Choose to Invest in Foreign Assistance
Fall 2011
Choose to Invest in Foreign Assistance

This booklet provides essential information on core U.S. government humanitarian and development assistance programs and includes InterAction’s FY2012 funding recommendations. InterAction is the largest alliance of U.S.-based international NGOs and our 200 members work alongside the world’s most poor and vulnerable populations.

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AMERICA is going through tough times, but the funding of programs that target global poverty and respond to humanitarian crises is a solid, long-term investment—not only for compassionate reasons but because these accounts are a down payment for the stability, security and environmental sustainability of future generations.

The goodwill created by American generosity allows us to stand taller in the world while at the same time advancing U.S. national security and economic interests. Not investing sufficiently puts us on the sidelines in influencing rapidly transforming regions and diminishes U.S. leadership in promoting a more stable world. That is why InterAction and its members are urging Congress to fund key accounts dedicated to fighting poverty and providing humanitarian assistance to millions. Cuts to the international affairs budget limit our ability to help the world’s most poor and vulnerable people. Investing in societies now reaps rewards for years to come and helps avert future military conflicts.

Despite our current financial challenges, the United States remains a prosperous and productive nation. Less than 1 percent of the current budget goes to foreign assistance. It’s a small amount in relative terms but makes a huge difference to the lives of millions. Congress can fully fund these accounts. This investment is the right fiscal choice.

The pages that follow offer InterAction’s FY2012 funding recommendations for the U.S. government’s poverty-focused international development and humanitarian relief programs. For each account, recent funding levels are presented in a graph and the purpose is briefly described. A more detailed justification of the funding recommendation follows, broken down by sector for the larger accounts. Interspersed throughout are stories of some of the real people and communities whose lives are improved by these investments.
The accounts described in this booklet address both short-term crises and long-term economic and institutional development. Previous generations made those investments, too, and today, 11 of our top 15 trading partners are graduates of U.S. foreign assistance programs. Our assistance planted the seeds of future prosperity in major trading partners such as South Korea and Taiwan.

It will be argued that the United States cannot afford these investments because of the national debt, but reducing the debt is going to take time. Even if all government spending stopped and tax revenues were still collected at current levels, it would take an estimated seven years to pay off the current $14.7 trillion debt burden. The road back to fiscal health is not a sprint, it's a marathon. That means planning for the long-haul, investing now to create new trade partners to fuel economic prosperity 10 and 20 years out. These programs do that. Investing in these accounts is the right choice.

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### U.S. Total Exports—Top 15 countries (graduates of U.S. foreign assistance in red)

Annual Data (2010)

<table>
<thead>
<tr>
<th>Country</th>
<th>2010 (in $ thousands)</th>
</tr>
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<tbody>
<tr>
<td>Canada</td>
<td>248,194,089</td>
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<tr>
<td>Mexico</td>
<td>163,320,752</td>
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<tr>
<td>China</td>
<td>91,878,264</td>
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<td>Japan</td>
<td>60,545,482</td>
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<td>United Kingdom</td>
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<td>Germany</td>
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<td>26,027,318</td>
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<td>Belgium</td>
<td>25,551,083</td>
</tr>
<tr>
<td>Australia</td>
<td>21,803,320</td>
</tr>
</tbody>
</table>

Total for top 15 countries: 925,946,281

All other countries: 351,557,651

Total (all countries) 1,277,503,932

The experts agree …

BILL GATES – “I believe it is in the rich world’s enlightened self-interest to continue investing in foreign aid. If societies can’t provide for people’s basic health, if they can’t feed and educate people, then their populations and problems will grow and the world will be a less stable place.”

2011 annual letter

Senator MARCO RUBIO (R-FL)
“Foreign aid is important. If it’s done right, it spreads America’s influence around the world in a positive way.”

“The real problem in America’s spending is not foreign aid, which is a very small part of our budget.”
July, 2011 online Town Hall session

Director of the Central Intelligence Agency
DAVID PETRAEUS – “I am concerned that levels of funding for our State Department and USAID partners will not sufficiently enable them to build on the hard-fought security achievements of our men and women in uniform. Inadequate resourcing of our civilian partners could, in fact, jeopardize accomplishment of the overall mission.”

March 16, 2011 testimony before House Armed Services Committee

Former Defense Secretary ROBERT GATES
“America’s civilian institutions of diplomacy and development have been chronically undermanned and underfunded for far too long.”

July, 2008 speech to USGLC
Senator LINDSEY GRAHAM (R-SC)
“The world we live in takes a multifaceted approach. To the American taxpayer: We need to be investing in improving people’s lives before the terrorists try to take over.”
Foreign Policy, February 2011

Senator PATRICK LEAHY (D-VT)
“Relations between the United States and other countries, and our role as a global leader, are advanced by our willingness to help other countries in need. Foreign aid is essential to protecting U.S. interests around the world, and it is also a moral responsibility of the wealthiest, most powerful nation.”
via Leahy’s office

