

## **ABOUT INTERACTION**

InterAction is the largest U.S.-based alliance of international NGOs working to eliminate extreme poverty, strengthen human rights and citizen participation, safeguard a sustainable planet, promote peace, and ensure dignity for all people. As the 118<sup>th</sup> Congress continues, InterAction stands prepared to coordinate consultations with our working groups and nearly 200 Member organizations and partners to provide further information on the impact of foreign assistance programs and answer any country or sector-specific questions that may arise.

For more information or to schedule a meeting to discuss any of the details provided, please contact Jenny Marron, Senior Director of Public Policy and Government Affairs, at <a href="mailto:imarron@interaction.org">imarron@interaction.org</a>.



## **TABLE OF CONTENTS**

U.S. Foreign Assistance Delivers 1				
Impact of U.S. Development and Humanitarian Assistance Children & Youth Climate Change & Environmental Protection Conflict Mitigation & Peacebuilding Democracy, Rights & Governance Education Food Security, Nutrition & Agriculture Gender Equality & Inclusivity Global Health Humanitarian Crisis Response Humanitarian Protection & Gender-Based Violence Protection of Civilians Refugees, Asylum Seekers & Internally Displaced Persons. Water, Sanitation & Hygiene (WASH) Economic Development Fundamentals for U.S. Development & Humanitarian Assistance. Primary U.S. Foreign Assistance Agencies.				
The Congressional Committee Map				
How is U.S. Foreign Assistance Funded?22				
U.S. Government Funding Process 23				
Who is At the Table Globally?				

# **AID DELIVERS 2023**

## FOREIGN ASSISTANCE IN THE 118TH CONGRESS

Across the globe, we have made huge strides in overcoming global poverty and advancing global development. For nearly 25 years, the number of people living in extreme poverty declined. More than 1 billion people were lifted out of extreme poverty and major gains were made in health, education, and economic development that contribute to human well-being. Unfortunately, in recent years these positive trends have started to shift and communities around the world are facing unprecedented breadth and depth of shocks and challenges, including ramifications of the COVID-19 pandemic, intensifying climate impacts, entrenched conflict, and rising costs. The need for strong U.S. global leadership is more critical than ever. Without America's support, these challenges will leave lasting scars for generations to come.

Around the world, country governments, non-governmental organizations (NGOs), multilateral organizations, local civil society organizations, and donors coordinate to combat inequality; a changing climate; rising levels of global hunger and malnutrition; backsliding in democratic governance; and increasing conflict and displacement. Each presents a grave threat to decades of advancement. Exacerbating this already complex landscape, the COVID-19 pandemic has reversed global gains.

The United States has a long, bipartisan history of working with and within the international system to advance evidence-based development priorities and solutions. American leadership and engagement—bilaterally and in multilateral organizations—are crucial and drive development successes and principled humanitarian support. Integral to American engagement with the world, such assistance remains a strategic, economic, and moral imperative for the United States.

Poverty-focused foreign assistance works. America's investments have yielded tremendous dividends and effective response solutions have been proven. In fact, 11 of America's **top 15 trading partners** were once recipients of foreign aid. Programs are data-driven, cost-effective, transparent, inclusive, and accountable to the American people. At **approximately 1%** of the federal budget,

foreign assistance can continue saving lives, protecting children, improving health, advancing gender equality, and helping families and communities be self-reliant.

Understanding the global impact of development and humanitarian action, and the critical role of U.S. foreign assistance programs, is crucial to the implementation of U.S. foreign policy priorities. These programs deliver effective results that support vulnerable people around the world. The subsequent sections illustrate the impact of U.S. foreign assistance through development and humanitarian programs; highlight the impacts of key U.S. government foreign assistance programs and issues; and showcase the fundamental principles that foreign assistance must follow.

## **U.S. FOREIGN ASSISTANCE DELIVERS**

Foreign assistance is aid given by the U.S. government to support global peace, democracy, security, and development efforts, and to provide neutral and impartial humanitarian relief during times of crisis. American leadership and investments impact people worldwide, creating healthier, safer, better-represented, and more stable communities. U.S. foreign assistance:



Saves lives and reaffirms the rights of individuals.



Makes communities and our planet more resilient to shocks and stressors.



Mitigates crises and reduces the need for emergency humanitarian action.



Increases global prosperity and helps expand markets, supporting U.S. economic interests.

## INTERNATIONAL DEVELOPMENT

International development programs work to end poverty; support the advancement of human rights; and promote resilient, democratic societies while improving global security and prosperity.

## **Development Works**



From 1990 to 2017, <u>1.1 billion</u> people were lifted out of extreme poverty.

In 1990, about 35% of the global population lived in poverty. By 2019, that percentage had decreased to 8.4%. Unfortunately, due to the pandemic, that percentage **increased to 9.3%** by 2020.



The proportion of undernourished people in the world dropped to a <u>historic low</u> of roughly 8% in 2015.

However, the pandemic caused this percentage to increase to 9.8% in 2021.



The global under-5 mortality rate has dropped by 61%.

The global under-5 mortality rate has dropped from 93 deaths per 1,000 live births in 1990 to 38 in 2019, a 59% decrease.

## **HUMANITARIAN ACTION**

Humanitarian responses assist people affected by disasters due to natural hazards, armed conflict, or other human-made causes. The humanitarian imperative guides humanitarian NGOs to save lives and reduce human suffering wherever it happens. They operate in accordance with the <a href="https://humanitarian.principles">humanitarian.principles</a> of humanity, neutrality, impartiality, and independence, which safeguard the integrity of their purpose to save lives, while furthering the safety and security of aid workers and affected populations.

### **Global Crises**



<u>339 million</u> people in need of **humanitarian** assistance.



<u>103 million</u> people have been **forcibly displaced**.



<u>222 million</u> people could be acutely **food** insecure.

### **FOOD CRISIS**

The largest global food crisis in modern history is currently unfolding. After years of rising hunger due to extreme weather, protracted conflict, and disruptions from the COVID-19 pandemic, the war in Ukraine has intensified the existing global food crisis into what World Food Program Executive Director David Beasley has warned could be "hell on earth." Skyrocketing food, energy, and transportation costs—already climbing as a result of pandemic-related supply chain disruptions—continue to soar, as global food prices reached their highest ever levels in 2022.

Prior to the conflict, Ukraine was one of the world's **leading exporters** of wheat, maize, and fertilizer and the biggest exporter of sunflower oil, with many low- and middle-income countries relying heavily on these exports. These same countries and communities are also being hit hardest by the consequences of extreme weather, COVID-19, and conflict, and already-fragile food systems are reaching their breaking point. Despite targeted efforts to respond, community resilience has been eroded by unprecedented compounding shocks.

The number of people facing immediate danger from hunger is escalating. At the end of 2022, at least 222 million people across 53 countries were expected to face acute food insecurity and need urgent humanitarian assistance. 45 million people in 37 countries are at the risk of starvation and nearly a million people are projected to face catastrophic famine conditions. Communities in Afghanistan, Ethiopia, Nigeria, South Sudan, Somalia and Yemen are at the highest risk. The Horn of Africa is particularly vulnerable as the region is experiencing a drought not seen in 40 years and dangerous food insecurity is expected to continue intensifying due to an anticipated, unprecedented sixth consecutive missed rainy season in February 2023.

The impact of the food crisis will be felt for years to come as projections estimate that nearly <u>670 million</u> people or 8% of the world population will still be facing hunger in 2030.

## IMPACT OF U.S. DEVELOPMENT AND HUMANITARIAN ASSISTANCE

U.S. development and humanitarian assistance programs operate across dozens of sectors and issues. Below are brief descriptions of key program areas and the legislation and policies that steer USG approaches. Each page also includes information on the NGO community focused on the issue and how you can get more information.

Click the icons below to jump to that section.

