

Official Transcript

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**Office of Private and Voluntary Cooperation (PVC)
Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA)
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- Adele Liskov, Deputy Director, PVC

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- Mary Newton, Registrar, Office of Private and Voluntary Cooperation, DCHA
- Georgia Beans, Program Officer, Office of Foreign Disaster Assistance, DCHA
- Lowell Lynch, Director, Office of Programs, Policy and Management, DCHA
- Steven Wisecarver, Director, Office of East African Affairs, Bureau for Africa
- Antoinette Ferrara, Officer-in-Charge, Cambodia, Vietnam, Laos, Burma and Thailand, Bureau for Asia Near East
- Michael E. Zeilinger, Chief, Nutrition Division, PVO Child Survival and Health Grants Program, Bureau for Global Health
- Geoff Chalmers, Microenterprise Development Office, Bureau for Economic Growth, Agriculture and Trade

Question/Answer Session

PANEL 1: WORKING WITH USAID

Introductory Remarks by Moderator

Adele Liskov, Deputy Director, PVC

MS. LISKOV: I am Adele Liskov, Deputy Director of the Office of Private and Voluntary Cooperation (PVC). We have a group of very knowledgeable people here this morning. I would like to start with introductions. Mary Newton, to my left, is Registrar for the Agency in charge of all registration of U.S. private voluntary organizations. Mary has been in our office since 1993.

To her left is Georgia Beans, who has worked as a Program Analyst in the Office of Foreign Disaster Assistance (OFDA) for eleven years. She has worked as a liaison for OFDA with implementing partners, assisting with the award and administration of emergency relief grants.

Lowell Lynch, who is immediately to my right, is currently the Director of the Office of Program Policy and Management in our Bureau, the Bureau for Democracy, Conflict and Humanitarian Assistance. He assumed that position in January 1998. Between 1992 and 1998 he was Director of the USAID mission in Monrovia, Liberia. He has also headed food aid programs in southern Sudan, Somalia, and Bangladesh.

Steven Wisecarver, to his right, is a senior Foreign Service Officer with 25 years of international development experience. He has served in numerous USAID offices, including Senegal, Mali, Cote d'Ivoire, Yemen, and Kenya. Prior to his present position as the Director of the Office of East African Affairs, he served as Director of USAID's Regional Office in Nairobi.

Antoinette Ferrara is a Foreign Service Officer with 15 years of experience at USAID. That includes extensive experience with local NGO capacity building. She is currently the Country Desk Officer for Cambodia, Vietnam, Burma, Laos and Thailand.

Dr. Michael Zeilinger, at the end, is the Chief of the new Nutrition Office in the Office of Health, Infectious Disease and Nutrition in the Bureau for Global Health. In addition to overseeing global health work in nutrition, the division also includes their new Child Survival PVO grant programs. Prior to joining USAID, Dr. Zeilinger was the Program Director for Project Hope in the Central Asian Republics.

Geoff Chalmers is a microenterprise specialist with the Office of Microenterprise Development. He works on both microfinance and business development services, and has worked previously with a microfinance institution in Nicaragua and in the Microenterprise Office at the Inter-American Development Bank.

Presentation by Mary Newton

MS. NEWTON: In May of this year, after extensive review of the registration process of U.S. private voluntary organizations, the Agency proposed to amend the regulations to make the registration process less cumbersome and more streamlined for both applicants and the Agency.

Thanks to all of you who responded to our comment period, which lasted 60-days between May 7th and July 8th, 2002. Most of your comments were not related to the specifics of the proposed changes, but had more to do with the documentation requirements for initial and annual submissions. We want you to know that we reviewed your comments and will take them into consideration before we issue the final rule. We are aiming for the changes to the registration process to become effective on January 3rd, 2003.

We have three handouts for you this morning. First, we have a copy of the revised conditions of registration. Second we have put together a checklist of information available online at the U.S. PVO registry. The online registry has a wealth of information as well as links to all of your home pages. As a matter of fact, we have an exhibit table set up which provides a demonstration of the online registry. Also, if you are a PVC grantee, you will be able to have copies of what we call our “online country report” where you will be able to monitor the activities that you have with PVC.