Rep. NITA LOWEY (D-NY)
“Leaders of both parties have affirmed that U.S. power is a three-legged stool of military might, diplomatic skill and development. The foreign aid bill’s diplomatic and development objectives pay dividends by helping avoid military deployments to protect U.S. interests, which are far more costly in both life and treasure. Robust engagement is no less necessary to achieve strategic security imperatives in this belt-tightening atmosphere. Investments in health, education, humanitarian aid for refugees and disaster victims and micro-loans for entrepreneurs are critical to fostering stability around the world. It would be senseless to let our response to a fiscal challenge create a national security crisis.”
February, 2011 Op-Ed in Politico

Senator DANIEL INOUYE (D-HI)
“The right question to ask is: are we really spending too much on non-defense programs? The answer is clearly no. Non-defense discretionary spending levels are essentially unchanged from 2001. There is no reason we shouldn’t be able to afford them today.”
June, 2011 press statement

Rep. KAY GRANGER (R-TX)
“Foreign aid must be viewed as an investment, not an expense…but when foreign aid is carefully guided and targeted at a specific issue, it can and must be effective.”
Huffington Post, June, 2011

Senator DICK LUGAR (R-IN)
“For development to play its full role in our national security structure, the U.S. Agency for International Development (USAID) must be a strong agency with the resources to accomplish the missions we give it. But during the last two decades, decision-makers have not made it easy for USAID to perform its vital function. Even as we have rediscovered the importance of foreign assistance, we find ourselves with a frail foundation to support a robust development strategy. I believe the starting point for any future design of our assistance programs and organization should not be the status quo, but rather the period in which we had a well-functioning and well-resourced aid agency.”
July, 2009 statement on Foreign Assistance Revitalization and Accountability Act

Senator JOHN KERRY (D-MA)
“We face tremendous foreign policy and national security challenges worldwide, from helping countries manage peaceful, democratic transitions in the Middle East, to preventing violence, conflict, and terrorism from engulfing key partners, and to leading humanitarian responses to forestall drought, famine, and natural disasters. We are only able to achieve these aims with a strong State Department and USAID.”
July, 2011 press release

Rep. HOWARD BERMAN (D-CA)
“I have said it before but it bears repeating: Aid is not a gift. The United States provides foreign assistance because it serves OUR interests”
Speaking on September 8, 2011
Development Assistance
($3.3 billion recommended)*

This account is the bedrock of foreign assistance spending and helps pay for education, agriculture, water, democracy, environmental and many other core programs that create more stable societies and thus advance America’s national security and economic interests.

There are many important subaccounts that fall under development assistance. Priorities include:

- **Food Security and Agriculture**
  ($1.1 billion, requested across all accounts):

  **Justification:** Food price volatility and extreme weather patterns, such as those that caused the current drought in the Horn of Africa, are pushing more and more people into extreme hunger and malnutrition. The United States Global Hunger and Food Security Initiative, known as Feed the Future, takes a comprehensive and sustainable approach to agricultural development and food security by targeting small-scale farmers and vulnerable populations. Investments focus on country-owned plans developed through engagement with local government and civil society, and emphasize the importance of gender, nutrition, climate change, and natural resource management. In addition to this request for bilateral assistance, InterAction also recognizes the importance of multilateral programs such as the Global Agriculture Food Security Program (GAFSP), and the International Fund for Agricultural Development (IFAD).

**SUCCESS STORY: Feed the Future**

As part of USAID’s Feed the Future program, Lydia Sasu—the executive director of Development Action Association (DAA)—received agricultural training through the Africa Leadership Training and Capacity Building Program (Africa LEAD). With the knowledge and skills she received through LEAD, Lydia and her colleagues have already trained more than 160 rural farmers, most of them women, in dozens of communities around Ghana. Without USAID’s efforts to collaborate with local leaders like Lydia, vital agricultural techniques and education would not reach the rural women farmers, who can most readily impact food security in their homes and communities.

*See Explanatory Notes on page 25*
• **Basic Education**  
($925 million, requested across all accounts)

**Justification:** With some 70 million children not in school worldwide, and over half of those in conflict areas, basic education programs offer a relatively low-cost way of investing in security and stability, driving economic growth, and improving the lives of women and girls. By maintaining 2010 funding levels at $925 million, Congress will invest responsibly in programs that promote reading skills in primary grades and access to education—and hope for a better life—for children in crisis or conflict areas.

• **Biodiversity**  
($205 million)

**Justification:** Healthy ecosystems are a basis for sustainable development. According to experts, less than one-fifth of the world's forests are intact; over half of global fish stocks are over-exploited; and by the end of the century up to two-thirds of all species will be on the brink of extinction. U.S. biodiversity programs are targeted to protect some of the largest and most at-risk natural landscapes by improving natural resource governance and helping communities manage resources in a sustainable way. Programs not only conserve species and ecosystems but also ensure clean water, promote rural stability, boost health, secure environmental resources and reduce poverty for millions of people.