Children & Youth

Climate Change & Environmental Protection

Conflict Mitigation & Peacebuilding

Democracy, Rights & Governance

Education

Food Security, Nutrition & Agriculture

Gender Equality & Inclusivity

**Global Health** 

Humanitarian Crisis Response Humanitarian Protection & Gender-Based Violence

Protection of Civilians

Refugees, Asylum Seekers & Internally Displaced Persons

Water, Sanitation & Hygiene

# CHILDREN & YOUTH



Children and youth constitute <u>over half</u> of the world's population and are the <u>majority population</u> in many countries. This increases the urgency of prioritizing the lives of millions of young people who have witnessed setbacks to decades of progress in their countries due to the recent cycle of global crises (such as the COVID-19 pandemic, climate change, mounting food insecurity, and ongoing conflicts).

U.S. foreign assistance funding, policies, and programs must recognize the interconnected needs of children and youth regardless of where they live. Young people need to be supported at every stage of their lives to achieve their full potential. Programs and policies must invest in their most critical needs because the health, wellbeing, and economic security of an entire generation of children and youth are at stake.

## **FAST FACTS**

- ▶ In low and middle-income countries, 70% of 10-yearolds cannot read a simple sentence, potentially costing this generation of students \$11 trillion of their lifetime earnings.
- Department of Labor projects rescued close to 2 million children from the worst forms of child labor and provided them with an education.
- ► In the past 10 years, the United States Agency for International Development's (USAID) focus on preventable deaths saved the lives of more than 9.3 million children and 340,000 women.
- U.S. foreign assistance provided <u>27,756,461</u> children with family tracing and reunification and 1,797,650 parents/caregivers with psychosocial support.

## KEY U.S. LEGISLATION, POLICIES & PROGRAMS

## Legislation:

- Public Law 109-95: The Assistance for Orphans and Other Vulnerable Children in Developing Countries Act (P.L. 109-95)
- Global Child Thrive Act

#### Policies:

- Advancing Protection and Care for Children in Adversity
- USAID Youth in Development Policy

## Programs:

- Basic Education
  - o Education Cannot Wait (ECW)
  - o Early Childhood Education
  - o Global Partnership for Education (GPE)
- Maternal and Child Health
  - o Maternal and newborn childcare in low- and middle-income countries (LMICs)
  - o Immunization programs via Gavi and the global plan for polio eradication
  - Health systems strengthening in 69
     countries
- Vulnerable Children
  - Support for children living in conflict zones, experiencing extreme poverty, or experiencing loss of primary and secondary caregivers [Orphans and Vulnerable Children (OVC) program]

InterAction's <u>Children and Youth Working Group</u> works to ensure good development outcomes for children and youth in LMICs, with a focus on U.S. government policies, programs, and funding which address and support their needs, especially those experiencing the multiple impacts of poverty.

# CLIMATE CHANGE & ENVIRONMENTAL PROTECTION



People around the world are experiencing both the subtle and strong effects of climate change. Shifting weather patterns, rising sea levels, extensive flooding, and more extreme weather events are all clear and devastating evidence of a rapidly changing climate. Climate change threatens our ability to ensure global food security, eradicate poverty, and achieve sustainable development.

U.S. efforts to support other countries' natural resource management, as well as the mitigation and adaptation to climate change, are critical to ensuring adequate food and access to a safe water supply, sustainable economic growth, and good governance worldwide. These investments help limit warming, promote resilience to environmental shocks and stressors, and enhance local and national economies' capacity to develop foreign markets for American goods, contributing to U.S. economic objectives.

## **FAST FACTS**

- By 2030, the impacts from climate change could pull over <u>130 million</u> people back into extreme poverty. Furthermore, over the last 20 years, the negative impacts from climate change have caused the most at-risk economies to lose more than <u>half</u> of their economic growth potential.
- Over the last five years, USAID provided over \$650 million in direct and indirect climate adaptation assistance programs to help communities better adapt to climate change impacts. These investments resulted in:
  - <u>127.7 million</u> new beneficiaries gaining access to electricity.
  - More than 23 countries gaining satellite meteorology information and more than 10 million people using weather and climate data to reduce their vulnerability.
  - The development of a drought-tolerant maize variety that has been used by over <u>6 million</u> smallholder farmers in 13 African countries.

- ▶ Between 2010 and 2019, USAID's energy programs helped install more than 162,000 MW of new renewable energy capacity across 20 focus countries, while mobilizing more than \$190 billion in private investment.
- By 2050 up to <u>216 million</u> people could be forced to migrate, primarily due to drought, water scarcity, and lack of agricultural productivity.
- ➤ Since 2016, USAID's <u>Sustainable Landscapes</u> programs have helped mobilize over \$500 million of private investment to protect, manage, and restore globally important forests, wetlands, and agricultural lands, as well as improve local livelihoods.

## KEY U.S. LEGISLATION, STRATEGIES & PROGRAMS

## Strategies:

- USAID Climate Strategy 2022-2030
- USAID Biodiversity Policy
- USAID Climate-Resilient Development
- President's Emergency Plan for Adaptation and Resilience (PREPARE)
- Millennium Challenge Corporation Climate
   Change Strategy

#### Programs:

- USAID's Sustainable Landscapes
- USAID's Renewable Energy
- NASA and USAID's SERVIR Global
- U.S. Development Finance Corporation (DFC) Climate program
- Millenium Challenge Corporation's (MCC)
  Climate program

The <u>Climate Advocacy Working Group</u> advocates for U.S. and multilateral policies, approaches, and resources to decelerate climate change and support the world's most vulnerable to adapt to its impacts.

# CONFLICT MITIGATION & PEACEBUILDING



Even before the war in Ukraine, violent conflict was at its **highest** point since World War II and driving a massive forced displacement crisis. Peacefulness around the world has deteriorated in 11 of the past 14 years, mirroring declines in democracy. Conflict and fragility impose a massive human toll—in addition to conflict deaths, lack of stability drives displacement, increases disease and malnutrition, contributes to early child marriage and labor, and destroys livelihoods. Climate change compounds these impacts and vulnerabilities, exacerbating conflict risks. Conflict also has an economic cost: estimates place the cost of violence in 2021 at \$16.5 trillion, or approximately 10% of the world's economic activity. Conflict and fragility threaten U.S. national security and prosperity and undermine longstanding U.S. investments in global health and development. Given the costs of conflict, Congress and the Administration have agreed that investments in conflict prevention are vital.

U.S. assistance works to prevent violent conflict, mitigate its impacts, and facilitate peaceful resolution, including through supporting women's participation in peace processes and conflict resolution, good governance, rule of law, mediation, conflict management practices, and programs to prevent violent extremism.

## **FAST FACTS**

- ► Conflict drives <u>80%</u> of humanitarian needs.
- ▶ 1.9 billion people live in <u>fragile contexts</u>, including 73% of the world's extreme poor.
- ► Three-quarters of all <u>maternal deaths</u> globally occur in fragile contexts.
- ▶ USAID has supported roughly <u>330 peacebuilding</u> <u>projects</u> across 42 countries, awarding more than \$230 million in grants for "people-to-people" reconciliation programs.

## KEY U.S. LEGISLATION, STRATEGIES & PROGRAMS

## Legislation:

- Global Fragility Act
- Women, Peace, and Security Act
- Elie Wiesel Genocide and Atrocities
  Prevention Act of 2018

## Strategies:

- U.S. Strategy to Prevent Conflict and Promote Stability
- 2022 United States Strategy to Anticipate, Prevent, and Respond to Atrocities

#### Programs:

- USAID Office of Transition Initiatives
- USAID Conflict Prevention programs
- Complex Crisis Fund
- Department of State (DoS) Negotiation
  Support Unit and Peace Process
  Implementation

InterAction integrates conflict mitigation into many of its sector working groups' advocacy. Additionally, one member of InterAction, Alliance for Peacebuilding, convenes over 170 organizations to advance the peacebuilding field in global policies, programs, and laws.