Since I promised to be very brief, I'm going to keep my promise. I will be taking my seat now, but I will be available throughout the day, along with other members of the Office, to answer any and all of your questions.

Presentation by Georgia Beans

MS. BEANS: Good morning. On behalf of the Office of Foreign Disaster Assistance (OFDA), I would like to thank PVC for the opportunity to come and tell you about OFDA programs. I want to start with a very broad framework about how the International Disaster Assistance Account and International Disaster Assistance Program work.

International Disaster Assistance is authorized in Chapter 9 of the Foreign Assistance Act, and the USAID Administrator is designated as the President's Special Coordinator for International Disaster Assistance. He is charged with promoting the maximum effectiveness and coordination in response to a foreign disaster by agencies in the United States and between the United States and other donors. This is a very broad role, designated by the President, when there is an international foreign disaster.

The director of OFDA is responsible for planning, developing, achieving, monitoring and evaluating disaster relief and rehabilitation programs. OFDA provides technical support to the President's Special Coordinator and coordinates the U.S. response to a foreign disaster.

OFDA funding is not available without a "disaster declaration", and that declaration comes from the U.S. Ambassador to the affected country or the Assistant Secretary of the region for the disaster-stricken country. There are various parameters around which he is given guidance to declare a disaster.

In 2002, we had 75 declared disasters, and of those disasters, really only about 20 resulted in any large-scale funding of programs in those countries. The bulk of the disaster declarations come in and are responded to within what is called the "Ambassador's Authority". This provides the authority for an Ambassador to draw up to \$50,000 from the International Disaster Assistance Account. This is the way a lot of disasters are handled. They are handled very quickly and expeditiously through the Ambassador's office with the disbursement of those funds.

The good news for the people in this room is that disaster assistance is exempt from the USAID policy to register as a private voluntary organization. The bad news is that, generally, OFDA will engage with implementers who are already on the ground. In many countries, there are already development programs in progress, and when there is a disaster, these organizations will divert from their development activities to respond.

So the most cost-effective and expeditious response for OFDA is to work with implementers who are already on the ground. However, as a disaster continues, and some of the complex emergencies do go on for several years, OFDA tries to move to a more competitive system.

OFDA does make use of the Annual Program Statements (APS), and generally that is the competitive process that they will follow, particularly for prevention, mitigation, and preparedness programs. These are programs that are regional in nature, and will deal with very broad prevention and mitigation issues. You will see those posted on the USAID website under the Business and Procurement section for APS.

We also try to use the APS as disasters move forward. For example, we recently had an APS out for food security in Burundi. So we recognize that Burundi is at a point where they are ready to start thinking about and moving toward a transition to more of a development or rehabilitation phase. We want to start making that linkage with USAID by bringing in more formal procurement methods, trying to reshape our programs to make it an easier transition over to development.

Our main communication with our implementing partners is through our guidelines. We have published guidelines for grant proposals and reporting. I would have brought some with me today, but they are being revised. They will be presented at OFDA's biannual PVO conference, which is November 21st and 22nd. The theme will be the increasing profile of humanitarian assistance.

So that's our main method of communication. The guideline will give you a lot of information about what OFDA is looking for in terms of a development program and the framework. We do use, as USAID does, a results framework, starting with a goal, objectives, and instead of interim results, we have expected results because we have short programs. But you will see the results framework and the types of information that OFDA needs in order to make a funding decision in an emergency situation.

So that in a nutshell is OFDA's program. We have a small amount of money. It is not a big office and we do not have a lot of resources. We are very much focused on working with existing implementers on the ground and making a very cost-effective response.

Presentation by Lowell Lynch

MR. LYNCH: In thinking about this conference and the remarks I might make, it occurred to me that my most intensive and extensive experience with U.S. PVOs was when I was Mission Director in Liberia for five years, which, of course, was during the height of the Liberian civil conflict. It was a very difficult time that we all went through.

But the fact of the matter is I did work closely with a number of U.S. PVOs who were working with the emergency. This included Catholic Relief Services, CARE, World Vision, and many others, as well as European and other NGOs. I greatly valued my time working with those PVOs. I think we not only gave one another a lot of comfort and support, but we also did as best we could in terms of trying to provide relief and, in the end, some early rehabilitation assistance to the people of Liberia.