• **Climate Change Response**  
($608 million, requested across all accounts)

**Justification:** International investments to deal with the increasing challenges of climate change and extreme weather variability are essential to both meet the basic needs of people living in extreme poverty and to protect critical forest areas and biodiversity. These investments promote global security and minimize instability, especially in the most vulnerable countries, by reducing the costs of disaster relief and by helping the international community avoid costly interventions. Funding also enhances international economic opportunities for U.S. businesses and workers, helps to address global hunger and health challenges, and protects decades of U.S. investments in global development and conservation. In addition to this request for bilateral assistance, InterAction also recognizes the importance of multilateral programs such as the Strategic Climate Fund, the Clean Technology Fund, the Least Developed Countries Fund and the Special Climate Change Fund.
• Water, sanitation and hygiene
($315 million)

Justification: One in eight people (884 million) lack access to safe drinking water worldwide and two in five (2.5 billion) do not have adequate sanitation facilities, according to the World Health Organization (WHO). Funding to address this global challenge is cost-effective and safeguards development gains. The WHO concluded that every dollar invested in clean water and sanitation yields $8 of increased productivity and decreased health costs. USAID investments over the course of a single year (2010) resulted in over 2.8 million people with improved access to safe drinking water and 2.9 million people with improved sanitation facilities. By maintaining 2010 funding levels of $315 million, the U.S. government will continue to wisely invest in water and sanitation programs.

• Microfinance
($500 million)

Justification: Throughout the developing world, millions of poor families derive part of their income from small, informal business activities including farming, street vending, and handicraft production. U.S. microfinance assistance focuses on improving access to financial services including credit, deposit, and insurance services targeting poor and marginalized people. Microloans, often averaging only $150 each, are a highly successful example of these services. A World Bank study of Bangladesh found that microfinance accounted for 40 percent of the reduction of moderate poverty in rural areas. Strong congressional support has helped the U.S. to become a leader in microfinance and microenterprise development, recognizing these tools as a cost-effective and successful tool to reduce poverty and promote economic growth.

SUCCESS STORY:
Conservation and Food Security in Quirimbas National Park, Mozambique

Quirimbas National Park was established in 2002 to address deepening poverty due to overfishing, disease-related crop failures, exhausted agricultural lands and competition between humans and elephants. About 120,000 people live in and around the park, which contains vast woodlands and the largest marine protected area in Africa, home to elephants, lions, wild dogs, coral reefs, and turtle, whale and dolphin populations. The park is managed by Mozambique’s government and local leaders, with USAID support and technical assistance from conservation and development organizations. The Quirimbas Population Health Environment Project is enhancing food security and nutrition by establishing marine sanctuaries, reducing elephant-related crop damage and intensifying agricultural production. Eight protected fishing zones have significantly increased the number and size of fish caught; residents have been trained as community rangers; and 20 percent of park revenue returns to communities, financing new water pumps and new schools.
Global Health and Child Survival—USAID
($3.07 billion recommended)*

This account supports improvement in maternal and child health, including immunization, nutrition, HIV/AIDS awareness and prevention, and reproductive health. Global health programs— which are supported by an overwhelming majority of Americans—have enabled the United States to treat more than 3 million people living with HIV and to prevent HIV transmission to millions more; reach 50 million people with malaria treatment programs since 2006; save more than 3 million lives a year.

SUCCESS STORY: Integrated Programming to Save Lives

In Bangladesh, USAID is leading the way in leveraging water, sanitation and hygiene (WASH) activities to improve the efficacy of a range of programs. For example, WASH programs are collaborating with the Safe Motherhood and Newborn Care project to enhance hygiene education and promote hand-washing at the same time as traditional birth assistants are trained to protect mothers’ lives and keep infants infection-free. In 2009, this campaign reached more than 1.5 million people with messages about hand-washing, and 60,000 married women with specific messages about the need for hygiene to protect infection among pregnant women and newborns. In addition, a Food for Peace program allocation to WASH led to the installation of wells and pipes that provided safe drinking water to 388,000 people in 2009. Under the same program, 423,000 people received access to sanitation facilities. These programs highlight the importance of WASH funding coming from multiple sources—and giving necessary flexibility to integrate funding across areas for greater efficiencies—as WASH is a critical element of the success of many of USAID’s programs, including newborn and child survival and nutrition and food security.

*See Explanatory Notes on page 25
through immunization programs; help millions of women prevent unintended pregnancies; increase the number of skilled birth attendants present during deliveries; and support research to develop and deliver new vaccines, drugs and other key health tools.

These programs are critical to advancing U.S. interests and other international development targets and objectives, helping to mitigate the effects of the global financial crisis and to secure a healthier, safer world.

Priorities for this account include:

- **Maternal and Child Health** ($846 million)

  **Justification:** Significant commitments from the United States and our partners have contributed greatly to reducing under-5 mortality in the developing world from 15 million children per year in the 1980s to 8.1 million children per year, according to USAID and UNICEF. Despite this significant reduction in under-5 mortality, millions of children die from preventable causes and over 350,000 women per year die from preventable complications during pregnancy or childbirth. Funding for these programs supports proven lifesaving interventions from immunizations to repairing maternal hemorrhage, building on decades of successful programs to promote stable societies abroad.

- **Nutrition** ($150 million)

  **Justification:** More than 200 million children under age 5 and one in three women in the developing world suffer from undernutrition, which can be effectively countered with low-cost and high-impact interventions such as education to improve maternal diets, better nutrition during pregnancy, exclusive breastfeeding, diet diversification and micronutrient supplementation. Nutrition activities are vital to the success of food security and global health programs, and funding will support the goal of reducing child undernutrition by 30 percent across food-insecure countries.