# DEMOCRACY, RIGHTS & GOVERNANCE



In every region of the world, democracy is under attack by <u>authoritarian leaders</u> who demand unchecked power. For many citizens, <u>freedom of expression</u> has been stifled, making organizing for democracy even more difficult. However, democracy, a government by the people and for the people, is resilient. Despite a narrative that democracies are not delivering, people around the world consistently voice support for <u>democracy</u> and other processes that enable more citizen engagement.

U.S. investments in democracy, rights, and governance (DRG) expand space for vibrant civil societies and independent media; strengthen political and government institutions to be responsive to citizens' needs; promote transparency and accountability; strengthen the rule of law; foster equitable economic growth; promote tolerance and inclusiveness; protect human and labor rights; and support credible elections.

The U.S. has an interest in promoting democracy because a world full of democratic governments is safer, more prosperous, and more stable. Programs and diplomacy that support democracy, human rights, and good governance are cost effective investments in America's long-term interests.

## **FAST FACTS**

- 2023 is slated to bring many consequential <u>elections</u>, including in Indonesia, Nigeria, Thailand, Malaysia, and Sudan.
- Countries undergoing the process of democratization experience a 20% increase in GDP over a 25-year period.
- ► More countries are trending autocratic, with <u>70%</u> of the world's population living in autocracy in 2021 compared to 49% in 2011.
- Non-democratic governments are increasingly trying to <u>silence dissent</u> beyond their borders and coordinate with other non-democratic governments.

▶ 71% of the American public support U.S. government action to bolster democracy and human rights overseas. From the same survey, 0ver 84% agree that "when other countries become democratic, it contributes to our own well-being."

## **KEY U.S. STRATEGIES & PROGRAMS**

### Strategies:

- Democracy versus autocracy features prominently in the <u>2022 National Security</u> <u>Strategy</u>
- U.S. Strategy on Countering Corruption

#### Programs:

- Presidential Initiative for Democratic Renewal
- USAID DRG Programs
- Bureau of Democracy, Rights, and Labor programs

InterAction's **DRG Initiative** is composed of nine leading U.S.-based democracy assistance organizations. Through this network, we promote human rights, government transparency and accountability, independent media, and inclusive political and civic engagement across the globe.

## **EDUCATION**



Education is a force-multiplier for international development, critical for educating the world's next generations of learners and leaders, and for economic growth and security at the individual, community, and national levels. Yet, the World Bank reports that even before the COVID-19 pandemic, the learning poverty rate was already at an estimated 57% in LMICs, and 86% in Sub-Saharan Africa. Recent World Bank data suggest that global learning poverty in LMICs has surged to an estimated 70%, disproportionately impacting South Asia, Latin America, and the Caribbean. According to **UNESCO**, nearly 153 million children missed more than half of their inperson schooling in 2020-2021. USG-funded international basic education programs focus on increasing equitable access to quality education, advancing learning outcomes, improving early grade reading, and providing youth with skills for future employment.

## **FAST FACTS**

According to **USAID**, in F.Y. 2020, U.S. assistance helped:

- Over 25.4 million learners in 57 countries.
- ► Implement distance learning programming through more than 30 USAID Missions.
- Deliver tertiary, vocational, and other workforce training to more than one million individuals in 48 countries.
- ▶ Provide more than 2.9 million children in 21 countries with nutrition assistance and provide education support to more than 20,000 children in pre-primary programs.
- ► Train and provide professional development to nearly 315,000 teachers and educators in 45 countries, improving their instruction in literacy, numeracy, and other basic skills.
- ▶ Distribute more than 32.3 million textbooks and other teaching and learning materials.

- Engage with more than 22,000 parent-teacher associations or community-based school-governance structures in 35 countries.
- Build or repair more than 6,400 educational facilities in 31 countries that provide safe, accessible, and supportive learning environments for students and teachers.
- Provide education interventions to at least 12.1 million women and girls.
- Governments and parliaments in 15 countries to adopt 57 new or reformed education-related publicsector laws, policies, regulations, and/or administrative procedures.

## **KEY U.S. LEGISLATION & STRATEGIES**

- Legislation:
  - Reinforcing Education Accountability in Development (READ) Act
- Strategies:
  - U.S. Government Strategy on International Basic Education
  - USAID Education Policy
  - <u>U.S. Global Strategy to Empower Adolescent</u> <u>Girls</u>

The Basic Education Coalition (BEC), a partner of InterAction, is a group of leading international development organizations and academic institutions working together to promote global peace and prosperity through education. By leveraging collective technical expertise and combining advocacy efforts, BEC members raise a unified voice to ensure U.S. policymakers support and strengthen education in the developing world.

# FOOD SECURITY, NUTRITION & AGRICULTURE



While progress has been made toward eliminating global hunger, the world is now facing an unprecedented global food security and malnutrition crisis. Hunger is **rising** globally due to the increasing intensity and frequency of extreme weather events and changing climates, entrenched conflicts, economic crises, and disruptions from the COVID-19 pandemic. For many communities, especially those already marginalized, the compounding shocks have eroded the resilience of their food systems and pushed them to their breaking point. The global effects of the conflict in Ukraine could be the **final blow**.

Responses must not only address immediate needs but tackle long term root causes that drive hunger and poverty. Strategic investments in food security, agricultural research and development, and nutrition are proven ways to build resilience and reduce vulnerability to food shocks and stresses while addressing chronic poverty and hunger. In fact, studies show for every \$1 invested in resilience efforts, \$3 is reduced in humanitarian assistance down the line. U.S. global food security and nutrition programs provide healthy safety nets for the most food-insecure populations, strengthen food systems, and equip people with the knowledge and tools to feed themselves.

## **FAST FACTS**

- ► In 2021, the number of people unable to afford a healthy diet around the world rose by 112 million to almost **3.1 billion**.
- Between 702 and 828 million people were affected by hunger in 2021. The number has grown by about 150 million since the outbreak of the COVID-19 pandemic.
- Projections estimate that nearly 670 million people will still be facing hunger in 2030—8% of the world population.
- Between October 2022 and January 2023, an estimated 45 million people in 37 countries were projected to have so little to eat that they will

be severely malnourished and at risk of death or starvation.

▶ Malnutrition is a global challenge. In 2020, an estimated 22% of children under five years of age were stunted (low height for age), 6.7% were wasted (low weight for height), and 5.7% were overweight.

## KEY U.S. LEGISLATION, STRATEGIES & PROGRAMS

- Legislation:
  - The Global Food Security Act
  - The Farm Bill Title III
- Strategies:
  - The U.S. Global Food Security Strategy
  - USAID'S 2014-2025 Multi-Sectoral Nutrition Strategy
- Programs:
  - Feed the Future
  - Global Nutrition
  - Food for Peace
  - McGovern-Dole International Food for Education and Child Nutrition Program
  - USDA Local Regional Procurement
  - Food for Progress
  - Farmer to Farmer
  - Bill Emerson Humanitarian Trust
  - Multilateral Contributions:
    - International Fund for Agricultural
       Development (IFAD)
    - Global Agriculture and Food Security
       Program (GAFSP)

InterAction's <u>Food Security, Nutrition</u>, <u>and Agriculture Working Group</u> focuses on engagement with the Congress and the Administration to ensure that U.S. investments in global food security and nutrition programs remain effective.

# **GENDER EQUALITY & INCLUSIVITY**



Gender equality is a human right and a foundation for significant global progress. Yet, inequality and related challenges remain prevalent across the world and continue to block global sustainable development. Advancing gender equality is a core development objective of U.S. foreign assistance—gender inequality, discrimination, and violence cut across all thematic areas and development sectors.