I thought what I might do in the few minutes I have, since the title of this session is 'Working with USAID', is give you a very quick primer on the Agency, and a little bit on the Bureau. At the risk of telling some of you what you already know, I'm just going to go over it very briefly so you will have a framework.

When our Administrator, Andrew Natsios, took over, he very quickly said that he wanted to reorganize the organization, and one of the things he did was to create three what are called "Pillar Bureaus". Those three are the Bureau for Economic Growth, Agriculture and Trade, the Bureau for Global Health, and ours, the Bureau for Democracy, Conflict and Humanitarian Assistance.

In addition, of course, we have the Regional Bureaus -- Africa, Latin America and the Caribbean, Europe and Eurasia, and Asia and the Near East. Then, of course, we have the central Bureaus, like Management, and independent offices, like the General Counsel's Office. In terms of the three Pillar Bureaus, Andrew was clear that he wanted to devolve responsibility and authority to our Field Missions -- our field operations -- and provide resources to the Field Missions, both through the Regional Bureaus and through the Pillar Bureaus. It is the role of the Pillar Bureaus, generally, to try to provide field support to our overseas operations.

DCHA, our Bureau, is a bit different and a bit more, I would say, complex than the other two Pillar Bureaus. We, for one thing, have a variety of funding sources. As Georgia mentioned, there is the International Disaster Assistance Account, which is a separate account under the Foreign Assistance Act.

We also have the Public Law 480 Appropriation Authorization, which funds the Food for Peace Program, which is an entirely different authorization and comes under the Farm Bill. There is another account called the Transition Initiatives Account, which provides funding for our Office of Transition Initiatives. And then, within the mainstream USAID account, we have several earmarks, which makes them almost special accounts that I won't bother going into in any detail. So that is one difference that sort of singles us out among the Pillar Bureaus.

Another is our mode of operation. It ranges from the kind of things that Georgia was talking about, such as the direct management of field programs in the case of emergencies, to the kinds of things that the Office of Democracy and Governance provides. DG, Democracy and Governance, does not manage programs in the field. It works mostly through contractual arrangements, technical assistance, and other kinds of support to Field Missions.

Let me just tick off all seven of what we call our “line offices”, meaning the offices that have line responsibility for managing operations. There is the Office of Foreign Disaster Assistance, of course, that Georgia was talking about. We have the Office of Food for Peace, which runs our Food Aid Program, and for those of you who know something about it, this is the P.L. 480 Title II program. In addition there is the Office of Transition Initiatives, which provides assistance in post-crisis transitions, and mostly political transitions.

There is also the Office of Conflict Management and Mitigation, which was newly created this year. It is just getting off the ground. The Office is the result of another clear priority that Andrew Natsios enunciated when he took over, and that is he wanted USAID to be as active as possible in dealing with failed and failing states. One of the ways we are doing this is by the creation of the Office of Conflict Management and Mitigation, although many other parts of the Bureau work on failing states' problems. In fact, sort of an organizing principle for the Bureau now is addressing problems of failed and failing states, generally.

I have talked about the Office of Democracy and Governance a bit, DG. That is the fifth one. We also have the Office of American Schools and Hospitals Abroad, which has been around since I think 1954 and provides assistance to U.S. medical and educational institutions, which have counterpart institutes overseas. Most of the assistance is for construction and physical plant type of work. Then finally, there is the Office of Private and Voluntary Cooperation, which is sponsoring this conference.

In terms of how you might work with DCHA, there are a variety of ways. Most of our programs are done through, as many of you, I am sure, know, intermediaries. In some cases, that means the United Nations or international organizations, but in the vast majority of cases, it means you, it means private and voluntary organizations.

So for starters, that is the way we operate. Those are the kinds of implementation arrangements we rely on to get the work done. The nature of the arrangements varies quite a bit among the Bureaus. Offices give grants, some do associate cooperative agreements, and there are some contracts.

There is not time to go into much detail on any of this, but I think it is fair to say that this Bureau, if not having the most to offer the PVO community in terms of opportunities for collaboration, has as much probably as any Bureau in the Agency.

Perhaps during the question-and-answer period, we can get into some more of the specifics, but I just wanted to give you a bit of a flavor of the new organization of the Agency and a bit of how DCHA is organized and operates.

