[DISCUSSION DRAFT]

JUNE 29, 2010

111TH CONGRESS
2D SESSION

H. R. _______

To establish a framework for effective, transparent, and accountable United States foreign assistance, and for other purposes.

__________________________

IN THE HOUSE OF REPRESENTATIVES

M. __________ introduced the following bill; which was referred to the
Committee on _____________________

__________________________

A BILL

To establish a framework for effective, transparent, and accountable United States foreign assistance, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

4 (a) Short Title.— This Act may be cited as the
5 “Global Partnerships Act of 2010”.

6 (b) Table of Contents.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Findings.

Congress finds the following:

1. In an increasingly interdependent world, the health, prosperity, freedom, and security of the people of the United States are strengthened when the people of all countries can enjoy these same advantages.

2. The development of a healthier, more peaceful, democratic, just and prosperous world requires the sustained and substantial investment of United States human and financial resources in fostering international cooperation and in building the capac-

TITLE I—REDUCING GLOBAL POVERTY AND ALLEVIATING HUMAN SUFFERING

Sec. 1001. Findings.
Sec. 1002. Statement of policy.
Sec. 1003. Administration and coordination.
Sec. 1004. Voluntary cooperation in foreign assistance programs.
Sec. 1005. Encouragement of United States business participation.

Subtitle A—Reducing Global Poverty

Sec. 1011. Findings.
Sec. 1012. Statement of policy.
Sec. 1013. Principles of assistance.
Sec. 1014. Goals of assistance.
Sec. 1015. Development Support Funds.
Sec. 1016. Innovation Fund.
Sec. 1017. United States Strategy for Global Development.
Sec. 1018. Country Investment Strategies for Development.
Sec. 1019. Sector strategies for development.
Sec. 1020. Development Policy Committee.
Sec. 1021. Definitions.
ity of other countries to meet the needs of their people and to conduct themselves responsibly in the international system.

(3) Foreign assistance is not only a reflection of the values, generosity, and goodwill of the people of the United States, but also an essential means for achieving United States foreign policy and national security objectives.

SEC. 3. STATEMENT OF POLICY.

It is the policy of the United States to help build and sustain an international community composed of states that meet basic human needs, resolve conflicts peacefully, respect fundamental freedoms, cooperate to address issues that transcend national boundaries, use wisely the world’s limited resources in a sustainable manner, and work toward the achievement of economic well-being for all people.

SEC. 4. PRINCIPLES OF ASSISTANCE.

In order to maximize effectiveness and efficiency, United States foreign assistance should be carried out in accordance with the following principles:

(1) Foreign assistance is not an end in itself. The purpose of foreign assistance is to create the conditions under which it is no longer needed.
(2) United States foreign assistance should support the development of human, financial, organizational, and technical capacity of partner countries, both within government and among civil society, that is sustainable over the long term and leads to self-reliance.

(3) United States embassies and United States Agency for International Development missions in partner countries should be accorded a central role in planning, budgeting, and decisionmaking with respect to United States foreign assistance to those countries.

(4) United States foreign assistance should recognize the comparative advantages of a wide variety of implementing partners, including multilateral organizations, partner governments at all levels, private and voluntary organizations, community and faith-based organizations, educational institutions, cooperatives, credit unions, labor unions, and private enterprises, and should invest in those implementing partners best suited to achieving program objectives in the particular operating environment.

(5) Nonemergency United States foreign assistance should be provided pursuant to well-coordinated strategies with specific goals and measurable objec-
tives, while preserving the flexibility to respond to rapidly changing situations.

(6) Monitoring and evaluation of United States foreign assistance should be conducted systematically to ensure financial accountability, evaluate performance, assess impact, determine lessons learned, disseminate findings, and identify steps for improvement.

(7) The needs, views, rights, roles, and resources of women should be taken into account in all stages of the foreign assistance process, including strategic planning, budgeting, design, implementation, monitoring, and evaluation.

(8) The likely impact of United States foreign assistance policies and programs upon the environment should be taken into account in all stages of the foreign assistance process, and effective action should be taken to mitigate any negative impacts.

(9) The United States Government should publish timely, detailed, and comprehensive information on the budgeting, delivery, and expenditure of United States foreign assistance in order to enhance transparency and accountability for results.

(10) United States foreign assistance should be conducted within a coherent and coordinated struc-
turation that establishes clear lines of authority, delineates responsibilities, rationalizes functions, closes gaps, promotes policy consistency, and ensures civilian leadership.

(11) To ensure that United States foreign assistance achieves its intended objectives and to maximize its impact, the United States Government should design and implement such assistance in partnership with local stakeholders, including as appropriate and feasible, governments, civil society organizations, and affected communities.

(12) The success of United States foreign assistance in meeting humanitarian, foreign policy, and national security objectives depends on the sustained commitment of adequate and reliable budgetary resources as well as on the development, training, and maintenance of a diverse and experienced corps of professionals to design, manage, implement, and monitor such foreign assistance.

SEC. 5. PURPOSES OF ASSISTANCE.

United States foreign assistance under this Act shall be provided in accordance with the policy set forth in section 3 and the principles set forth in section 4 to achieve the following interrelated and mutually-reinforcing purposes:
(1) Reducing global poverty and alleviating human suffering.

(2) Advancing peace and mitigating crises.

(3) Supporting human rights and democracy.

(4) Building and reinforcing strategic partnerships.

(5) Combating transnational threats.

(6) Sustaining the global environment.

(7) Expanding prosperity through trade and investment.

SEC. 6. MONITORING AND EVALUATION OF UNITED STATES FOREIGN ASSISTANCE.