Effective gender equality strategies prioritize human rights; address social and cultural norms and institutions; engage all of society; and include legislation and policies that promote gender equality and nondiscrimination. This equitable, intersectional, and inclusive approach to overcome gender inequality depends on engaging all communities; families; and individuals, including people of diverse sexual orientations and gender identities to create true and lasting change.

## **FAST FACTS**

- ▶ The World Economic Forum reports that it will now take <u>132 years</u> to reach full gender parity, an increase from previous predictions, due to the ongoing negative impacts of the COVID-19 pandemic, the worsening global food crisis, and increasing humanitarian emergencies.
- ▶ An estimated 70% of women and girls face GBV in humanitarian contexts and the crises in Ukraine and Afghanistan demonstrate the deep impacts of conflict on women and girls and their access to basic services and education.
- ► The USG's Women's Global Development and Prosperity (W-GDP) program reached 12 million women in its first year (2019-20), 9 million of whom were the direct recipients of USAID programming and partnerships.

## KEY U.S. LEGISLATION, STRATEGIES & PROGRAMS

- Legislation:
  - Women, Peace, and Security Act
- Strategies:
  - National Strategy on Gender Equity and Equality
  - Root Causes of Migration Strategy
  - USAID's 2022 Gender Equality and Women's Empowerment Policy
  - U.S. Global Strategy To Empower Adolescent Girls
  - U.S. Strategy to Prevent and Respond to Gender-Based Violence Globally (GBV Strategy)
- Programs:
  - USAID:
    - o Women's Economic Empowerment
    - Gender-Based Violence Prevention and Response
  - State Department:
    - The United States President's Emergency
       Plan for AIDS Relief

Gender is interwoven and integrated into all of InterAction's sector working groups' advocacy. There are also several NGO coalitions that focus on different aspects or challenges connected to gender, including a working group hosted by InterAction that focuses on Gender Based Violence in humanitarian and conflict settings.

## GLOBAL HEALTH



U.S. investments in global health programs and initiatives deliver real results with wide ranging health, social, economic, and security benefits for the country and the world. These investments save lives, transform communities, and advance health equity by helping to slow the spread of infectious diseases, address health emergencies, reduce maternal and child mortality, and much more. Bilateral investments are made through lifesaving programs at the Department of State (DoS), USAID, the Centers for Disease Control and Prevention, the National Institutes of Health, and the Department of Defense. The U.S. also partners with multilateral organizations such as the World Health Organization; UNICEF; the Global Fund to Fight AIDS, Tuberculosis and Malaria; and others, which allow the U.S. to meet its global health objectives. Every dollar the U.S. contributes to these organizations is multiplied by other donors, making it a best buy for U.S. taxpayers.

In concert with U.S. humanitarian and development programs, cross-agency programs support U.S. foreign assistance priorities to improve health and well-being, reduce poverty, achieve gender equality, promote human rights, and improve national and global security by supporting stable, resilient, and democratic communities.

Continued U.S. investment in global health is needed to build on these achievements and accelerate progress toward the global goal of ensuring healthy lives and promoting well-being for all.

## **FAST FACTS**

- ▶ With a total investment of more than \$100 billion, the President's Emergency Plan for AIDS Relief (PEPFAR) represents the largest commitment ever made by a single nation to combat a specific disease. PEPFAR has supported aniretroviral treatment for 20.1 million people.
- ► The <u>President's Malaria Initiative</u> (PMI) has saved 10.6 million lives and prevented 1.7 billion infections since 2000 by providing 421.8 million bednets, 766

- million rapid tests, 838.5 million medicines, and 2.1 million health worker trainings.
- Since its inception in 2006, USAID's Neglected Tropical Diseases program has supported the distribution of more than 3 billion safe and effective treatments to more than 1.5 billion people.

## KEY U.S. LEGISLATION, STRATEGIES & PROGRAMS

#### Legislation:

- Public Health Service Act of 1944 and Foreign Assistance Act of 1961
- U.S. Leadership Against HIV/AIDS,
   Tuberculosis, and Malaria Act of 2003

## Strategies:

- U.S. President's Malaria Initiative 2021 2026 Strategy
- National Biodefense Strategy and Implementation Plan
- USAID Vision for Health System Strengthening 2030

## Programs:

- U.S. President's Emergency Plan for AIDS Relief (PEPFAR)
- President's Malaria Initiative (PMI)

## ► Multilateral Contributions:

- The Global Fund to Fight AIDS, Tuberculosis, and Malaria
- Pandemic Financial Intermediary Fund

InterAction works closely on health issues with the **Global Health Council (GHC)**, a leading member organization devoted to advancing global health priorities by uniting advocates, implementers, policymakers, and other stakeholders. GHC works across disease areas to drive sustainable funding and equitable policies that improve global health and well-being for all.

## HUMANITARIAN CRISIS RESPONSE



The United States is the single largest humanitarian donor in the world. Most of this funding is programmed through USAID's Bureau for Humanitarian Assistance (BHA) and the DoS' Bureau for Population, Refugees, and Migration (PRM). It is targeted to provide lifesaving interventions for people impacted by natural disasters and displaced or otherwise affected by human-made crises. While most humanitarian funding comes from governmental donors like the U.S., humanitarian action is guided by a principled approach—neutrality, independence, and impartiality—to ensure humanitarian actors are neither perceived nor treated like a party to the conflict which ensures the best quality of safe access to affected populations and geographies.

In 2022, the number of people in need of humanitarian assistance increased significantly as COVID-19 impacts increased needs around the world. An estimated 339 million people were assessed to be in need, 33 million more than in 2021. These humanitarian needs are due to a combination of direct and indirect factors. Climate change and natural disasters, economic downturns, conflicts and disrespect for international law, and other protracted, human-made crises have multiplied, requiring multifaceted humanitarian responses in every region of the world. Restrictions on aid delivery, including bureaucratic and administrative impediments, multilateral and domestic counterterrorism measures, sanctions, and related financial access impediments such as bank de-risking, have added extra layers of complexity to respond to the dire and increasing needs. These factors have fundamentally contributed to shrinking humanitarian space and overall civic space worldwide.

## **FAST FACTS**

- A June 2022 report by the United Nations Office for the Coordination of Humanitarian Affairs found the level of aid needed to manage the world's humanitarian crises is a record \$46.3 billion.
- ▶ In F.Y. 2021, USAID responded to humanitarian crises in <u>84 countries</u>, providing more than \$8 billion in humanitarian assistance through implementing partners. BHA's largest country responses are Ethiopia, Syria, Yemen, South Sudan, and Sudan.
- The top neglected humanitarian crises in 2021 are Zambia, Malawi, Central African Republic, Guatemala, Colombia, Burundi, Niger, Zimbabwe, and Honduras.

InterAction's humanitarian crisis response working groups provide member NGOs with a forum to coordinate efforts on behalf of vulnerable populations by closely engaging with humanitarian actors on the ground, United Nations (U.N.) agencies, USG agencies, and Congress on foreign policy and humanitarian action. Here is a list of InterAction's active humanitarian crisis response working groups:

Afghanistan	Myanmar	Syria
Caribbean	Pakistan	Ukraine
Central America	Rohingya Response	Venezuela
	-	West Bank &
Horn of Africa	Sahel	Gaza
Iraq	South Sudan	Yemen
Lebanon	Sudan	

# HUMANITARIAN PROTECTION & GENDER-BASED VIOLENCE



The provision of quality protection and GBV prevention and response programming in humanitarian response is essential to improved outcomes for conflict-affected communities globally. Humanitarian actors work to register the needs, prevent additional harm, and increase access to services for all vulnerable groups, including older people, persons with disabilities, children, and others in need of specific care. In the context of humanitarian emergencies, over 70% of women and girls have experienced some form of GBV. Compounding the increase in rates of genderbased violence is the breakdown in accessibility to quality, life-saving services for survivors of violence. Often times, older women are not even considered in service delivery. There is a critical need to ensure that strong mitigation and response efforts are in place, as well as dedicated resources and funding to address GBV.