Presentation by Steven Wisecarver

*See Africa Bureau Fact Sheet

MR. WISECARVER: Since we are only allotted eight minutes, we have prepared a fact sheet entitled "USAID in Africa Bureau Websites and Resources for PVOs/NGOs." Everything that I am about to say over the next eight minutes is pretty much on that. If you got in late last night and need an eight-minute catnap, or if you need another cup of coffee, go ahead and do that now and then just pick up the fact sheet a little later.

I am going to divide this into two parts, essentially giving you a brief, brief overview of the Administration's goals in Africa as well as some of the Africa Bureau's sector priorities. Then I want to go into what we have all been asked to do, which is to offer some concrete suggestions to help you in effectively doing business with USAID.

In terms of the Administration's goals, they are threefold: first of all, to increase trade investment and open markets to Africa; second, to prevent and mitigate conflict and improve governance; and third to combat HIV/AIDS.

Aside from these broad goals, certainly each of our 26 USAID Field Missions work in a variety of other goal areas and in a variety of sectors. Obviously, as Georgia mentioned, OFDA and OTI and others work tremendously on humanitarian assistance and emergency relief operations. Unfortunately, this is a fact of life in Africa. But in addition to that, we also do development work in just about every sector that USAID works in. This includes agriculture and the environment, natural resources management, basic education, maternal child health care, child survival, primary health care, water and sanitation, microenterprise development and a whole host of things.

In addition to this, the Africa Bureau is very firmly focused on capacity building for host country organizations at all levels, community based up to the national level, and on gender mainstreaming and enhancing women's roles in the development process, and those are two very important cross-cutting areas in which we work. So the bottom line is that the Africa Bureau works in all sectors that are really of relevance to all the work that you do.

In terms of concrete suggestions, and I will offer some apologies for those who are well versed in the ways of USAID because I am assuming that some people here at least are not as well versed, and I think many will be alluding to that, I will offer some sort of concrete suggestions, and again these are on the fact sheet.

In terms of concrete suggestions, if you are focusing on a specific country, there is a rich body of knowledge available on the websites, which we have included on the fact sheet. We have 26 bilateral USAID Missions. All of those Mission programs, all of their congressional budget justifications, all of their annual reports, all of their strategic objectives, their intermediate results, their performance, their

partners, their implementing partners, their budget levels, everything are listed on the website. Everything is readily accessible.

What I noted when I was stationed in Nairobi was that in probably in 95 percent of the meetings I had with not only for-profit but not-for-profit people was that one of the first questions was, “What are you doing in agriculture, health, fill in the blank?” From the outset, this told me that this was a casual approach and, perhaps, not a serious business approach. So I would just say, please go to these websites before you talk to your Missions or express your interest in anything. You will find everything that we do there. It is very transparent.

Again, the website at USAID is large and it is not easy navigate if you don't know what you are looking for, but hopefully these things on the fact sheet will lead you there.

I think, where in the cycle of a mission strategy that a given mission is, is also very important to be aware of. Most USAID strategies are for five years, some are for less, some are for slightly more, and I would say that probably the preponderance of all contracts and grants that are put into place are put into place within the first twelve, possibly 18 months.

After that, you might get midterm adjustments, say, in the out years, out year 3, perhaps even out year 4, if you have major adjustments, but if you come to talk to me as a mission director in Year 4 or 5 of my strategy and say what good things you can offer, chances are it's not going to go anywhere. We have already got everything in place and there isn't much opportunity until we put that next strategy in place.

I think it is also important to clearly articulate your organization's strengths. There are a few very large PVO/NGOs who operate in just about every sector, multi-sector approaches, but certainly for the smaller NGOs and PVOs, I have found that to be successful—and by successful, I mean not only in terms of gaining AID business, but also in terms of achieving development goals—that those NGOs tend to specialize and develop a body of knowledge in a certain sector that they can bring to the table for AID. This could be in cooperative development, in capacity building, or it could be in civil society advocacy, community based education, whatever it is, but I have found that some of the most effective NGOs and PVOs we work with do have a specific expertise and can bring that to the table.

