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USAID Announces that it Will Likely Proceed with Implementation of the Partner Vetting System

Today the U.S. Agency for International Development (USAID) indicated that it expects to move forward with implementation of a new Partner Vetting System (PVS). **American NGOs fully share the USG's desire to see that no government or other funds are diverted to terrorists, and they have systems in place to try to prevent diversion.** They also exercise due diligence in their hiring practices and in their choice of local partners. Every year American NGOs spend billions of dollars in funds received from the public and from the U.S. Government, and they do so responsibly. The PVS is a gross overreaction to media allegations of small-scale diversion of USAID funds.

As InterAction has made clear from the outset, the PVS will violate the privacy rights of NGO employees, make it more difficult for NGOs to operate in the world's most dangerous and unstable countries, and will increase the risk of terrorist violence directed at relief and development professionals working overseas. NGOs are the face of the American people in the most dangerous corners of the world, and **relief and development organizations are working to mitigate the root causes of terrorism and extremism.**

USAID is moving forward with the PVS despite the serious concerns of the NGO community, as expressed at the only public meeting it has had with the NGO community prior to today, and in more than 150 formal communications to the agency.

A similar system currently in place in West Bank/Gaza (WB/Gaza) has resulted in delays of up to five months for local procurement of goods and services for American NGOs. Even purchasing simple goods, such as fax machines, takes weeks or months, as local sellers are vetted. In one instance, when an American NGO asked whether it could use a local ambulance service (which had not yet been vetted) in case of medical emergency, the response it got from its USAID program officer was simply, "I don't know." **USAID must not implement the PVS globally until it can demonstrate that it will not compromise the effectiveness of NGO programs.**

USAID is currently describing the PVS in terms different from those used in the Federal Register Notices last July. Even so, as it is currently envisioned, it will still compromise the civil rights of American citizens, undercut the effectiveness of NGO programs, and endanger the staff members of these organizations and their local partners. **As USAID has made changes to the proposed PVS, it must re-introduce the PVS, following the applicable rule-making processes,** and provide: accurate descriptions of the appeal and correction process; a concise definition of those individuals in each applicant organization that will need to provide personal information; and, a description of the processes for emergency vetting in appropriate circumstances.

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