Protection and GBV programming at the onset of humanitarian crises are critical to prevent and respond to threats faced by communities affected by violence. These programs establish the preservation of the livelihoods for survivors of GBV and other abuses through referrals for protection services, cash-assistance support, psychosocial support, and more. Humanitarian responses should be aligned with development efforts to make it more effective and sustainable over the long term. Addressing GBV and protection concerns should be a high priority when developing emergency response plans as it preserves the rights for survivors of GBV and other protection issues in accessing services and upholding their dignity as individuals. There is always more work to do to improve the collective response and ensure that protection is central to all humanitarian response.

#### **FAST FACTS**

- 1 in 3 women worldwide have experienced physical or sexual violence.
- ► There are over 14 million child marriages each year.

- Sexual violence against men and boys has been reported in over <u>25 conflict-affected countries</u> in the last decade.
- 200 million women have experienced female genital mutilation/cutting.
- Globally, as many as <u>38%</u> of murders of women are committed by an intimate partner.
- Approximately <u>26 million</u> older people experience disasters each year. This number is growing.
- At least <u>6.8 million</u> IDPs—equivalent to 15% of the global total for conflict-induced IDPs—could have a disability.

## KEY U.S. LEGISLATION, STRATEGIES & PROGRAMS

- Legislation:
  - USAID Gender Equality and Women's Empowerment Policy
  - Safe from the Start Act
  - MINDS Act
- Strategies:
  - The White House National Strategy on Gender Equality and Equity
  - GBV Strategy
- Programs:
  - USAID's Gender Equality Program
  - DoS Call to Action

The InterAction <u>Protection Working Group</u> and Gender-Based Violence Working Group provide member NGOs with a collective voice to coordinate engagement and strengthened responses to humanitarian and conflict crises.

# PROTECTION OF CIVILIANS



Civilian harm caused by parties to conflict is a key driver behind forced displacement and humanitarian need globally. In 2022, a record 103 million people were forcibly displaced globally, with conflicts like Syria, Ukraine, Afghanistan, and South Sudan being among those that have seen the largest displacements. In 2022, the U.N. estimated that 339 million people would need humanitarian assistance. This is the highest number in decades.

While there has been a reasonable focus on direct civilian casualties in conflict, it is important to address broader issues of civilian harm that also drive humanitarian needs. Whether in **Ukraine**, **Yemen**, **Nigeria**, or elsewhere, attacks and damage to civilian objects, including infrastructure, as well as denial of free civilian or humanitarian movements, directly contributes to and exacerbates existing humanitarian needs.

As highlighted below, Congress and the U.S. military have taken key steps to assure U.S. leadership in efforts to prevent and mitigate civilian harm, though much of that has come in response to <a href="its-own shortcomings">its-own shortcomings</a>. Additionally, many U.S. allies and partners, including non-state armed groups, have faced <a href="serious civilian harm allegations">serious civilian harm allegations</a> despite the U.S. often continuing to train, equip, advise, and provide other support to these forces. As the U.S. seeks to condemn and address the conduct of malignant actors, it is vitally important that Congress continues its oversight and legislative responsibilities to address civilian harm by the U.S. military and its partners.

## **FAST FACTS**

- In 2021, close to <u>193 million</u> people were acutely food insecure and in need of urgent assistance, of which 72% was directly caused by conflict and insecurity.
- As of September 27, 2022, 14,783 civilians have been killed or injured as a result of explosive weapons in 2022 alone. 94% of these casualties occurred in populated areas. This compares with the 11,102 civilian casualties reported in all of 2021, 93% occurring in populated areas.

## KEY U.S. LEGISLATION, STRATEGIES & PROGRAMS

- Legislation:
  - National Defense Authorization Act
  - Hunger as a weapon of war resolution
- Caucuses:
  - Protection of Civilians in Conflict Caucus
- Strategies:
  - Department of Defense (DoD) Civilian
     Harm Mitigation and Response Action Plan
     (CHMRAP)
- DoD Instruction on Civilian Harm Programs:
  - DoD Center for Excellence on Civilian Harm (TBE)

The InterAction Protection of Civilians Working
Group focuses on reducing the risk civilians
experience during crises by educating its members,
partners, and world leaders to ensure noncombatants are respected and protected as outlined
by international humanitarian law.

# REFUGEES, ASYLUM SEEKERS & INTERNALLY DISPLACED PERSONS



In the past 10 years, the number of people who have been forcibly displaced from their communities globally—including refugees and internally displaced persons (IDPs)—has more than doubled, to a historic high of 103 million. The deteriorating conditions in Afghanistan, and conflicts in Ethiopia and Ukraine that risk becoming protracted, have contributed to a sharp rise in displacement. While the U.S. has historically played a leading role on refugee and IDP issues, its admission numbers have yet to recover from their historic lows following the dismantling of the United States Refugees Admissions Program (USRAP) under the previous administration and shocks from the COVID-19 pandemic.

**FAST FACTS** 

- ► <u>The DoS</u> has sought to address protracted displacement through diplomatic engagement led by the Bureau for Population, Refugees, and Migration (PRM).
- ► The U.S. under the Biden Administration has shown commitment toward the principles of two global compacts: the **Global Compact on Migration** and the Global Compact on Refugees, and PRM is participating in the lead-up to the 2023 Global Refugee Forum.
- ▶ The Biden Administration has committed to rebuild the USRAP, setting a target to resettle 125,000 refugees in 2022 and renewing that target for 2023, and taken measures to reduce the backlog of pending asylum cases. Each year, the U.S. provides critical support to partner organizations working to address forced displacement globally. PRM's request for Migration and Refugee Assistance in 2023 tops \$3.9 billion to support nearly 80 NGOs and 10 international organizations in delivering lifesaving assistance to millions of people, including IDPs, refugees, and stateless persons.

PRM provides diplomatic support and concessional financing through the World Bank's Global Concessional Financing Facility and replenishments of the International Development Association (IDA) Sub-Window for Host Communities and Refugees (WHR). The U.S. has contributed roughly 15% of total donor state contributions—\$3.5 billion—toward funding the IDA20 replenishment for 2022 to 2025. This includes contributions toward the WHR, which will continue to focus on the medium- to long-term development needs of host communities and refugees through governmental support.

InterAction's Forced Displacement Working
Group seeks to improve outcomes for refugees and forcibly displaced people through advocacy with the U.S. government, participation in global policy processes, such as the Global Compact for Refugees and Action Agenda for Internal Displacement, engagement with the World Bank, and more.

# WATER, SANITATION & HYGIENE (WASH)



Access to safe water, sanitation, and hygiene (WASH) is essential for global health, economic development, gender equality, food security and nutrition, climate resilience, and conflict prevention. While significant progress has been made, one in three people—or 2 billion people globally—still live without access to safe drinking water. Further, 1.9 billion people do not have a toilet and 2.3 billion cannot wash their hands inside their homes.

WASH is the first line of defense in slowing the spread of most disease outbreaks, such as the flu, diarrhea, cholera, and Ebola. Development efforts are made more effective and sustainable over the long term when they address WASH, as it is key to improving maternal and child health, preventing neglected tropical diseases, and addressing food and nutrition security. Yet, over 480 million children lack access to any handwashing facilities in their schools and only 32% of healthcare facilities in the least developed countries have basic hygiene service.

As early as 2025, half the world's population will live in water-stressed areas. Limited access to safe drinking water worsens humanitarian emergencies: children living in conflict areas are almost three times more likely to die from diarrheal diseases caused by a lack of safe WASH than by direct violence. More resilient and sustainable WASH solutions are needed to support ongoing development programs and reach high-risk communities, leading to healthier populations worldwide.