(a) IN GENERAL.—The President shall develop and implement a rigorous system to evaluate the effectiveness and efficiency of United States foreign assistance.

(b) COMPONENTS OF SYSTEM.—In order to avoid duplication, ensure comprehensive coverage, promote high and uniform standards, and facilitate comparability of results and the development of a strong body of evidence, the system required under subsection (a) shall include—

(1) a method of coordinating monitoring and evaluation activities among all Federal agencies carrying out United States foreign assistance; and

(2) a process for consulting with relevant stakeholders and subject matter experts, as appropriate,
on the planning, design, and implementation of evaluation activities and dissemination of evaluation findings.

(c) REQUIRED ACTIONS.—In carrying out subsection (a), the President shall ensure that the head of each Federal agency takes the following actions with regard to United States foreign assistance carried out by that agency:

(1) Establish measurable and meaningful performance objectives, including gender-specific objectives where appropriate.

(2) Establish criteria for the selection of programs, projects, and activities to be subject to various evaluation methodologies, with a particular emphasis on impact evaluation.

(3) Establish or designate an organizational unit with adequate staff and resources to oversee and provide technical support for appropriate evaluation activities.

(4) Develop a plan for improving the capacity of the agency to conduct rigorous and objective program monitoring and evaluation, including by—

(A) expanding relevant education and training opportunities;
(B) encouraging the adoption of improved methodologies for data collection and analysis; and

(C) ensuring that best practices are shared within and between agencies.

(5) Establish guidelines for enhancing, in cooperation with other donors, the capacity of partner countries to monitor the use of and evaluate the impact of donor assistance.

(6) Establish a process for applying the findings and results of monitoring and evaluation activities, including impact evaluation research, into future program planning, budgeting, design, and implementation.

(7) Establish a policy for the publication of program evaluations.

(8) Develop, in consultation with relevant stakeholders, as appropriate, an annual evaluation plan that describes how the agency will meet the requirements of this section.

(9) Request in the annual budget appropriate funding to conduct monitoring and evaluation of United States foreign assistance carried out by such agency.
(d) Submission of Evaluation Plans.—The President shall ensure that the evaluation plans required by subsection (c)(8) are submitted to the appropriate congressional committees each year along with the annual budget presentation, and are published on a government website.

(e) Authorized Uses of Assistance.—Up to 5 percent of the amounts made available for programs, projects, and activities under this Act in a fiscal year may be used to monitor and evaluate such programs, projects, and activities, in addition to amounts otherwise available for such purposes.

(f) Local Performance.—To the extent feasible and appropriate, evaluation activities carried out pursuant to the requirements of this section shall be carried out by, or with the participation of, organizations in the partner country.

(g) Definitions.—In this section:

(1) Evaluation.—The term “evaluation” means the systematic and objective determination and assessment of the design, implementation, and results of an on-going or completed program, project, or activity.

(2) Impact.—The term “impact” means a long-term effect of a program, project, or activity,
whether positive or negative, direct or indirect, intended or unintended.

(3) **Impact Evaluation Research.**—The term “impact evaluation research” means the application of research methods and statistical analysis to measure the extent to which an impact can be attributed to a United States foreign assistance program, project, or activity rather than to other factors.

(4) **Performance Monitoring and Improvement.**—The term “performance monitoring and improvement” means a continuous process of collecting, analyzing, and using data to compare how well a program, project, or activity is being implemented against expected results and program costs and to make appropriate improvements accordingly.

(5) **Relevant Stakeholder.**—The term “relevant stakeholder” means an organization involved in the funding, design, implementation, auditing or oversight of the United States foreign assistance program being monitored or evaluated, and includes Federal agencies, Inspectors General, the Government Accounting Office, appropriate congressional committees, partner countries, and implementing partners.
SEC. 7. DEFINITIONS.

Except as otherwise provided, in this Act:

(1) Administrator.—The term “Administrator” means the Administrator of the United States Agency for International Development.

(2) Appropriate congressional committees.—The term “appropriate congressional committees” means the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

(3) Civil society organization.—The term “civil society organization” means a registered or unregistered nongovernmental organization, including a community group, nonprofit organization, business association, cooperative, credit union, labor union, educational or research institution, independent media organization, or private enterprise.

(4) Federal agency.—The term “Federal agency” has the meaning given the term Executive agency in section 105 of title 5, United States Code.

(5) Implementing partner.—The term “implementing partner”—

(A) means a non-United States Government entity that enters into an agreement with the United States Government relating to the
use by the entity of United States foreign assistance; and

(B) includes a public or private grantee or contractor and any subgrantee or subcontractor thereof.

(6) PARTNER COUNTRY.—The term “partner country” means a country or area that is receiving or is eligible to receive United States foreign assistance.

(7) SECRETARY.—The term “Secretary” means the Secretary of State.

(8) UNITED STATES FOREIGN ASSISTANCE.—The term “United States foreign assistance” means—

(A) assistance authorized under this Act;

(B) assistance authorized under any other provision of law that is classified under budget function 150 (International Affairs); and

(C) official development assistance, humanitarian assistance, and reconstruction assistance authorized under any provision of law.
TITLE I—REDUCING GLOBAL POVERTY AND ALLEVIATING HUMAN SUFFERING

SEC. 1001. FINDINGS.

Congress finds the following:

(1) The abject and dehumanizing conditions of extreme poverty, which affect more than a billion people around the world, are inimical to the achievement of a healthy, peaceful, democratic, just and prosperous world and an affront to shared human values.