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**SUCCESS STORY: Simple, Low-Cost Interventions Save Babies’ Lives**

Safoura Amadu, 19, says she now understands the benefits of antenatal care because of all the information she received from staff at a mother care center in Niger. Safoura’s son Ibrahim was born pre-term and the medical facility helped her to care for him. Two-thirds of the world’s 8.5 million child deaths each year are preventable with low-cost interventions. To address the most common preventable causes of morbidity in Niger, Togo, Mauritania and Burkina Faso, USAID AWARE II is introducing a package of essential newborn care activities, including initiation of early breastfeeding that can help reduce neonatal mortality up to 90 percent. In December 2010, the Management Sciences for Health-managed USAID AWARE II project collaborated with the West African Health Organization to set up two fully functional demonstration centers in Accra, Ghana and Dakar, Senegal to train providers from Niger, The Gambia, Cameroon, Senegal, Sierra Leone, Burkina Faso, Togo and Mauritania in key essential newborn and maternal care.
• **Family planning and reproductive health**
  ($722 million, requested across all accounts)

  **Justification:** According to Population Action International, providing access to contraception to the 215 million women worldwide who want it would prevent 53 million unintended pregnancies each year, resulting in 14.5 million fewer abortions and 250,000 less women dying in pregnancy or childbirth annually. In 2007, nearly 57 million married women were using contraception as a result of USAID programs, which focus on improving and expanding access to voluntary family planning. These programs are critical to reducing maternal mortality and improving infant health, through spacing out births and breastfeeding.

• **Anti-malaria programs**
  ($691 million)

  **Justification:** Economists estimate that malaria accounts for approximately 40 percent of public health expenditures in Africa and causes an annual loss of $12 billion, or 1.3 percent of the continent’s gross domestic product. Proven, cost-effective, and accountable bilateral and multilateral efforts through the President’s Malaria Initiative and the Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund) will continue to save lives, along with the development of innovative tools and technologies to combat this deadly disease. Since 2006, the President’s Malaria Initiative has reached over 50 million people with preventive or treatment services, though disease resurgence threatens these gains if the goal of near-zero malaria deaths is not reached.

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**SUCCESS STORY:**
**Community Health Workers—Bangladesh**

In Bangladesh, Kamrul recognized the familiar symptoms of pneumonia when his 2-year old daughter Sweety was having difficulty breathing. Just three years earlier, he and his wife lost their son to complications of pneumonia. This time, realizing the need to act quickly, they took Sweety to see Momtaj, a trained volunteer community health worker. At her home, Momtaj was able to diagnose and treat Sweety with antibiotics, potentially saving her life.

Momtaj is one of more than 1,600 local health workers trained by **Save the Children**, in coordination with **USAID**, and living in some of the most remote areas of Bangladesh and treating more than 40,000 case of pneumonia a year. In a country where respiratory infections claim the lives of more children under the age of 5 than any other illness, it’s good to know that Sweety, her family and others like them have access to a resource like Momtaj.
SUCCESS STORY:  
Meningitis Vaccine

On the first day the vaccine was available in his village, Julien Bonboungou closed his hairdressing shop in the mid-afternoon and walked to the local health center. There, he waited his turn to be vaccinated against a disease that, with terrifying regularity, kills or disables thousands in sub-Saharan Africa, including Julien’s best friend from school, Hervé Compaore.

Hervé died at age 17 in 2006, one of 3,802 people killed when an epidemic wave of meningococcal meningitis A swept through portions of Africa, including the West African country of Burkina Faso. Since the epidemic began more than a century ago, people who live in the “meningitis belt”—from Senegal in the west to Ethiopia in the east—have had little protection against the disease. With devastating speed, it kills about one in 10 people who contract it and leaves one in four survivors permanently impaired by mental disorders or hearing loss.

In December 2010, health officials in Mali, Niger, and Burkina Faso introduced a new vaccine that protects people from the type of meningitis that causes almost all outbreaks of the disease in Africa. Called MenAfriVac™, the vaccine can be given safely to children as young as one year old. And it is at a price that health systems can afford—less than $0.50 a dose. For those reasons, many health authorities believe that MenAfriVac™ has the potential to end epidemic meningitis in sub-Saharan Africa. By the end of the month, almost 20 million people had been vaccinated. USAID contributed about $1.2 million for research to support the introduction of this vaccine (surveillance, economic forecasting and regulatory issues).

• Anti-Tuberculosis (TB) programs  ($236 million)

Justification: Tuberculosis is a contagious and airborne disease that, according to USAID, infects 9.4 million people per year, including nearly one-third of individuals who are also infected with HIV. About 1.7 million people die worldwide each year from the disease, which disproportionately strikes young adults in their most productive years and the poorest and most marginalized groups, disrupting the social fabric of society and undermining gains in economic development. Over the past six years, funding has supported TB treatment for 10 million people. USAID is currently working in 40 countries with national TB control programs to target high-quality services to find and treat TB earlier to prevent the spread of the disease and the development of drug resistance.