Obviously, the next step is to look for a fit between a given USAID strategy and where your strengths are to find that nexus of what your organization can bring to the table and what the USAID mission's, objectives, and activities are.

Also, networking with other for-profit and not-for-profit organizations is a very important part. USAID, over the years, as many of you who have worked with USAID will note, has shrunk tremendously in size in terms of our direct-hire workforce, and certainly our contracting officer workforce is also one of the constraining factors we have.

So because of that, we have tended to consolidate our procurements, our requests for applications, our requests for proposals, where we can, into a larger requirement to cut down not only on the management burden, but also on the burden that leads up to award of that grant or contract.

So we find that many of our awards these days are going to consortia. Because you can't get all these various areas of expertise in just one NGO or PVO or contractor, you have to have consortia of many organizations that bring their respective strengths to the table.

Again following up on capacity strengthening, too, which I say is a very key part of what the Africa Bureau is interested in and certainly a lot of our other regional bureaus as well, we also are constrained in awarding grants or cooperative agreements to indigenous organizations. They simply do not have the capacity, the track record.

They are not responsible in the sense of having the systems, personnel systems, financial management systems, etcetera, in place to be able to offer direct awards. So we often use our NGOs and PVOs as a middleman, as it were. We award to that PVO or NGO, who then does umbrella projects and makes subgrants to those indigenous organizations. We are always looking for those kinds of organizations to do our capacity building for us, and to provide those linkages with indigenous organizations.

I would also suggest, as a last point, to become familiar with federal procurement regulations governing assistance, i.e. grants and cooperative agreements and also contracts. I have included on the fact sheet two sources, which USAID uses to train its own officers, Management Concepts, Incorporated, and also ESI/George Washington University. These organizations offer training all over the United States, not just in the Washington area. I would strongly suggest offering your staff that is involved in government procurement this kind of training. I have found that for-profits have readily availed themselves of this training; not-for-profits, not so much. The pitfalls and the esoteric nature of federal grants, contracts, etcetera, is such that I think you would be well served by getting your staff training in these.

As Georgia said, too, also included on this fact sheet are the USAID procurement websites, facts, where you can go for source book information, guidance. We have an ombudsman homepage that has frequently asked questions; we have all of our regulations up there online. So this is really a very rich source, again, for you, to help out on how to do business with AID.

That is about it. I wish you very good luck during the course of this meeting. We will be available for questions-and-answers at the end.

Presentation by Antoinette Ferrara

MS. FERRARA: I am actually very fortunate to be following Steve because he pretty much said most of what I was going to say. So I hope you took good notes.

It is true that for the Regional Bureaus, such as the Asia Near East (ANE) Bureau that I am representing, many of the things he said are right on. I will just give a few specifics about the ANE Bureau and then a few of my own perspectives from my experience dealing with PVOs and local NGOs overseas.

The ANE Bureau comprises 16 Field Missions and six Non-Presence Countries. We call them non-presence because we don't have a Foreign Service Officer actually in the country. We may have contractor personnel there, and they act on our behalf and in our place.

Some of the activities we run in the Non-Presence Countries, which include Laos, Burma, Thailand, Vietnam and Yemen, are actually initiated and managed out of Washington. In other words, they are centrally funded programs, which means you'd be looking for solicitations out of USAID/Washington - headquarters. These might be for programs in HIV/AIDS prevention and care, maternal and child health, micro-enterprise, etc.

The ANE Bureau and its Missions utilize a variety of solicitation mechanisms, just as you have heard from the other panelists. This includes annual program statements, requests for applications, and we also accept unsolicited proposals. This varies by Field Mission, and it varies by Non-Presence Country program, too.

The main foci for the ANE Bureau in the coming fiscal year include education, conflict and rule of law, economic growth, environment and health, including HIV/AIDS, which is strongly supported. We also have or are initiating some fairly nominal programs in a few other countries that we call Non-Presence Third-Tier, and again, you may read about those on the website.

I should emphasize to you that we do have a website, just as the Africa Bureau. Steve has mentioned a number of the general websites, and for ANE, you can go in there and see our list of countries and, again, all the strategies for those programs, et cetera.

I would just add, again, from my experience in Missions overseas, and actually as the Vietnam/Cambodia/Laos/Burma/Thailand desk officer, I get a lot of inquiries from very well-intentioned, good-hearted people who want to help out in these countries, and there is still a great deal of need.