(2) A principal objective of United States foreign policy is reducing global poverty and its worst physical manifestations through the encouragement and sustained support of the people of developing countries in their efforts to acquire the knowledge and resources essential to building the economic, political, and social institutions that will improve the quality of their lives.

(3) United States efforts to reduce global poverty and alleviate human suffering reflect the compassion and generosity of the American people, while also serving United States economic and national security interests. Poor and unstable countries make unreliable trading partners and weak markets for
United States goods and services. Violent extremism that threatens United States national security flourishes where democratic governance is weak, justice is uncertain, and legal avenues for change are in short supply.

(4) Complementing the long-term objective of reducing global poverty, the humanitarian concern and tradition of the people of the United States demands a commitment to saving lives and alleviating human suffering resulting from natural and human-caused disasters, and to taking effective action to prevent, prepare for, and mitigate such disasters.

(5) Pursuit of these interrelated objectives requires that development and humanitarian concerns be fully reflected throughout United States foreign policy, and that resources for these purposes be adequately and reliably budgeted and effectively and efficiently utilized.

(6) In order to achieve United States foreign policy and national security objectives, the United States should act in concert with other countries and multilateral institutions to mobilize adequate resources from public and private sources for poverty reduction and humanitarian relief.
SEC. 1002. STATEMENT OF POLICY.

It is the policy of the United States to undertake best efforts to—

(1) reduce global poverty, including by establishing and meeting, in cooperation with developing country governments, other public and private donors, multilateral institutions, nongovernmental organizations, businesses, and affected communities, international targets for the reduction of poverty; and

(2) prevent, prepare for, mitigate, and respond to humanitarian crises wherever such crises may occur.

SEC. 1003. ADMINISTRATION AND COORDINATION.

Except as otherwise provided in this title, the Administrator of the United States Agency for International Development, acting under the foreign policy guidance of the Secretary of State, shall have primary responsibility for administering this title and for coordinating United States international policies and programs for reducing poverty and alleviating human suffering.

SEC. 1004. VOLUNTARY COOPERATION IN FOREIGN ASSISTANCE PROGRAMS.

(a) FINDINGS.—Congress finds the following:

(1) The sustained participation of United States private and voluntary organizations, commu-
Community and faith-based organizations, charitable foundations, labor unions, cooperatives, and credit unions in international development and humanitarian relief, rehabilitation, and reconstruction serves as an important means of improving the lives of the poor in developing countries and enhances the likelihood that United States humanitarian and development goals will be attained.

(2) Such organizations, foundations, unions, and cooperatives, by mobilizing private United States financial and human resources, reflect the values and goodwill of the people of the United States and embody the American spirit of self-help.

(3) Similarly, the sustained participation of United States educational institutions in building the research, educational, and service capacities of developing countries is vital to the economic and social development of those countries, and at the same time strengthens the faculty and programs available to United States students.

(4) Because of their ability to leverage private contributions, private and voluntary organizations, community and faith-based organizations, charitable foundations, labor unions, cooperatives, credit unions, and educational institutions are extremely
cost-effective partners for providing United States foreign assistance.

(5) Because such entities, often using their own resources, develop and maintain long-term and independent relationships with their counterparts in foreign countries, they provide great expertise in program implementation, an important source of knowledge about local needs, attitudes, customs, and conditions, and a critical means for building trust and goodwill with local communities.

(b) STATEMENT OF POLICY.—It is the policy of the United States to—

(1) support, as appropriate, international activities of United States private and voluntary organizations, community and faith-based organizations, charitable foundations, labor unions, cooperatives, credit unions, and educational institutions in furtherance of the goals of this title;

(2) encourage the participation of such entities in the planning, development, implementation, and evaluation of assistance;

(3) strengthen the capacity of such entities, without compromising their private and independent nature, to undertake effective international assistance efforts;
streamline and simplify the process by which such entities may compete for resources made available under this title; and

(5) maximize the effectiveness of United States foreign assistance by expanding investments in non-profit implementing partners to strengthen local capacity and improve program sustainability.

SEC. 1005. ENCOURAGEMENT OF UNITED STATES BUSINESS PARTICIPATION.

(a) FINDINGS.—Congress finds the following:

(1) United States businesses are significant contributors to humanitarian relief and broad-based economic growth in developing countries, through—

(A) the donation of financial resources, technology, goods, and services;

(B) the provision of training, technical, managerial, and business skills;

(C) the investment of capital and the development of trade relationships;

(D) the establishment and maintenance of partnerships with the governments of developing countries, local communities, and civil society organizations;

(E) the mentoring of local businesses and entrepreneurs;
(F) the establishment of and adherence to voluntary codes of conduct in areas such as labor, the environment, and human rights;

(G) the expansion of job opportunities in impoverished communities; and

(H) the encouragement of private sector development and of the legal and institutional framework to support such development.

(2) By leveraging contributions of United States businesses and facilitating public-private partnerships, the United States Government can maximize the impact of its efforts to improve social and economic conditions in developing countries.

(b) STATEMENT OF POLICY.—It is the policy of the United States to—

(1) encourage and facilitate, to the maximum extent practicable, participation by United States businesses in achieving the purposes of this title;

(2) promote awareness by United States businesses, including small businesses, of opportunities to promote economic growth and expand markets in developing countries;

(3) facilitate partnerships between United States business and international and local nongovernmental organizations, including private and
voluntary organizations, community and faith-based
organizations, charitable foundations, labor unions,
cooperatives, credit unions, and educational institu-
tions, to reduce poverty and alleviate human suf-
fering;

(4) build strategic alliances with United States
businesses, drawing on their unique assets and expe-
rience, to solve complex problems in developing coun-
tries; and

(5) co-design, co-fund, and co-manage projects
with United States business partners to meet jointly-
agreed development objectives.

