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Government Information and International Security**

Committee on Homeland Security and Government Affairs

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Chairman Coburn, Ranking Member Carper, and distinguished members of this Subcommittee, I thank you for the opportunity to appear before you today to discuss USAID's use of conferences as a venue for learning, information exchange, and program implementation.

Let me give you a brief description of what the U.S. Agency for International Development (USAID) is and what we do. USAID is one of the premier bilateral foreign aid agencies in the world, and the principal U.S. agency to deliver foreign assistance, with offices in over 80 countries. We are the chief foreign aid arm of the U.S. Government and have been in the development business for over half a century now.

USAID's current budget stands at more than \$9 billion with those resources going through grants and contracts with hundreds of U.S. local and international non-profit organizations and companies. The total official development assistance (ODA) provided by the United States for 2005 came to \$27.5 billion - a near tripling of ODA since 2001.

USAID invests these resources in a wide variety of projects including: malaria, HIV/AIDS, small business development, agricultural development, conflict resolution, rural electrification, microfinance and many other activities. We also work with countries seeking to improve their economic governance structures to attract local and international private investment by reforming their fiscal, tax, customs, banking, energy, agriculture and environmental policies.

It is in our interest to work with host country governments that strive for democratic legitimacy and rule of law, and respect human rights. We are not lenders like the World Bank or the IMF. Rather, we put our resources to work on a wide variety of grassroots projects, in many different settings. As you can discern as an Agency we are all over the map literally as it applies to our locations but figuratively as well as it applies to the extremely varied nature of our programs as I have described them. I would dare to say that under our new framework which our new Administrator, Ambassador Tobias, is currently putting in place the Agency's programs will be more focused and defined, geographically, however, we will still be all over the map.

Because of what we do and where we do it, it is very difficult to accomplish these initiatives using "normal" business and operational paradigms. We have to deal with the geographical physical distances, language barriers, communications barriers. Oftentimes the points we are trying to get across can so easily be lost in translation and absent the physical presence and ability to see the disconnect or lack of understanding an entire issue at hand can be lost. I say this as a backdrop to my discussion about the Agency's use of conferences.

Oftentimes a conference, meeting etc. is actually a venue for USAID to conduct program business. The interaction of key players in a worldwide environment is how we sell our product and our product may be an understanding of the need for a particular intervention. Sometimes all that is standing between a program and project working or not working is letting folks know about the latest thinking in how it might be used in their country's programs. Another example is in the Europe and Eurasia region where USAID sponsors conferences/workshops that seek to transfer knowledge from "graduate" countries such as Poland to countries like Romania which are still in the process of transition. All of the conferences attended are not directly working conferences but many of them are, and large portions as well are training.

We received your initial request for data back in February of 2006, and did not send an initial response back until June of 2006. It is regrettable that it took so long for USAID

to produce this information for you. We should have been able to respond much quicker but because we did not separately track conference information we were forced to go out with a data call to 80 missions worldwide to request the information. I can happily say that we have instituted for FY 2007 a new expanded object coding system which will give us the ability to arrive at these numbers rapidly and systematically, literally with the press of a button for the dollar figures. The amounts which we reported to you follow:

<u>Year</u>	<u>Amount Spent on Conferences</u>	<u>Percent of Total Budget</u>
2001	\$3,613,194	0.05%
2002	\$6,966,497	0.08%
2003	\$8,732,006	0.06%
2004	\$8,863,409	0.07%
2005	\$8,939,525	0.11%

Based on our 2007 requests we are looking at an upper limit figure of approximately \$7.2 million. This would be a substantial decrease.

I apologize that I do not have for you today the 2006 numbers requested in your August 28 letter, however, I just received that letter this week on September 11th and we currently have a data call out and will provide what information we can to you as soon as possible .

If you were to ask me if all of the conference travel was in fact necessary, I cannot personally tell you that it was. But what I would point out is that the nature of what we do and where we do it makes conference meetings extremely expensive. But I would further point out that at USAID money spent on attendance at or hosting of conferences and seminars is in direct competition with program execution dollars. I would venture to say that as a head of office, our managers would not approve a frivolous conference at the expense to putting money on the ground where positive results can be measured to the agency's favor.