#### **FAST FACTS**

- <u>2 billion</u> people lack access to safe drinking water and over <u>3.6 billion</u> people do not have access to safely managed sanitation services.
- ► In the least developed countries, only <u>53%</u> of health care facilities have basic water service
- ► From F.Y. 2008 through F.Y. 2020 WASH programming at USAID has led to:
  - 59.5 million people gaining access to a sustainable drinking water source.

- 44.6 million people gaining access to a sustainable sanitation service.
- Access to WASH can reduce diarrheal disease, preventing the deaths of <u>297,000</u> children under 5 each year.
- Appropriate hand hygiene prevents up to 50% of avoidable infections acquired during healthcare delivery, including those affecting the health workforce.

## KEY U.S. LEGISLATION, STRATEGIES & PROGRAMS

- ► Legislation:
  - The Senator Paul Simon Water for the Poor Act of 2005
  - The Senator Paul Simon Water for the World Act of 2014
- Strategies:
  - U.S. Global Water Strategy
  - White House Action Plan on Global Water Security
- Programs:
  - USAID's Water and Sanitation program
  - CDC's Global Water, Sanitation, and Hygiene program
  - MCC's Water, Sanitation, and Irrigation program

InterAction's <u>WASH Working Group</u> seeks to improve U.S. government policies related to WASH issues to increase sustainable access to these basic services in LMICs, improve the integration of WASH across development sectors, and prioritize service access to communities most in need.

# ECONOMIC DEVELOPMENT

## CURRENT INTERNATIONAL FINANCIAL SYSTEM/ECONOMY

The world is facing unprecedented and compounding challenges on a global scale. The economic outlook is less favorable than in prior years. Slowing growth caused by inflation and rising interest rates are taking a toll on families and nation states. While the world continues to recover from the COVID-19 pandemic and related crises, the war in Ukraine has created food and energy shortages and untenable price increases. Compounding this, rich countries are making decisions to stabilize their own economies, exacerbating debt sustainability concerns in developing countries.



Beata Bajyanama, 52, at her tailoring business in Nyaruguru, Rwanda. She started the shop with a VisionFund micro loan. Photo by Eugene Lee/World Vision.

#### **DEVELOPMENT ECONOMICS**

Economic development is a policy intervention aimed at improving people's standard of living by raising incomes and life expectancies while reducing poverty and contributing to international economic activity. Programs focus on improving the conditions to create and sustain a developed economy—creating and growing markets, financial inclusion, and increasing GDP—as well as more traditional development programs that strengthen a society like basic education, governance, and agriculture.

Dedicated **economic development programs** are structured to meet broad economic objectives, such as employment, sustainable growth, and price stability. More specifically, programs are related to job creation, expanding businesses, market creation, and trade.

Economic development interventions are integrated with sectors that can be traditionally thought of as development—education, agriculture, health care, climate, peace and security, and democracy and governance. For example, education programs prepare people for the workforce which advances both the individual and the wider economy. Democracy and governance programs better represent the will of all citizens and foster wellfunctioning institutions able to deliver public services and raise revenue. Agriculture programs assist in making the best use of land, strengthening food systems, and bringing products to market. Communities with sufficient meaningful employment opportunities with access to well-functioning government institutions tend to be more peaceful. These governments can then provide services and are accountable to their citizens.

Economic development programming varies in size and scope, from small, bilateral micro loans at the community level for starting or growing small businesses to large multimillion dollar investments for regional infrastructure provided by large multilateral international financial institutions. These programs contribute to the economic capacity of a country and strengthen its ability to compete in and contribute to the global marketplace.

# FUNDAMENTALS FOR U.S. DEVELOPMENT & HUMANITARIAN ASSISTANCE

Poverty-focused development and humanitarian assistance is integral to American engagement in the world and remains a strategic, economic, and moral imperative. U.S. global development and humanitarian assistance leadership should adhere to the following fundamentals:

- Assistance must be human-centered and effective in accomplishing its long-term goal of ending poverty, hunger, disease, injustice, corruption, and conflict. It should not be instrumentalized or used to leverage short-term political, foreign policy, or military objectives.
- ► The goal of foreign assistance is to **build** sustainability and capacity for the eventual transition away from assistance, paving the way for other forms of partnership and international cooperation.
- Foreign assistance should be transparent, datadriven, accountable, and outcome-oriented. It should be evidence-based, cultivate learning, and use best practices.
- Foreign assistance should support locally-led development and humanitarian response to better address community needs and achieve impactful and effective results.
- As an investment in U.S. global leadership, foreign assistance funding should be robust, dependable, and timely. Funding levels should be commensurate with global needs, based on locally determined priorities, and reactive to changes on the ground. Once the U.S. commits assistance, it should be delivered.

Programs not aligned with these principles threaten the sustainability of programming and risk further backsliding on key development and humanitarian assistance objectives. For more information on these fundamentals, see the InterAction community's "Fundamentals for U.S. Development and Humanitarian Assistance."

## **USG IMPEDIMENTS TO AID**

Sanctions have become the first line of attack when U.S. security interests are threatened. The scale and scope of these restrictions have expanded in recent years, and entities/individuals subject to sanctions are often present in contexts where NGOs are responding to the greatest needs.

Sanctions reforms are necessary to avoid unintended consequences on humanitarian aid and development.

Sanctions are a primary impediment to the timely and effective delivery of humanitarian aid in crisis settings, as they do not adequately protect legitimate humanitarian action. Consequently, NGOs must invest significant resources in navigating complex legal and security environments, beyond what they already do to comply with humanitarian principles and to protect their work, donors, and beneficiaries. Coupled with the U.S. prohibition on material support to designated terrorist entities, these impediments often result in avoidable suffering as the needs of the most vulnerable people are not met.

Confusing and changing sanctions programs also result in what is commonly called "bank derisking," where financial institutions are reluctant to process funds transfers for programming in sanctioned countries and regions or where designated entities and individuals are present. When NGOs lose access to formal banking channels, they often must use alternative means of moving money overseas, such as carrying cash, which poses its own risks and can undermine the goals of counter-terror financing.

As stated in the Anti-Money Laundering Act of 2020, "providing vital humanitarian and development assistance and protecting the integrity of the international financial system are complementary goals." Solutions must strike a balance between two equally important objectives: stopping financing of malign actors and promptly facilitating vital, life-saving humanitarian aid to crisis-affected people.

InterAction's <u>Together Project</u> confronts obstacles facing principled humanitarian action to help shape systemic solutions.

# PRIMARY U.S. FOREIGN ASSISTANCE AGENCIES

Several USG agencies play critical roles in U.S. foreign assistance, reflecting the multifaceted impact and investment of U.S. international and development programs. Guided by the USAID and the DoS strategic direction, each agency contributes its expertise to the spectrum of international development and humanitarian programs to ensure U.S. foreign assistance is effective and efficient.

U.S. foreign assistance works across many agencies—from the Centers for Disease Control to the DoD to the U.S. Department of Agriculture—to implement America's foreign assistance goals. This allows the U.S. to address the full spectrum of development and humanitarian needs.

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

- USAID's mission promotes democratic values abroad and advances a free, peaceful, and prosperous world.
- In-country missions manage partnerships with organizations and act as de facto diplomats for development abroad.

## U.S. DEPARTMENT OF STATE (DOS)

- ► The Office of Foreign Assistance (F) resources, established in 2006, leads U.S. foreign assistance coordination.
- ► F advances U.S. national interest and development objectives by coordinating policy, planning, and performance management efforts; promoting evidence-informed decision making; and providing strategic direction for the DoS and USAID foreign assistance resources.

## MILLENNIUM CHALLENGE CORPORATION (MCC)

- ► The MCC provides time-limited grants to allow partner governments to refine and implement their own development solutions in alignment with the new Sustainable Development Goals (SDGs).
- ► MCC works to fund programs so countries can cement good policies and governmental reach.