Subtitle A—Reducing Global
Poverty

SEC. 1011. FINDINGS.

Congress finds the following:

(1) The goal of international development is to
improve the quality of life for all people while pre-
serving that opportunity for future generations.

(2) Successful economic development includes
the eradication of extreme poverty and its worst
physical manifestations.

(3) While each country must marshal its own
economic and human resources in order to build and
maintain the political, social, and economic institu-
tions necessary to reduce poverty and improve the quality of life for its people, the magnitude of the need far exceeds the resources of most developing countries.

(4) The United States has acknowledged a collective responsibility for, as well as a national interest in, the reduction of global poverty through the promotion of long-term development that is participatory, equitable, self-reliant, and environmentally sustainable.

(5) Development is a long-term process that requires sustained attention and resources. United States foreign assistance to achieve short-term political objectives or meet emergency humanitarian needs should not come at the expense of efforts to address the root causes of poverty and human suffering.

SEC. 1012. STATEMENT OF POLICY.

It is the policy of the United States to reduce global poverty by helping poor people in developing countries to participate in a process of self-sustaining, equitable, and environmentally-sound economic growth through productive work and to influence decisions that shape their lives, with the goal of increasing their incomes and their access to public services that will enable them to satisfy their
basic needs, exercise their rights, and lead lives of decency, dignity, and hope.

SEC. 1013. PRINCIPLES OF ASSISTANCE.

In order to maximize the reduction of global poverty, assistance under this subtitle should be carried out in accord-ance with the following principles:

(1) Development is primarily the responsibility of the people of developing countries themselves. Assistance should be used in support of, rather than substitution for, the self-help efforts that are essential to successful economic development.

(2) Assistance should be demand-driven and designed to support country ownership by respecting the development goals chosen through an open and inclusive process by each country receiving assistance.

(3) The United States Government should work to broaden country-level policy dialogue on development by promoting an open and inclusive process for choosing development goals, and by increasing the capacity of all development stakeholders to participate meaningfully in that process.

(4) Assistance should be concentrated in countries that have the greatest need for outside assistance and that will make the most effective use of
such assistance in achieving the purposes of this subtitle.

(5) Program selection and design should be linked to results, by using performance frameworks and indicators that are included in or consistent with a developing country’s national development strategy, where possible, and by strengthening the country’s capacity and demand for results-based management.

(6) To the maximum extent feasible, the United States Government should use developing country systems for delivering assistance. Where use of such systems is not feasible, the United States should establish additional safeguards and measures in ways that strengthen rather than undermine country systems.

(7) In countries whose governments are unsuitable development partners, the United States can carry out effective development activities by working in partnership with local and international non-governmental organizations.

(8) Assistance should focus on building the self-sufficiency of developing countries by upgrading human, technical, and institutional capacity, both inside and outside government, to effectively plan,
manage, implement, monitor, and evaluate policies and programs to reduce poverty and promote broad-based and sustainable economic growth.

(9) The United States Government should take all appropriate steps to harmonize its planning, funding, conditionality, disbursement, monitoring, evaluation, and reporting with governments of developing countries and with other donors, including multilateral institutions, in order to simplify and reduce the administrative burdens, achieve a more effective division of labor that builds on donors’ comparative advantages, and improve accountability for results.

(10) In consultation with Congress and in conjunction with the Development Policy Committee established under section 1020, the Administrator should engage in strategic and budgetary planning over a three- to five-year period that will enable the disbursement of assistance in a more timely and predictable manner.

(11) The United States should publicly disclose regular, detailed, and timely information on Federal budgets, disbursements, and planned future allocations of assistance, including the amounts, objectives, categories and types, countries, conditionality,
implementing partners, and, when available, results, in order to provide greater transparency and accountability to the people of the United States and intended beneficiaries, and to enable more accurate budgeting, accounting, and auditing by developing countries.

(12) Personnel and management systems of the United States Agency for International Development should incorporate incentives for innovation and experimentation, with tolerance of reasonable risk-taking.

(13) Poverty reduction efforts should promote a policy environment and legal framework that is conducive to broad-based and sustainable economic growth, including respect for the rule of law, fair and timely administration of justice, representative and accountable institutions of governance, protection of human rights and fundamental freedoms, mechanisms of accountability and transparency, security of person, property and investments, enforcement of contracts and intellectual property rights, encouragement of private enterprise, free markets and labor rights, and a vibrant and informed civil society.
(14) An effective United States strategy to promote global poverty reduction and contribute to broad-based, sustainable economic growth must incorporate all United States policies having an impact on development, which include foreign assistance, debt relief, trade, agriculture, migration and remittances, environmental protection, technology transfer, and arms sales.

(15) Assistance should be provided in a manner that is flexible enough to adapt to the unique needs and capabilities of specific developing countries and changing situations on the ground, while remaining transparent and predictable enough to allow developing countries and implementing partners to plan and budget efficiently.

(16) Assistance should give priority to undertakings that will directly improve the lives of the poorest and most disempowered people, especially women, and strengthen their capacity to participate in the political, economic, and social development of their countries.

(17) Poverty measurement tools and gender analysis should be used to improve the targeting of assistance, and to ensure that a substantial percentage of assistance directly improves the lives of the
poor, with special emphasis on women and children
and those individuals living in extreme poverty.

(18) Assistance should encourage and promote
the full participation of women in the national
economies of developing countries and the improve-
ment of women’s status, both as a matter of funda-
mental human rights and political equality, and as
an important means of promoting effective develop-
ment.