• Neglected Tropical Diseases  ($100 million)

Justification: Neglected tropical diseases such as sleeping sickness and river blindness are among the most common infections of the world’s poor, debilitating or killing more than 1 billion people each year in the developing world (Centers for Disease Control and Prevention). To date, more than 160 million people have received access to essential medicines for these diseases through funding from USAID. In addition to providing access to existing therapies, funding supports the continued development, manufacture and clinical testing of new drugs, diagnostics and vaccines, strengthening societies through the training of community health workers.
Global Health and Child Survival—State
($5.64 billion recommended)

Funding in this account supports PEPFAR, which combats HIV/AIDS through prevention, treatment and the strengthening of health systems as part of the overall Global Health Initiative.

Justification: Since the HIV/AIDS epidemic began 30 years ago, more than 25 million people have died and 60 million have been infected with the virus, according to UN statistics. But thanks to the success of PEPFAR and similar efforts by our partner countries, UNAIDS estimates the annual rate of new HIV cases dropped by a quarter in the last decade. AIDS-related deaths have also dropped by nearly 20 percent over the past decade and approximately 6.6 million people in low- and middle-income countries were receiving treatment at the end of 2010. Great strides are also being made in the prevention of mother-to-child transmission, and HIV prevalence among young people (15-24) is declining. Through PEPFAR funding, the United States and other donors have strengthened health systems in affected countries, pushed recipient governments to assume more responsibility, and cut costs through the use of generic drugs and other measures. But these promising trends could be reversed without adequate funding.

This recommendation includes $1 billion for the Global Fund to Fight AIDS, TB and Malaria, which together with the $300 million requested in the National Institutes of Health budget would keep the U.S. on track to meet its pledge to contribute $4 billion to the fund between 2011 and 2013. Through bipartisan support across two administrations, the United States has provided strong support to the Global Fund. Under a provision of U.S. law, for every $1 the U.S. provides to the Global Fund, $2 must be matched by other international donors. By the end of 2010, the Global Fund had provided 3 million people with HIV/AIDS treatment, 7.7 million people with tuberculosis treatment, and disbursed 160 million insecticide-treated nets.

SUCCESS STORY: Meals at School

Marie Anika, 8, lives in Haiti where McGovern-Dole provides funding for a school meals program. She currently lives in a tent with her family where their house stood before the 2010 earthquake. Marie and her sister don’t always get to eat at home, so they are eager to attend school every day where they receive a hot meal of rice and beans. Marie’s principal, Sister Bernadette, sees the difference that the school meals can make: “They’d simply be too weak to study if they weren’t able to eat something at school. It’s important for them to have a meal here, most of them come from very poor families.” Marie hopes to be a banker one day.
McGovern-Dole Food Aid
($200.5 million recommended)

Funding for this program supports education, child development and food security for some of the world’s poorest children.

Justification: According to UNICEF, there are an estimated 130 million school-age children in the world’s poorest countries that are undernourished and would be eligible for school feeding programs. The McGovern-Dole program provides donations of U.S. agricultural products, as well as financial and technical assistance, for school feeding and maternal and child nutrition projects in low-income, food-deficit countries that are committed to universal education. At a cost of $50 per student per year (based on 25 cents per meal per day for 200 days), the program provides 5 million children with school meals per year and is a cost-effective means of supporting education, child development and food security.

Millennium Challenge Corporation
($1.125 billion recommended)

The Millennium Challenge Corporation (MCC) partners with impoverished countries that are committed to good governance, economic freedom and investing in their people to fund innovative projects. These projects reduce poverty by removing obstacles to economic growth in sectors such as health, transportation, agriculture, power and fiscal transparency.

SUCCESS STORY: MCC Lesotho

In 2006, the MCC adopted a far-reaching policy requiring that gender issues be included in all aspects of programming. This commitment to gender has already been included in projects worth $2.3 billion. In Lesotho, married women used to be considered legal minors and were denied the right to sign legal documents, open bank accounts or own property without the consent of their husbands. In July 2007, the MCC signed a compact with Lesotho to fund development projects worth $362.6 million, with specific investments aimed at improving the water, health and private sectors. Recognizing that the status of women is a precondition for effective growth and poverty reduction, the MCC worked with the government of Lesotho to ensure that women were legally guaranteed equal economic rights—something women in Lesotho had been advocating for years.
Justification: The MCC’s record shows constructive and sustainable policy changes in multiple countries seeking to qualify for MCC candidacy. Fully funding the administration’s modest $1.1 billion request for the MCC will allow at least some of the compacts under development with currently eligible countries—Cape Verde, Georgia, Ghana, Indonesia, Zambia—to move forward without further delay and without repeating the reductions caused by FY2011 funding cuts. It will preserve momentum and reward good governance in these countries and avoid further erosion in MCC’s reputation for reliability and its concomitant ability to motivate policy reforms. It will also provide support for the MCC’s new initiative to expand private sector engagement in MCC compacts, leveraging private sector investments to encourage innovation in development projects and to increase the economic growth and poverty reduction achieved by MCC compacts.
Humanitarian relief to cope with Disasters and Crises

International Disaster Assistance
($1.3 billion recommended)

Funding from this account enables USAID’s Office for U.S. Foreign Disaster Assistance (OFDA) to provide immediate, life-saving assistance following natural and man-made disasters, including floods, earthquakes and famines such as the current crisis in the Horn of Africa. OFDA also helps communities boost their capacity to prepare for natural disasters and mitigate future damage. Such investments save money—every $1 invested in preventative measures saves $7 in economic losses.¹