# U.S. DEPARTMENT OF THE TREASURY (USDT)

- ► The USDT supports global development progress and U.S. national security and economic interests overseas by promoting strong financial sector stability and governance in developing countries.
- Through the USDT, the U.S. also exercises leadership in international financial institutions such as the World Bank and other regional development banks.

# U.S. DEVELOPMENT FINANCE CORPORATION (DFC)

- ► The DFC is America's development institution. DFC partners with the private sector to finance solutions to the most critical challenges facing the developing world today. They invest across sectors, including energy, healthcare, critical infrastructure, and technology.
- Created by the 2018 BUILD Act, the DFC consolidated the Development Credit Authority (DCA) from USAID and the Overseas Private Investment Corporation (OPIC).

19

## THE CONGRESSIONAL COMMITTEE MAP

Several congressional committees have oversight over U.S. foreign assistance, some with overarching jurisdiction and some with program-specific jurisdiction. Congress also established dozens of member caucuses to develop policy or raise awareness on specific issues, including the Effective Foreign Assistance Caucus, the Hunger Caucus, the International Basic Education Caucus, the Tuberculosis Elimination Caucus, the International Water and Sanitation Caucus, as well as several regional and country-specific caucuses. Key congressional committees for foreign assistance include:

## **UNITED STATES SENATE**

## SENATE COMMITTEE ON APPROPRIATIONS

The Senate Appropriations Committee and its 12 subcommittees are responsible for legislation that makes funding available to government agencies, departments, and associated entities. Total funding can be limited by statute or by the budget resolution passed by the Senate Committee on the Budget. In developing funding legislation for the upcoming fiscal year, each subcommittee reviews the President's budget request, hears testimony from officials, and meets with relevant stakeholders.

**Key Subcommittee:** State, Foreign Operations, and Related Programs (SFOPs). SFOPs has jurisdiction over agencies relating to DoS and other foreign policy spending initiatives. These include DoS; USAID; peacekeeping operations; climate; poverty-focused development and humanitarian assistance accounts; and global health programs. The appropriations subcommittees on Agriculture and Labor, Health, and Human Services also have jurisdiction over some foreign assistance funding.

## SENATE COMMITTEE ON THE BUDGET

The Budget Committee, created by the Congressional Budget and Impoundment Control Act of 1974, is responsible for drafting plans for Congress and monitoring and enforcing rules surrounding spending, revenue, and the federal budget. The committee's principal responsibility is to develop a budget resolution to serve as the framework for congressional action on spending and revenue. The committee is also responsible for debt-limit legislation and reconciliation.

## SENATE COMMITTEE ON FOREIGN RELATIONS

The Senate Committee on Foreign Relations and its seven subcommittees are responsible for developing and influencing U.S. foreign policy. The committee holds jurisdiction over treaties, diplomatic nominations, and other foreign policy legislation shaping U.S. foreign policy. Specifically, the committee is responsible for overseeing (but not administering) foreign aid programs and arms sales; training for national allies and multilateral banks; and reviewing matters relating to U.S. national security policy, foreign policy, and international economic policy.

#### Subcommittees:

- Africa and Global Health Policy
- East Asia, the Pacific, and International Cybersecurity
   Policy
- ► Europe and Regional Security Cooperation
- Multilateral International Development, Multilateral Institutions, and International Economic, Energy, and Environmental Policy
- Near East, South Asia, Central Asia, and Counterterrorism
- ► State Department and USAID Management, International Operations, and Bilateral International Development
- Western Hemisphere, Transnational Crime, Civilian Security, Democracy, Human Rights, and Global Women's Issues

## THE CONGRESSIONAL COMMITTEE MAP

## **UNITED STATES HOUSE OF REPRESENTATIVES**

## **HOUSE COMMITTEE ON APPROPRIATIONS**

The House Appropriations Committee and its 12 subcommittees are responsible for legislation that makes funding available to government agencies, departments, and associated entities. Total funding can be limited by statute or by the budget resolution passed by the House Committee on the Budget. In developing funding legislation for the upcoming fiscal year, each subcommittee reviews the President's budget request, hears testimony from officials, and meets with relevant stakeholders.

Key Subcommittee: State, Foreign Operations, and Related Programs (SFOPs). SFOPs has jurisdiction over agencies relating to DoS and other foreign policy spending initiatives. These include DoS; USAID; peacekeeping operations; climate; poverty-focused development and humanitarian assistance accounts; and global health programs. The Agriculture and Labor and Health and Human Services Subcommittees also have jurisdiction over some foreign assistance funding.

## HOUSE COMMITTEE ON THE BUDGET

The Budget Committee, created by the Congressional Budget and Impoundment Control Act of 1974, is responsible for drafting plans for Congress and monitoring and enforcing rules surrounding spending, revenue, and the federal budget. The committee's principal responsibility is to develop a budget resolution to serve as the framework for congressional action on spending and revenue. The committee is also responsible for debt-limit legislation and reconciliation. 

## **HOUSE FOREIGN AFFAIRS COMMITTEE**

The House Foreign Affairs Committee and its six subcommittees are responsible for developing and influencing U.S. foreign policy. The committee holds jurisdiction over foreign policy legislation. Specifically, the committee is responsible for overseeing (but not administering) foreign aid programs and arms sales; training for national allies and multilateral banks; and reviewing matters relating to U.S. national security policy, foreign policy, and international economic policy.

#### Subcommittees:

- Africa, Global Health, and Global Human Rights
- Asia, the Pacific, Central Asia, and Nonproliferation
- Europe, Energy, the Environment, and Cyber
- Middle East, North Africa, and Global Counterterrorism
- International Development, International Organizations, and Global Corporate Social Impact
- Western Hemisphere, Civilian Security, Migration, and International Economic Policy

## **HOW IS U.S. FOREIGN ASSISTANCE FUNDED?**

## LEGISLATIVE AUTHORITY

The authority for funding foreign assistance comes from the Foreign Assistance Act of 1961, which "promote[s] the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic development and internal and external security, and for other purposes." The Foreign Assistance Act has been amended multiple times since its initial passage but never fully reauthorized.

## **U.S. GOVERNMENT BUDGET OVERVIEW**

The government goes through the budget process annually to determine discretionary spending levels. The latest spending levels show that the State, Foreign Operations, and Related Programs Bill, which funds most humanitarian and development accounts, represents approximately 1% of the entire budget.

## HOW U.S. FUNDING IS DELIVERED TO PROGRAMS

Guided by directives from Congress, government agencies set policy and implement programs. In SFOPs, most of these agencies make contracts and provide grants to deliver funding to people and communities on the ground through implementing partners, such as NGOs in the InterAction community.

## **KEY FOREIGN ASSISTANCE ACCOUNTS**

## International Development

The primary development accounts are
Development Assistance and the Economic
Support Fund. These accounts fund programs
in food security and agricultural development;
democracy and governance; climate and
environmental programs; water and sanitation;
and basic education worldwide.

#### **▶** Humanitarian Assistance

 The USG provides humanitarian assistance primarily through three accounts: International Disaster Assistance, Migration and Refugee Assistance, and Emergency Refugee and Migration Assistance.

## International Organizations and Programs

 The International Organizations and Programs (IO&P) account provides voluntary contributions to international organizations that advance U.S. strategic goals across a broad spectrum of critical development, humanitarian, and scientific activities. The Contribution to International Organizations (CIO) account funds the assessed contributions to the U.N.

## Global Health

 The U.S. provides global health funding for maternal and child health, nutrition, family planning, vaccines, and prevention and treatment for HIV, malaria, and tuberculosis.