(19) Policies and programs carried out under
this subtitle should promote, protect, and ensure the
full and equal enjoyment of all human rights and
fundamental freedoms by all persons with disabil-
ities, respect their inherent dignity, and encourage
their full and effective participation in society on an
equal basis with others.

(20) International and United Nations-affiliated
agencies and multilateral development institutions
are essential components of United States poverty
reduction efforts. The United States Government
should recognize the comparative advantages of such
institutions, particularly with respect to investments
in capital-intensive projects and in countries and re-
regions where the United States does not have a large
physical presence, while supporting reforms to make
such institutions more accountable, responsive, and representative. In addition to direct financial contributions, the United States Government should provide technical and logistical assistance to such institutions as appropriate.

(21) Private foundations and corporate giving are increasingly important sources of development resources. The United States Government should help to link the United States private sector with appropriate local partners, to encourage private investment in economic and social development programs to which the United States lends support, and to ensure complementarity between public and private development efforts.

(22) Assistance should be planned and utilized to encourage regional cooperation among developing countries in the solution of common problems and the development of shared resources.

SEC. 1014. GOALS OF ASSISTANCE.

In order to reduce poverty in developing countries, assistance under this subtitle shall be designed to further the following goals:

(1) Enhancing livelihoods and incomes.

(2) Promoting food security.

(3) Advancing health.
(4) Expanding education.

(5) Protecting and restoring the natural environment.

(6) Improving access to safe water, shelter, and sanitation.

(7) Fostering equal opportunity.

(8) Strengthening democratic governance.

**SEC. 1015. DEVELOPMENT SUPPORT FUNDS.**

(a) **AUTHORIZATION OF ASSISTANCE.**—

(1) **IN GENERAL.**—The Administrator is authorized to provide assistance, on such terms and conditions as the Administrator may determine, to developing countries, in accordance with the policy described in section 1012 and the principles described in section 1013, to further the goals described in section 1014.

(2) **COUNTRY STRATEGIES.**—Of the amounts made available under paragraph (1), [____ percent] shall be made available to prepare and carry out Country Investment Strategies for Development described in section 1018.

(3) **AVAILABILITY.**—Funds made available under this section for a fiscal year are authorized to remain available until expended.
(4) DESIGNATION OF FUNDS.—Assistance authorized under this subsection shall be known as “Development Support Funds”.

(b) SUSTAINABILITY AND LOCAL PROCUREMENT.—In providing assistance authorized under subsection (a), the Administrator—

(1) shall, to the maximum extent feasible, emphasize the development of local capacity and the establishment of sustainable institutions in the developing country; and

(2) should, to the extent feasible and if cost-effective, procure required goods and services in the developing country.

(e) FACTORS.—In determining the amount of assistance to be provided for each country under subsection (a)(2), the Administrator shall take into account the following factors:

(1) The absolute number and proportion of people in such country living in poverty.

(2) The country’s ranking on the Human Development Index or other similar measures of living standards and overall well-being.

(3) The country’s per capita income.

(4) The availability of domestic resources for development within such country.
(5) The availability of resources from other donors and investors in such country.

(6) The extent to which there is a political, social, and economic environment in such country that will enable funds to be used effectively and accountably to achieve lasting results.

(7) The performance record of the country in reducing poverty and responsibly using United States foreign assistance, if any, in the previous three to five-year period.

(8) The importance of reducing poverty in such country to United States foreign policy and national security.

(9) The amounts of assistance expected to be furnished to the country under other provisions of law.

(10) The country’s demonstrated commitment to its own development, including investments in the health, education and well-being of its people.

(d) CRITERIA AND METHODOLOGY.—

(1) ESTABLISHMENT.—The Administrator shall establish the criteria and methodology for determining the amount of assistance to be provided for each developing country under subsection (a). Such criteria and methodology shall—
(A) be based on the factors listed in subsection (e), along with such other factors as the Administrator determines to be appropriate;

(B) use, to the maximum extent possible, objective and quantifiable indicators; and

(C) ensure that an appropriate proportion of funds are made available for each geographic region of the world.

(2) CONGRESSIONAL CONSULTATION.—The Administrator shall consult with the appropriate congressional committees on the criteria and methodology, including indicators, established pursuant to paragraph (1).

(3) PUBLIC AVAILABILITY.—The criteria and methodology, including indicators, established pursuant to paragraph (1) shall be made publicly available on the website of the United States Agency for International Development.

(4) ANNUAL BUDGET SUBMISSION.—For each fiscal year, the Administrator shall include in the Congressional Budget Justification for Foreign Operations the rankings of each developing country according to the criteria and methodology established pursuant to paragraph (1).
(e) **FULL FUNDING OF PROJECTS AND ACTIVITIES.**

1. **IN GENERAL.**—Subject to paragraph (2), funds may be obligated to carry out a Country Investment Strategy for Development transmitted under section 1018 or a sector strategy for development transmitted under section 1019 only pursuant to an agreement for a project or activity that constitutes an obligation of the full estimated amount of United States Government assistance for the life of such project or activity.

2. **RULES OF CONSTRUCTION.**—For purposes of this section—

   (A) an obligation includes any sub-obligation of funds initially obligated under a Strategic Objective Agreement or other similar agreement;

   (B) an agreement includes any grant, cooperative agreement, or contract entered into by the United States Government or a partner country with funds made available to carry out this subtitle; and

   (C) funds, in addition to those obligated pursuant to subsection (a), may be obligated for a project or activity if the Administrator deter-
mines, on a case-by-case basis, and reports such
determination to the appropriate congressional
committees, that an additional obligation of
funds is necessary in order to enable the Ad-
ministrator to meet development objectives that
could otherwise not be met absent such addi-
tional obligation.