Justification: In the past, USAID relied on mid-year supplemental appropriations to address humanitarian crises, natural disasters and famines, a funding practice that delayed getting help to those most in need. During the FY2010 funding cycle, the administration and Congress committed to fully funding anticipated needs during the regular budget cycle. However, overall funding levels remain insufficient to meet the growing need. As the January 12, 2010, earthquake in Haiti demonstrated, when unexpected emergencies strike, OFDA does not have adequate contingency funding on hand and must reduce its response to protracted crises elsewhere in order to respond to the unanticipated. InterAction’s recommended level for this account includes $300 million to fund cash-based emergency food assistance for critical voucher programs, local and regional purchase of food, and related cash-based emergency assistance efforts.

Migration and Refugee Assistance
($1.85 billion recommended)

Funding from this account enables the State Department’s Bureau of Population, Refugees and Migration (PRM) to provide basic lifesaving assistance for refugees and to maintain the U.S. commitment to resettlement for refugees, displaced persons and victims of conflict. Those supported by these funds are almost entirely dependent on the international humanitarian system to survive.

Justification: Funding for MRA has increased as the number of people displaced by conflict has grown, particularly in areas affected by conflicts in Iraq, Afghanistan, Pakistan and Somalia.

¹ “The World Bank and the US Geological Survey estimate that economic losses worldwide from natural disasters in the 1990s could have been reduced by $280 billion if $40 billion had been invested in preventative measures.” http://bit.ly/okovXI
Unfortunately, the number of refugees and internally displaced persons has risen in recent years. Many lack access to the most basic life-saving services—health care, safe shelter, clean water and education. Refugees often cannot safely return home, and the countries that host them are typically poor themselves—in 2010, developing countries were home to four-fifths of the world’s refugees.\(^2\)

Most refugees live under precarious conditions; reductions in assistance mean they will not have access to the most basic elements of survival.

This assistance is implemented primarily through the United Nations High Commissioner for Refugees, the International Committee of the Red Cross and other international humanitarian agencies.

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\(^2\) UNHCR, Global Trends 2010 http://www.unhcr.org/4dfa11499.html

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**Emergency Refugee and Migration Assistance ($100 million recommended)**

This is a revolving fund established to ensure that PRM has sufficient resources for refugee assistance in humanitarian crises.

**Justification:** It provides an important source of emergency funding during times of unanticipated crises. The account should be fully funded in FY2012 up to its authorized ceiling of $100 million. Additionally, it would be prudent to double this ceiling in order to reduce reliance on supplemental funding sources and to allow a quicker response in emergencies and therefore save lives.

InterAction also continues to advocate that the secretary of state be given the ability to authorize the use of funds from this account. The current requirement of a presidential certification is cumbersome and can result in delays in the delivery of critical assistance.
Food for Peace
($1.84 billion recommended)

The Food for Peace account provides for the donation of U.S. agricultural commodities to meet emergency and non-emergency food needs in other countries, reducing hunger and malnutrition and helping achieve food security goals.

**Justification:** Current estimates are that $5 billion is needed to meet emergency food needs in FY2012. The United States has traditionally provided 40-50 percent of global emergency food assistance resources; 40 percent would amount to about $2 billion of the total $5 billion needed. Using this formula, $1.84 billion should come from Food for Peace grants and the remainder from the International Disaster Assistance account. A mixture of cash- and commodity-based resources provides flexibility in responding to crises.

**SUCCESS STORY: Returning Home**

Food assistance has played a critical role in **South Sudan** over the last few years and helped to support families returning home. Grace Lado, a 25-year-old mother of two, fled fighting in **Juba** in southern Sudan when she was only 7 years old. When her family decided to move back, a **World Food Program** food ration made that transition easier. In spite of the deteriorating security situation, WFP is currently feeding some 530,000 people across southern Sudan. These lifesaving food rations are helping people to build a stable and secure foundation in a country that is hopeful for a brighter future.
The Office of Transition Initiatives (OTI) at USAID helps bridge the gap between emergency aid and long-term development through quick-impact political and economic reconstruction programs. It provides fast, flexible, short-term assistance to support political transitions and address stabilization needs.

**Justification:** This office normally looks for matching funds from USAID regional bureaus and local USAID missions to support portions of their work. One of the regions where their activities are most needed—Africa—is also the region where USAID regional bureaus and local USAID missions have the least funding available to support matching arrangements. Funding this office at the level requested by the president would allow for more effective programs in Africa and in countries like Haiti, where OTI has played a significant role in providing assistance to Haiti’s government following the January 2010 earthquake. OTI’s role in Haiti has continued this year, helping with cholera response and prevention activities, and will likely extend through 2012.
Making USAID Stronger and more effective

**USAID Operating Expenses**
($1.5 billion recommended)

This account funds the operating costs of USAID programs, including salaries and benefits, overseas and Washington operations, and central support such as planning, evaluation and security to keep U.S. personnel safe.