## **U.S. GOVERNMENT FUNDING PROCESS**

## THE EXECUTIVE BRANCH

- ► The budget development process can begin more than three years in advance of the enactment of the relevant appropriations bill
- ► Each year, the Office of Management and Budget (OMB) provides general guidance to inform the development of each agency's budget justification. Agencies develop their budget justification based on overarching OMB guidance, ongoing agency activities, and new proposals.
- Agencies work collaboratively with OMB to finalize their budget justifications for the upcoming fiscal year prior to submitting to Congress.
- OMB publishes the President's Budget Request, which includes high-level information on all government agencies, along with tax and spending projections, while agencies publish detailed requests for Congress.

## THE LEGISLATIVE BRANCH

Congress appropriates funding through 12 appropriations bills each fiscal year.

## Appropriations Authority

- Appropriations subcommittees produce 12 appropriations bills that fund the operations and programs of the USG.
- Currently, foreign assistance funding comes from three different appropriations bills: The State and Foreign Operations (SFOPs) Bill; the Agriculture Appropriations Bill; and the Labor, Health, and Human Services Bill.

## The Congressional Budget Process

- The Congressional Appropriations Process begins after the President submits their budget to Congress on the first Monday in February. Congress then holds hearings on agency budget requests and any other topics of interest.
- The federal fiscal year begins on October 1.
   Ideally, all 12 appropriations bills will have been enacted and can be implemented at that time.

However, the government has been unable to enact appropriations bills on time and had to rely on continuing resolutions (C.R.), which continue the terms and conditions of the current appropriations bill. Sometimes C.R.s run into February or March of the year for which they are appropriating funds.

## FOREIGN ASSISTANCE ALLOCATION PROCESS

- After enactment, the Foreign Assistance Act and the SFOPs bill require DoS and USAID to develop and submit certain plans and notifications to Congress for some programs and countries.
- ► The agencies present plans and notifications to Congress.
- Upon completion, funds then undergo procurement and grant processes that identify ways for the agencies to disburse and spend money.
- ► This entire process, from enactment to spending, can take up more than two years.

## FUNDING CHALLENGES FOR U.S. FOREIGN ASSISTANCE

**Growing need.** U.S. foreign assistance resources have not kept pace with the growing global need.

**The uncertain process.** The long and complex funding processes prevent beneficiaries from obtaining the best development and humanitarian assistance available.

The threat of rescissions. The threat of rescissions for humanitarian and development funds limits or reduces the scale and scope of beneficiaries that depend on the U.S.' assistance to survive.

## WHO IS AT THE TABLE GLOBALLY?

## LOCAL COUNTRY GOVERNMENTS

Country ownership is routinely highlighted as a key principle of good development practice. Country ownership is the full and effective participation of a country's population through legislative bodies, civil society, the private sector, and local, regional, and national governments to conceptualize, implement, monitor, and evaluate development policies, programs, and processes. This allows for better targeting of resources, strengthened accountability among the various stakeholders, and increased sustainability and success. By empowering and supporting governments and citizens to plan, finance, and implement solutions to solve their own development challenges, NGOs, partnering agencies, and other actors help countries on the path to becoming self-reliant.

### LOCAL CIVIL SOCIETY

Civil society organizations (CSOs) are the third sector of society, alongside government and business. They comprise community groups, the press, NGOs, labor unions, indigenous groups, faith-based organizations, professional associations, and organizations that work in citizens' interests. CSOs play a vital role in enabling people to claim their rights, promoting rights-based approaches, shaping development policies and partnerships, and overseeing their implementation, operating as a valuable check for government and business through partnership and engagement.

## **DONOR COUNTRIES**

The U.S. is not the only country that invests in international development programs. In fact, according to an Organization for Economic Co-operation and Development's (OECD) report, in 2021 alone, the 30 countries of the Development Assistance Committee (DAC) contributed a total of \$178.9 billion in official development assistance to developing countries. The United States, Germany, the United Kingdom, Japan, and France gave the largest dollar amounts. In comparison, Luxembourg, Norway, Sweden, and Denmark's contributions represented the largest percentage of their gross national income. Outside of the OECD,

China is another key development player. China has long contributed to international development through foreign assistance mechanisms but they often take a more opaque and complicated approach to assistance that is primarily intended for commercial access and market expansion. This complexity and lack of transparency makes it difficult for recipient countries to navigate. In 2018, China announced the creation of the China International Development Cooperation Agency (CIDCA), which centralized and expanded China's international development efforts.

## INTERNATIONAL AND MULTILATERAL ORGANIZATIONS

The roots of modern multilateral organizations go back to the creation of the U.N. in 1945 after World War II. The immediate postwar years witnessed the creation of a system of multilateral financial institutions to rebuild the global economic order devastated by the Great Depression and World War II. These institutions include the World Bank Group, the International Monetary Fund, and the World Trade Organization. The Cold War years brought about the formation of multiple regional development banks—the African, Asian, and Inter-American Development Banks—to provide specialized lending and technical assistance. Today, multilateral organizations have evolved to work on every continent and in every sector. There are dozens of multilateral organizations, each with its own size and scope and created to tackle a specific set of international issues. Multilateral organizations are essential elements of global development and humanitarian response. Multilateral organizations play a vital role in the social and economic programs of developing and transitioning countries.

#### The United Nations System

The U.N. is a primary actor in nearly all development and humanitarian spaces. It mobilizes member states and the broader international community to combat global poverty and conflict and promote human rights collectively. The U.N. system is made up of the U.N. itself and dozens of affiliated programs, funds, and specialized agencies, each with its own membership, leadership, and budget. The U.N. works

across the globe to maintain international peace and security, protect human rights, deliver humanitarian aid, promote sustainable development, and uphold international law. Since 2015, the U.N.'s programming and investments have been driven by the Sustainable Development Goals (SDGs), a 15-year plan divided into 17 different goals that provide a shared blueprint on how to tackle development challenges. The SDGs currently guide international development investments and track progress and effectiveness through an intersectional set of indicators.

## International Monetary Fund (IMF)

The IMF comprises 189 countries and works to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world. The IMF's primary purpose is to ensure the stability of the international monetary system.

#### **World Bank**

The World Bank provides funding, financial products, and technical assistance to support development outcomes. The Bank is governed by 189 member countries, and is one of the world's largest sources of funding and knowledge for developing countries. With strong environmental and social policies, the Bank is committed to reducing poverty, increasing shared prosperity, and promoting sustainable development.

## **Regional Multilateral Development Banks**

There are regional multilateral development banks (MDBs) including the Inter-American Development Bank, the African Development Bank, the Asian Development Bank, and the European Bank for Reconstuction and Development. Each of these MDB's provide financial assistance to countries within their regions through loans and grants. This funding is used to develop infrastructure projects, social projects, as well as policy and governmental reforms.

## THE PRIVATE SECTOR

In recent years, engagement with the international private sector has emerged as a key complement to other sources of development assistance to help accelerate economic growth and achieve greater impact and scale. Recognizing that developing economies represent many of the fastest-growing markets, customer bases, and workforces, a growing number of private sector actors including U.S. and global corporations, local businesses based in developing countries, financial institutions, impact investors, and entrepreneurs—are proactively seeking opportunities to drive growth and profitability while delivering impact in the communities and countries where they operate. Each private sector actor engages in development differently. Some are involved in advancing the development agenda through their bottom line, and others via corporate social responsibility. The DFC partners with the private sector to finance solutions to the most critical challenges facing the developing world today. They invest across sectors including energy, healthcare, critical infrastructure, and technology and support and promote U.S. private sector engagement in development.

## **Private Foundations**

Private foundations also play a vital role in international development programs as key funders for program implementation and international advocacy. Private foundations play an increasingly prominent role in the scale of their giving and in their ability to set the agenda for international development. Examples of some of the largest U.S. private foundations working to support development include The Bill & Melinda Gates Foundation, Open Society Foundations, Ford Foundation, William and Flora Hewlett Foundation, and United Nations Foundation, among others.

### **U.S.-Based International NGOs**

U.S.-based international NGOs play a critical role in implementing development and humanitarian programs, shaping international development policy, and serving as a connector for the American people.