(3) OUTLAYS AND EXPENDITURES.—The re-
quirement in paragraph (1) shall not be construed to
require outlays or expenditures for a project or ac-
tivity which does not meet all applicable conditions
relating to performance, accountability, and eligi-
bility.

SEC. 1016. INNOVATION FUND.

(a) ESTABLISHMENT.—The Administrator is author-
ized to establish a fund to support social entrepreneurship,
innovative projects, and the identification of successful
projects that may be replicated or scaled up in developing
countries.

(b) FUNDING.—The Administrator is authorized—

(1) to transfer to the fund up to $10,000,000
of amounts made available for a fiscal year under
section 1015, which may be used notwithstanding
any other provision of law; and
(2) to accept contributions to the fund from foundations, corporations, and educational and non-governmental organizations.

(c) DOCUMENTATION.—A detailed description of all obligations and expenditures from the fund shall be made publicly available on the Internet, including a description of amounts, beneficiaries, locations, and intended purposes, at the time the obligation or expenditure is made.

(d) LESSONS LEARNED.—Each project supported by the fund shall be independently evaluated, and the results and lessons learned shall be made publicly available on the website of the United States Agency for International Development.

SEC. 1017. UNITED STATES STRATEGY FOR GLOBAL DEVELOPMENT.

(a) IN GENERAL.—Under the direction of the President, and consistent with the results of the Quadrennial Diplomacy and Development Review, the Development Policy Committee established under section 1020 shall prepare on a quadrennial basis a comprehensive strategy to further the United States foreign policy objective of promoting global development. Such strategy shall be known as the “United States Strategy for Global Development”.


(b) ELEMENTS.—The strategy required under subsection (a) shall—

(1) establish clear and specific goals and objectives for United States policies and programs to advance global development that are consistent with the provisions of this Act, internationally-agreed development goals, and developing country priorities;

(2) explain how such goals and objectives are informed by and will be coordinated with internationally-agreed goals, developing country strategies, and the programs of other bilateral and multilateral donors;

(3) identify major policy changes and key priorities for assistance that will be necessary to achieve such goals and objectives;

(4) define the respective roles of each Federal agency in carrying out the strategy;

(5) outline a process to enhance coordination among each such agency to ensure policy and program coherence;

(6) review and improve mechanisms for coordinating United States development policies and programs with policies and programs of other development stakeholders;
(7) describe how crosscutting themes such as gender equality and conflict prevention will be integrated throughout the strategy;

(8) recommend the proportion of amounts made available under section 1015 that should be used for Country Investment Strategies for Development pursuant to section 1018;

(9) recommend mechanisms to ensure that the strategy can be adjusted to respond to new information and changing situations on the ground and to reflect best practices and lessons learned; and

(10) estimate the requirements for human and financial resources and overseas infrastructure to carry out the strategy over the subsequent four-year period.

(e) Consultation.—In preparing the strategy required under subsection (a), the Development Policy Committee established under section 1020 shall consult with the appropriate congressional committees and development stakeholders.

(d) Transmission to Congress.—

(1) In general.—Not later than 180 days after the date of the enactment of this Act and every four years thereafter, the President shall transmit to the appropriate congressional committees a copy of
the strategy required under subsection (a). The strategy shall be transmitted in unclassified form, but may contain a classified annex if necessary.

(2) AVAILABILITY TO PUBLIC.—The strategy transmitted under paragraph (1) (other than the classified annex, if any) shall be published on the White House website at the time of transmission to the appropriate congressional committees.

SEC. 1018. COUNTRY INVESTMENT STRATEGIES FOR DEVELOPMENT.

(a) IN GENERAL.—Every three to five years, the Mission Director of the United States Agency for International Development in each country described in subsection (b) shall prepare a strategy for United States policies and programs relating to development in such country. Such strategy shall be known as the “Country Investment Strategy for Development”.

(b) COUNTRY DESCRIBED.—A country described in this subsection is a country in which—

(1) there is a full United States Agency for International Development mission; and

(2) significant violent conflict is neither ongoing nor likely.

(c) ELEMENTS.—The strategy required under subsection (a) shall contain the following elements:
(1) An overview of the country’s own development strategy, as reflected in its Poverty Reduction Strategy Paper or other official documents.

(2) An analysis of the process by which the country established its development strategy, including the extent to which the strategy reflects the input of poor people, women, disadvantaged groups, and affected communities.

(3) An assessment of the country’s vulnerability to a natural or human-caused disaster and to the outbreak of violent conflict, and the steps being taken to prevent, prepare for, or mitigate such a disaster or conflict.

(4) An assessment of the progress the country has made toward meeting its development goals and of the results of United States assistance in the previous three to five years.

(5) An analysis of the major obstacles and challenges to achievement of the country’s development strategy, or in cases in which there is no strategy or the strategy is deeply flawed, the obstacles and challenges to achievement of internationally-agreed development goals in that country.

(6) A description of the specific ways in which the United States can most effectively invest in the
country’s development, including a review of the roles of the various donors and the areas of United States comparative advantage.

(7) A description of the roles of each participating Federal agency in carrying out the strategy.

(8) A list of the development stakeholders consulted in preparing the strategy.

(9) A description of the mechanisms by which United States Government policies and programs relating to development will be harmonized with the country’s development strategy and assistance from other donors.

(10) A description of the linkages between the Country Investment Strategy for Development and relevant sector strategies for development, including any assistance to be provided for the country pursuant to a sector strategy.