I would like to now give you a few examples of the results we have derived from our participation in conferences around the world.

The United States is one of the main co-sponsors of the International Partnership on Avian and Pandemic Influenza (IPAPI). At the most recent conference held in Vienna in July of 2006 the participating nations reviewed international contributions to combat avian and pandemic influenza and agreed to focus on the critical countries such as Indonesia where donor assistance is desperately needed. The result was that an international coalition of donors (U.S., Japan, Australia, Canada, Netherlands, South Korea, Kuwait, and the World Bank) mobilized approximately \$40 million in assistance to Indonesia.

During the past year, USAID sponsored in-country stakeholder workshops in each of the seven countries targeted (so far) under the President's Malaria Initiative (PMI). These workshops typically lasted 1-2 days and brought together all organizations (public, NGO, private, international) involved with malaria prevention and treatment in the country. The objectives were to forge a consensus on how to reduce malaria mortality by 50% by 2010 (the goal of the PMI) and commit to work together to make this happen. Specific work plans were drafted following these meetings. These workshops were chaired by the Directors of the National Malaria Control Programs. Costs of conducting these events were very modest (about \$2,500 or less). As a result of strong in-country coordination and committed implementation of this initiative, the PMI is able to report over 5 million beneficiaries during the first nine months of field operations.

In May, 2003, USAID worked with Canadian CIDA and the Minister of Health of Uganda to organize and co-sponsor a high level consultation on accelerating progress toward the 2015 International Development Goal for Child Survival. This meeting was linked to a meeting of the "High Level Forum" of heads of bilateral and multilateral development agencies in Ottawa. This meeting presented the results of an analysis of child survival programs by leading international experts, followed by discussion among

senior policymakers and ministry-level representatives of developing countries of options for expanding present efforts. This conference led directly to the formation of a global partnership that includes USAID and CIDA as well as the World Bank, UNICEF, WHO, other donors such as DfID, and the Bill & Melinda Gates Foundation. Through the actions of this partnership, countries have already received increased support for child health programming, and new initiatives are being launched, including a plan for improving child survival in Africa launched this month by these partners and the African Union. So far in 2005 and 2006, approximately \$50 million in additional funding has been pledged by donors to accelerate child survival in high mortality countries.

Pneumonia is one of the major causes of preventable infant and child death in developing countries, resulting in about 2 million deaths a year. A global program for pneumonia treatment had been started in the late 1980s by WHO, but throughout the 1990s coverage of this program remained stagnant. USAID believed that this lack of progress was due to restricting this treatment to formal health facilities, while field trials had clearly demonstrated the effectiveness of treatment by community health workers. In 2002, USAID convened an informal consultation with WHO, UNICEF, and other major child survival partners to discuss this problem. The result was an international consultation held in Stockholm, where the scientific evidence and the experience of countries actually implementing community treatment of child pneumonia were presented. The country experience – much of it from USAID-supported programs like Nepal and Honduras – was especially persuasive. This review led directly to a major change in policy, with WHO and UNICEF issuing a joint statement recommending community-level treatment of pneumonia in countries where health facility coverage is limited. As a result, new programs have been launched to address community-based treatment of pneumonia in six countries, with an additional six countries now planning to begin this program in the coming year.

These are just a few examples of the benefits derived from participating in these conferences which are critical to furthering these mission related activities. Hopefully, I have also demonstrated that they are working venues for this Agency and provide a

platform for information exchange leading also to problem resolution on a worldwide scale.

At USAID, we employ strict controls over both conference sponsorship as well as conference attendance. Our Agency policy requires that approving officials ensure that the “minimum number of attendees needed to fulfill agency requirements are in attendance at any individual conference.” Further in those cases where the Agency is sponsoring a conference...”sponsoring Bureaus and offices must compare the cost of at least three conference locations.....” We believe that our separate policy governing conferences coupled with the strict required approvals for hosting conferences lends strong stewardship in this area over our scarce resources.

Mr. Chairman and members of the Subcommittee, I would like to thank you for this opportunity to share with you information about the U. S. Agency for International Development’s conference activities and spending, and I look forward to answering any questions you may have on this topic.