**Justification:** U.S. foreign policy objectives both short- and long-term require USAID engagement around the world. Cuts to the USAID operating budget do not reduce those requirements, but stretch the agency ever thinner, leading to reduced efficiency, effectiveness, and oversight. After years of counter-productive hollowing out, recent staffing increases have allowed the agency to begin to replace some of the personnel it lost in previous years. Those increases must be sustained for USAID to hold up its part of the three-legged stool—national security, diplomacy and development. Full funding for this account also supports a package of reforms designed to strengthen, streamline and optimize the way USAID does business.

**USAID Capital Investment Fund**
($189.2 million recommended)

This account enables USAID to modernize and improve information technology (IT) systems and finance construction of USAID buildings overseas in conjunction with the State Department.

**Justification:** As USAID strives to increase accountability, transparency, and efficiency, up-to-date information management systems are vital. This funding will support continued modernization of such systems, as well as consolidation of USAID and State Department IT platforms as prescribed by the Quadrennial Diplomacy and Development Review (QDDR).
USAID Working Capital Fund
(authority to establish and fund)

**Justification:** InterAction encourages congressional authorization of a USAID Working Capital Fund, as recommended in the QDDR and in the FY2012 Budget Request Appendix. Modeled on an existing fund at the State Department and other agencies, this fund would allow USAID to use 1 percent of total obligations to fund improvements in procurement and contract management, providing valuable resources to boost efficiency and effectiveness of the use of taxpayer dollars.

USAID Office of the Inspector General
($51.5 million recommended)

This account provides resources to fund the Office of the Inspector General (OIG) for USAID, which audits and investigates programs and activities run by USAID, the African Development Foundation (ADF) and Inter-American Foundation (IAF).

**Justification:** In a time of tight budgets, the inspector general’s role in improving the performance of these bodies and in detecting and preventing waste and fraud is more important than ever.
Contributions to International Peacekeeping Activities
($2.146 billion recommended)

Through this account, the United States provides essential support to UN peacekeeping missions.

Justification: $2.146 billion is required to pay our UN peacekeeping dues in full. By helping to support these operations, the U.S. stands with and leverages the contributions of other countries to help further U.S. foreign policy objectives in volatile regions. UN peacekeeping missions work to support and implement the terms of ceasefires and peace agreements, support elections, create safe space for the delivery of humanitarian assistance, build government capacity and protect people from genocide, war crimes, ethnic cleansing and crimes against humanity.

International Organizations and Programs
($348.7 million recommended)

The United States is obligated to fulfill its pledged contributions to UN-affiliated agencies, such as UNICEF, the World Food Program and others listed below:

- **UNICEF** ($134 million)
- **United Nations Development Program** ($71.535 million)
- **United Nations Population Fund** ($47.5 million)
- **Intergovernmental Panel on Climate Change / UN Framework Convention on Climate Change** ($13.5 million)
- **United Nations Women** ($8 million)
- **UN HABITAT** ($1.9 million)
1. **Graphs:** To provide a better visual sense of relative scale, almost all of the graphs showing funding levels back to FY2008 have been standardized with a $5 billion vertical axis ($500 million if a smaller scale was needed to make the bars in the graph visible). To provide some comparative scale: $5 billion is 0.03 percent of the U.S. GDP in 2010 or 0.14 percent of the total FY2012 federal budget request. This equals about what Americans spend on Halloween candy, costumes, and decorations each year, a quarter of what we spend on sports tickets each year, 10 days of fighting in Iraq and Afghanistan, and the cost of about one and a half of the Navy’s DDG-1000 destroyers.

2. **Funding levels:** We are supporting the administration’s request except for the International Disaster Assistance and Migration and Refugee Assistance accounts that received substantial supplemental funding in FY2010 (and are likely to need similar levels again), and except for sectors within accounts for which the request was low and for which there is already significant congressional support for returning funding to the FY2010 level (in the basic education, biodiversity, and water subaccounts within the Development Assistance account). In those cases, we have increased the overall account recommendation by the necessary increments over the request.

3. **All accounts:** In Global Health and Child Survival and Development Assistance, subaccount/sector numbers are for all accounts, including what might be spread into Economic Support Funds (ESF), Assistance for Europe, Eurasia, and Central Asia, and elsewhere.

* Note that the subaccount funding recommendations add up to more than the overall account recommendation [for Development Assistance/Global Health-USAID] because recommendations for some subaccounts are sectoral total recommendations that include funds expected in other accounts not listed here.
InterAction Member Organizations (as of 9/14/11)