(11) An evaluation of the risks and tradeoffs contained in the approach recommended in the strategy.

(12) Specific, measurable goals and objectives for United States development assistance to the country over the next three to five years, including a list of indicators to be used in assessing impact, which to the maximum extent practicable shall re-
flect the country’s development strategy, shall be
gender-specific, and shall emphasize the reduction of
extreme poverty.

(13) The total amount of United States develop-
ment assistance requested for the country, and the
estimated amount that would be devoted to each
such goal and objective for United States assistance.

(14) A description of the types of projects and
activities to be supported in pursuit of each such
goal and objective for United States assistance and
the estimated amount of assistance to be provided
for each project and activity.

(15) A description of the likely partners for
each type of project or activity, which to the max-
imum extent practicable shall utilize and strengthen
partner-country procurement and delivery systems.

(16) A description of the personnel resources
needed to implement the strategy, and any bureau-
cratic, logistical, or infrastructural impediments to
deploying such resources.

(17) A description of how United States assist-
ance will build local capacity, strengthen country
ownership, improve country systems, and reflect
country priorities.
(18) A plan and budget for monitoring the performance and evaluating the impact of United States assistance, which to the maximum extent practicable shall utilize and strengthen country monitoring and evaluation systems, and shall include data on a sex-disaggregated basis.

(19) A description of how United States assistance will help to promote regional cooperation and integration.

(d) CONSULTATION.—In preparing the strategy required under subsection (a), the Mission Director shall consult with a wide range of development stakeholders in the country.

(e) REVIEW AND APPROVAL.—

(1) BY ADMINISTRATOR.—Each strategy required under subsection (a) shall be submitted to the Administrator for review and approval.

(2) BY DPC.—Each strategy reviewed and approved under paragraph (1) shall be transmitted to the Development Policy Committee established under section 1020 for review and approval.

(f) CLASSIFIED ANNEX.—In countries in which the Administrator determines that the publication of detailed information about United States development activities and partners would jeopardize the success of such activi-
ties or endanger the physical security of such partners, the strategy required under subsection (a) may contain a classified annex.

(g) **TRANSMISSION.**—

(1) **TO CONGRESS.**—The strategy required under subsection (a), including the classified annex (if any), shall be transmitted to the appropriate congressional committees.

(2) **TO COUNTRY.**—The strategy required under subsection (a), other than the classified annex (if any), shall be officially transmitted to the government of the country at the same time it is transmitted to the appropriate congressional committees under paragraph (1).

(3) **PUBLIC AVAILABILITY.**—The strategy required under subsection (a), other than the classified annex (if any), shall be published on the website of the United States Agency for International Development not later than 3 days following transmission to the government of the country under paragraph (2).

(4) **REVISIONS.**—

(A) **IN GENERAL.**—The strategy required under subsection (a) may be revised at any time, but any significant revision to the strategy shall be subject to the same consultation,
review, and transmission requirements that are applicable to a strategy required under subsection (a).

(B) DEFINITION.—In this paragraph, the term “significant revision” means—

(i) a change to a goal, objective, or indicator;

(ii) a change of more than 20 percent of—

(I) the amounts to be provided for a goal or objective; or

(II) the number of personnel required; or

(iii) a change in the general nature of the projects or activities to be supported.

(h) IMPLEMENTATION.—None of the funds made available under section 1015 may be used to carry out a strategy required under subsection (a) until at least 15 days after the strategy is transmitted to the appropriate congressional committees pursuant to subsection (g).

SEC. 1019. SECTOR STRATEGIES FOR DEVELOPMENT.

(a) IN GENERAL.—Every four years, the Administrator shall prepare, consistent with the results of the Quadrennial Diplomacy and Development Review and the United States Strategy for Global Development estab-
lished under section 1017, individual strategies for achieving each of the global goals described in subsection (b).

(b) GLOBAL GOALS DESCRIBED.—The global goals described in this subsection are—

(1) enhancing livelihoods and incomes;

(2) promoting food security;

(3) advancing health;

(4) expanding education;

(5) protecting and restoring the natural environment;

(6) improving access to safe water, shelter and sanitation;

(7) fostering equal opportunity; and

(8) strengthening democratic governance.

(c) ELEMENTS.—Each strategy required under subsection (a) shall include—

(1) specific objectives for the next four-year period, including indicators and other measurements of success;

(2) a description of how such objectives relate to, are informed by, and will be coordinated with those of partner countries, as well as with those of other bilateral and multilateral donors;
(3) a description of the roles of each Federal agency in carrying out the strategy, and the mechanisms for coordination;

(4) a description of policies and programs needed to achieve such objectives, and the proportion of resources to be provided to such policies and programs;

(5) a list of priority countries, regions, and intended beneficiaries, on which resources would be focused;

(6) a description of how the policies, programs, objectives and priorities have been informed by, and will respond to, conflict strategies and assessments issued pursuant to section 2xxx of this Act;

(7) an analysis of the key opportunities and challenges for achieving favorable results in the next four-year period;

(8) a mechanism for ensuring that policies and programs undertaken pursuant to the strategy inform and are informed by, build upon, contribute to, and otherwise advance policies and programs pursuant to each of the other sector strategies required under this section;
(9) the amounts devoted to similar purposes in the previous four-year period, the results achieved and the lessons learned; and

(10) the requirements for human and financial resources and overseas infrastructure to carry out the strategy over the next four-year period.

(d) Consultation.—In preparing each strategy required under subsection (a), the Administrator shall consult with the appropriate congressional committees and a wide range of development stakeholders.

(e) Review and Approval.—Each strategy required under subsection (a) shall be transmitted to the Development Policy Committee established under section 1020 for review and approval, prior to submission to the appropriate congressional committees under subsection (f).