I mean, Asia Near East consists of a lot of countries with high economic prospects and very low ones, so there's a wide range of interventions to be made in these countries. But what I do say to these callers and people that I have met in the Missions is, number one, as Steve said, know the strategy. It really does not help to come in and just say, I want to do something good in this country; I really feel for these people. We need you to know our strategy and what we really have the discretion to fund, because,

generally speaking, we don't have non-discretionary funding anymore. So we can't really fund -- only in rare cases -- something outside our strategy.

Secondly, you really need to show an understanding of the country and its needs as well as its capacity as far as the level of local help that you can expect to hire and utilize or build on. You need to understand that capacity in some of these countries is primary, while in others it is not and you have a very sophisticated workforce.

You need to be able to make clear what the problem is you want to address and how you are going to address it, and, very importantly, what you expect will be the end result and how you are going to leave. Again, due to our declining budgets and presence, we can't go into a relationship with an organization anymore thinking it is just going to be forever. We really have to have an end point in mind when we begin. We want to know if you have thought that through and what you expect to leave behind and how the results of your work will continue after you are gone, after we are gone, too, perhaps.

So I would just emphasize that understanding our strategy and the country and what innovative and effective interventions you can make are what will make the difference. So good luck you to you and I will be happy to answer questions later.

Presentation by Michael E. Zeilinger

*See Slide Presentation

DR. ZEILINGER: I am here from the new Bureau for Global Health. As many of you know, as a result of the reorganization, PVC's Child Survival Grant Program has been moved to the Bureau for Global Health. I think it is important that you get to know us. I am happy to say that as of Monday, the staff from this Child Survival Grant Program are actually sitting among us now. Everything seems to be going well and we are very lucky to have them.

Today, I would like to talk about the Bureau for Global Health, particularly our funding and organizational structure. I would like you to know about program's major areas of emphasis.

Again, like the other Bureaus at USAID, our partners include the major bilateral donors. We also work with multilateral donors, host-country governments, and the commercial private sector. PVOs and NGOs are very important to our programs. Foundations and universities also play a major role.

It is important for you to see our funding trends. Our funding comes in the form of the Child Survival and Health Grant from Congress. Child survival funding has been relatively stable over the last few years. Where we see a major increase in our appropriations is in the areas of HIV/AIDS and infectious disease. Although HIV/AIDS is an infectious disease, we split it out separately. Infectious disease funding has increased by about 300 percent since 1998. This includes tuberculosis, malaria, and anti-microbial resistance. Put another way, our HIV/AIDS funding has increased 11 percent just in the last year, while infectious disease funding has increased by 17 percent.

It is important for you to know how the Bureau for Global Health is structured. The Bureau is made up of four technical offices: Office of Population and Reproductive Health; Office of HIV/AIDS, which is new – before the reorganization it was a division; the Office of Health, Infectious Disease and Nutrition; and the Office of Regional and Country Support.

Within the Office of Health, Infectious Disease and Nutrition, where the PVO Grant Program is right now, we have a Maternal and Child Health Division, Infectious Disease Division, a Nutrition Division, and a Health Systems Division. The Nutrition Division is where this new program lives, and we call it the Child Survival and Health Grant Program.

The critical functions of the Bureau for Global Health are technical support to the field; global leadership where we focus on promoting program innovation; resource mobilization and allocation; and policy development and reform.

Most importantly, for the purposes of this audience is research and evaluation. This is where the PVOs and our Child Survival and Health Grant Program will play an important role. This includes focusing on developing, testing and disseminating new and improved technologies and approaches; collecting and analyzing data on global trends; and developing and assessing methods of program evaluation. Since

the PVOs are on the ground, this is how we learn about new trends, particularly global trends in monitoring and evaluation.

I will now focus primarily on child survival and infectious disease because these are the two largest areas in the Child Survival and Health Grant Program. HIV/AIDS is certainly included in this, but given my time, I don't think I could even scratch the surface of what the Bureau is doing in HIV/AIDS.

There is an RFA on the street right now that I think closes around December 4th or 5th. It is on our Office of Procurement website along with the first two amendments. I urge you to go take a look at that as well, and the technical resource materials that are provided.

