in meeting their universal basic education goal, USAID, together with other development agencies, must also support new, innovative, and more effective means to meet the growing secondary education and technical skills development needs of youth. Youth development must also include employability skills development which recognizes that many young people have not been reached previously by the formal education system. These programs must take advantage of the new learning technologies and private sector training capacity and utilize technical trainers from all sectors. The youth emphasis will require new and additional resources so that investment is not at the expense of investment in children's education and health priorities.

Women: Women constitute another population not sufficiently highlighted within the framework. While we recognize that the framework's people-level indicators require disaggregation by sex, we would argue for a full integration of gender into the IIP objective. The range of critical IIP investment in women and girls which results in greater peace and stability, global citizenship, future generations' health and education, and improved economic growth requires leadership through a strong office within the U.S. foreign assistance program which is given high priority. In recent years this attention has diminished while the critical importance and need for such leadership continues to increase and be a central accomplishment of development objectives. Despite recent gains, education of women and girls must be clearly presented as a strategic and operational priority. This could include the formulation of indicators appropriate for gender analysis of programs as well as an increase in the capacity for gender work at all levels.

Critical areas in health: Within the health sector, important gains made in HIV and AIDS, malaria, child immunization and family planning require continued support and attention. Alongside initiatives targeted at specific diseases, it is essential to focus also on gaps between current investments as well as emerging critical needs. Malnutrition, for example, receives less attention than more visible diseases even though nutrition is a necessary condition for good health and impacts learning outcomes. Reproductive and maternal child health also should be more closely integrated into HIV and AIDS services. The health benefits of improved housing, especially in urban areas, has not been given due recognition. Along with clean water and sanitation, improved housing has been linked to lower incidences of malaria, respiratory and gastrointestinal diseases. Greater focus on the impact of climate change, which disproportionately affects poor populations in developing countries, is similarly needed. In all of its health, nutrition, malaria, and

HIV and AIDS programs, equivalent attention should be given to prevention strategies, as well as treatment and care, in order to ensure lasting impact of these investments. Finally, the important role of NGOs in delivering these wide-ranging health interventions should be strengthened; assistance through U.S. PVOs to community- and faith-based organizations is essential to long-term advances in behavior change, immunization and nutrition.

Emerging concerns in education: Impressive gains in access have been made in primary education; however, there is still a need to carry forward the commitment to Education for All in poor countries where the need is great. With the expansion of access, we have also seen overcrowding in classrooms, scarcity of resources and inadequate teacher training demonstrating the need to focus on excellence in education. In a rapidly globalizing world it is essential that education emphasize values of tolerance and citizenship alongside literacy and numeracy skills to develop engaged national and global citizens. Major emphasis must be given to quality improvement of learning materials, teaching methods, tests and measurement, as well as management systems, and curriculum relevance to workforce needs. In addition to the continued support of primary education, new investment in quality education should be expanded to the full spectrum of educational needs and settings, including critical needs in higher education, the growing demand for secondary education, and revitalized international participant training. International training is essential for host country professional capacity building and strengthening of local institutions. Training and capacity building of local school boards and parent-teacher organizations and education provision in emergency, conflict, post-conflict and high migration settings are also areas of emerging importance.

The ACVFA's Investing in People Working Group wishes to thank all those who submitted feedback and thoughts. While all comments were appreciated and considered, they may not have been deemed appropriate for incorporation into the final recommendations of the working group.