(f) Transmission to Congress.—

(1) Schedule.—At the time of transmission of the United States Strategy for Global Development pursuant to section 1017, the Development Policy Committee established under section 1020 shall transmit to the appropriate congressional committees a schedule for the completion within the next two years of an initial strategy for each of the goals described in subsection (b).
(2) **Regular Transmission.**—Each strategy required under subsection (a) shall be transmitted to the appropriate congressional committees.

(3) **Public Availability.**—Each strategy required under subsection (a) shall be published on the website of the United States Agency for International Development not later than 3 days following transmission to the appropriate congressional committees.

(4) **Revisions.**—

(A) **In General.**—Each strategy required under subsection (a) and transmitted pursuant to paragraph (2) may be revised at any time, but any significant revision to the strategy shall be subject to the same consultation, review, and transmission requirements that are applicable to a strategy required under subsection (a).

(B) **Definition.**—In this paragraph, the term “significant revision” means—

(i) a change to an objective or indicator;

(ii) a change in the general nature of the policies and programs to be supported;

(iii) a change in the priority countries, regions, or intended beneficiaries; or
(iv) a change of more than 10 percent of the proportion of resources to be provided to a policy or program.

(g) IMPLEMENTATION.—None of the funds made available under section 1015 may be used to carry out a strategy required under subsection (a) until at least 15 days after the strategy is transmitted to the appropriate congressional committees pursuant to subsection (f).

SEC. 1020. DEVELOPMENT POLICY COMMITTEE.

(a) ESTABLISHMENT.—The President shall establish a Development Policy Committee (in this section referred to as the “Committee”) to coordinate United States budgets, policies, and programs affecting international development.

(b) MEMBERSHIP.—The Committee shall be composed of the Administrator of the United States Agency for International Development and a senior representative of each Federal agency with policies or programs significantly affecting international development, including each of the following:

1. The Department of Agriculture.
2. The Department of Commerce.
3. The Department of Defense.
4. The Department of Energy.
(5) The Department of Health and Human Services.

(6) The Department of Labor.

(7) The Department of State.

(8) The Department of Treasury.

(9) The Environmental Protection Agency.

(10) The Millennium Challenge Corporation.

(11) The Office of Management and Budget.

(12) The Office of the United States Trade Representative.

(13) The Overseas Private Investment Corporation.

(14) The United States Trade and Development Agency.

(15) Any other department, agency, or office designated by the President.

(c) CHAIRPERSON.—The President shall designate a member of the Committee to serve as its Chairperson, who shall report directly to the President.

(d) VICE CHAIRPERSON.—If the Administrator is not designated as Chairperson pursuant to subsection (c), then the Administrator shall serve as Vice Chairperson of the Committee.

(e) MEETINGS.—
(1) **Regular Meetings.**—Meetings of the Committee shall be held not less than quarterly.

(2) **Additional Meetings.**—In addition to its regular meetings, the Committee shall meet subject to the call of the Chairperson or the Vice Chairperson.

(f) **Subordinate Units.**—The Committee may establish such subordinate units as it determines necessary.

(g) **Duties.**—The Committee shall—

(1) advise the President with respect to the coordination of United States budgets, policies, and programs affecting international development, including programs of bilateral and multilateral development assistance;

(2) promote policy consistency and coherence, and minimize program gaps and duplication;

(3) prepare, on a quadrennial basis, a comprehensive strategy to further the United States foreign policy objective of reducing global poverty, as described in section 1017;

(4) review and approve, every three to five years, the country investment strategies for development in accordance with section 1018;
(5) review and approve, every four years, the sector strategies for development described in section 1019;

(6) monitor and evaluate the results and impact of the development policies and programs carried out by each Federal agency;

(7) facilitate coordination, cooperation, and information sharing among Federal agencies; and

(8) define and rationalize the role of each Federal agency in carrying out development policies and programs.

(h) STAFFING.—The head of a Federal agency represented on the Committee may temporarily assign, upon the request of the Chairperson, one or more employees from the agency to the staff of the Committee.

SEC. 1021. DEFINITIONS.

In this subtitle:

(1) DEVELOPING COUNTRY.—The term “developing country” means a country or area that is on the List of Official Development Assistance Recipients of the Development Assistance Committee of the Organization for Economic Cooperation and Development.

(2) DEVELOPMENT ASSISTANCE.—The term “development assistance” means—
(A) assistance authorized under—

(i) this subtitle;

(ii) the Millennium Challenge Act of 2003 (22 U.S.C. 7701 et seq.);

(iii) the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (22 U.S.C. 7601 et seq.);

(iv) title V of the International Security and Development Cooperation Act of 1980 (22 U.S.C. 290h et seq.; relating to the African Development Foundation); or

(v) section 401 of the Foreign Assistance Act of 1969 (22 U.S.C. 290f; relating to the Inter-American Foundation);

(B) official development assistance authorized under any provision of law; and

(C) reconstruction assistance authorized under any provision of law.

(3) DEVELOPMENT STAKEHOLDER.—The term “development stakeholder”—

(A) means a community or organization directly or indirectly affected by the success of efforts to reduce poverty and promote self-sustaining, equitable, and environmentally-sound economic growth in a partner country; and
(B) includes—

(i) national, regional, and local governments and administering authorities, legislative bodies, civil society organizations, and intended beneficiaries, including women, poor people, individuals with disabilities, and disadvantaged groups;

(ii) Federal agencies, congressional oversight committees, and implementing partners; and

(iii) other bilateral, multilateral, and private donors.