ACDI/VOCA
Action Against Hunger USA
ActionAid International USA
Adventist Development and Relief Agency International (ADRA)
African Medical & Research Foundation
African Methodist Episcopal Service and Development Agency (AME-SADA)
Africare
Aga Khan Foundation USA
Air Serv International
All Hands Volunteers
Alliance for Peacebuilding
Alliance to End Hunger
American Friends Service Committee
American Jewish Joint Distribution Committee
American Jewish World Service
American Near East Refugee Aid
American Red Cross International Services
American Refugee Committee
AmeriCares
America’s Development Foundation (ADF)
AmeriCares Relief Team
Amigos de las Américas
Ananda Marga Universal Relief Team
Baptist World Alliance
Basic Education Coalition (BEC)
Bethany Christian Services International, Inc.
B’nai B’rith International
BRAC USA
Bread for the World
Bread for the World Institute
Brother’s Brother Foundation
Buddhist Tzu Chi Foundation
Campaign for Innocent Victims in Conflict (CIVIC)
CARE
Catholic Relief Services
Centre for Development and Population Activities (CEDPA)
Center for Health and Gender Equity (CHANGE)
CHF International
ChildFund International
Christian Blind Mission (CBM)
Christian Reformed World Relief Committee (CRWRC)
Church World Service
Citizens Network for Foreign Affairs
Communications Consortium Media Center
Concern America
CONCERN Worldwide U.S., Inc.
Congressional Hunger Center
Counterpart International
Creative Learning
Development Gateway
Direct Relief International
Disability Rights Education and Defense Fund (DREDF)
The Eagles Wings Foundation
Easter Seals
Education Development Center (EDC)
Educational Concerns for Hunger Organization (ECHO)
Episcopal Relief & Development
Ethiopian Community Development Council
Family Care International
Food for the Poor (FFP)
Freedom from Hunger
Friends of ACTED
Friends of the Global Fight
GOOD360
Giving Children Hope
The Global Food Banking Network
Global Fund for Children
GlobalGiving
Global Health Council
Global Links
Global Resource Services
Global Washington
Habitat for Humanity International
Handicap International USA
Heart to Heart International
Heartland Alliance
Hebrew Immigrant Aid Society
Heifer International
Helen Keller International
HelpAge USA
Helping Hand for Relief and Development
Holt International Children’s Services
Humane Society International (HSI)
The Hunger Project
Information Management and Mine Action Programs (IMMAP)
INMED Partnerships for Children
InsideNGO
Institute for Sustainable Communities
Interchurch Medical Assistance, Inc. (IMA World Health)
International Catholic Migration Commission (ICMC)
International Center for Not-for-Profit Law
International Center for Research on Women (ICRW)
International Foundation for Electoral Systems (IFES)
International Fund for Animal Welfare
International Housing Coalition (IHC)
International Medical Corps
International Medical Health Organization (IMHO)
International Orthodox Christian Charities (IOCC)
International Relief & Development
International Relief Teams
International Rescue Committee (IRC)
International Social Service—United States of America Branch, Inc.
International Youth Foundation
IntraHealth International, Inc.
Islamic Relief USA
Jesuit Refugee Services USA
Jhpiego — an affiliate of The Johns Hopkins University
Keystone Humane Services International
Korean American Sharing Movement
Latter-day Saint Charities
Life for Relief and Development
Lions Clubs International Foundation
Lutheran World Relief
Management Sciences for Health (MSH)
MAP International
Medical Care Development
Medical Emergency Relief International (Merlin)
Medical Teams International
MedShare International
Mercy Corps
Mercy USA for Aid and Development
Millennium Promise
Mobility International USA
National Association of Social Workers
Photos: Shutterstock.com
Number of InterAction Members

1 - 10
11 - 20
21 - 40
41 - 172

National Peace Corps Association
ONE Campaign
One Economy Corporation
Operation Blessing International Relief and Development Corporation
Operation USA
Outreach International
Oxfam America
Pact
Pan American Development Foundation
Pan American Health and Education Foundation (PAHEF)
PATH
Pathfinder International
PCI-Media Impact
Perkins International
Phelps Stokes
Physicians for Human Rights
Physicians for Peace
Plan USA
Planet Aid
Plant with Purpose
Population Action International
Population Communication
Presbyterian Disaster Assistance and Hunger Program
Project C.U.R.E.
PCI
ProLiteracy
Refugees International
Relief International
Religions for Peace
Resolve Uganda
RESULTS
ReSurge International
Salvation Army World Service Office
Save the Children
Seva Foundation
Society for International Development (SID)
Solar Cookers International
Solidarity Center
Stop Hunger Now
Transparency International USA

Trickle Up Program
Unitarian Universalist Service Committee
United Methodist Committee on Relief
United Nations Foundation
United States International Council on Disabilities (USICD)
United Way Worldwide
USA for UNHCR
U.S. Climate Action Network (USCAN)
U.S. Committee for Refugees and Immigrants
U.S. Fund for UNICEF
VAB (Volunteers Association of Bangladesh)
Water Aid America
Water for Sudan
WellShare International
WFP USA
Winrock International
Women for Women International
Women Thrive Worldwide
World Concern
World Connect
World Hope International
World Learning
World Neighbors
World Rehabilitation Fund
World Relief
World Resources Institute (WRI)
World Society for the Protection of Animals
World Wildlife Fund
World Vision

ASSOCIATE MEMBERS

Center for Justice and Peacebuilding, Eastern Mennonite University
Enough Project (a project of Center for American Progress (“CAP”))
Global Master’s in Development Practice Secretariat of the Earth Institute at Columbia University
Moynihan Institute of Global Affairs at Maxwell School of Syracuse University, The Transnational NGO Initiative
The NGOLD Center at Northern Illinois University
InterAction is the largest coalition of U.S.-based international nongovernmental organizations (NGOs), with more than 200 members working in every developing country. Members are faith-based and secular, large and small, with a focus on the world’s most poor and vulnerable populations.

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