Our major objective in child survival is to decrease the burden of morbidity and mortality for infants and children. Our strategic foci are childhood killers and to reduce the burden of disease. We focus on interventions for maximum impact, where can we get more bang for the buck. Vaccinations, promotion of breastfeeding, Vitamin A distribution, and oral rehydration therapy are, of course, huge parts of the Child Survival and Health Grant Program.

Again, in Global Health, we are looking at innovation, tools, and methodologies, working on the development of oral rehydration therapy, Vitamin A, and a new thrust in single-use syringes, sustainable approaches for systems development, and changing the programs as new needs evolve. On this, we work closely with the CORE group, which is a network of PVOs working in Child Survival.

Going back to infectious disease, a major objective is to reduce the threat of infectious disease. This is of major public health importance. In this area, we're working on tuberculosis, malaria, anti-microbial resistance, and surveillance. Within the Child Survival and Health Grant Program, tuberculosis and malaria are playing a huge part.

To wrap up, our strategic focus areas for our program this year are to integrate the Child Survival and Health Grant portfolio and to formulate a future plan for this portfolio dealing with child survival, family planning, and infectious disease.

Presentation by Geoff Chalmers

MR. CHALMERS: I am with the Microenterprise Development Unit, which is part of the Bureau for Economic Growth, Agriculture and Trade. I don't represent the whole Bureau, but rather one part of it, which is Microenterprise Development. I am going to talk a little bit about our office, and then USAID's broader microenterprise development agenda, which is implemented primarily through work in the USAID Missions.

Essentially, we have three objectives. The first two are to promote high quality, sustainable microfinance and business development services for poor microenterprises and their households, and the third is to promote an enabling environment for microenterprises.

USAID is the leading donor in microenterprise development. It has been active for 25 years, working with over 60 Missions worldwide.

Now let me provide some broad background on the types of clients that benefit from microenterprise development programs. As of fiscal year 2000, including all of USAID's partners, we had two million borrowers and three millions savers. We had also facilitated the provision of business development services to 250,000 clients.

In terms of our office's role in microenterprise development, it is in keeping with the Agency's restructuring. We are reorienting ourselves more towards being a technical support office for the Missions. It is less of a role of direct program expansion that we concentrated on in the past and more towards supporting Mission programs.

In addition, we have a role in mainstreaming best practices in microenterprise development in USAID as well as the broader industry. It is essentially trying to promote the benefits of microenterprise development programs to our Missions. We have a bit of a salesman's role in this regard.

We also have our own programs that invest in innovative programs in the field. But as I said, the Mission level is really where we are concentrating, and that happens to also be where most of the money is. Seventy percent of microenterprise development funds at USAID are spent at the Mission level.

Basically, they are diverse activities and they can be under a wide variety of strategic objectives. At the Mission level, they tend to be under poverty reduction strategic objectives and sometimes under economic growth. They have also been known to be under non-traditional, strategic objectives, having to do, sometimes, with democracy and even with health programs.

I'd like to reiterate what has been said before about fitting into multi-year country strategies being key. For those PVOs that do have well-developed microenterprise development programs, the strategy of approaching Missions in a strategic way in terms of the timeline of their programs is key. Figuring out

the priorities of each Mission is also very important, particularly since there is quite a bit of diversity there.

In terms of the Microenterprise Development office, we do have some innovative grant programs. One is the Implementation Grant Program that has been around for about six or seven years. It has been an annual competitive grant in our two technical areas of financial services and business development services. Typically, these grantees have a rather specialized technical capacity in microenterprise development. They usually have already invested considerably in building that capacity.

We also have some smaller grant programs. We have one called the Practitioner Learning Program, which is run through SEEP Network, which is a collection of PVOs working in the microenterprise development field.

How we are trying to achieve our objective in the two main technical areas of microfinance financial services and business development services? On the financial services side, we are promoting the improvement of outreach in the field. This involves both reaching down to poorer clients and their households as well as achieving more scale in terms of the number of clients reached. We are also concentrating on microfinance institution management, issues of efficiency, service quality and appropriate services as well as a continued emphasis on the sustainability of those services.

We are going to be looking more and more at commercial market linkages. First and foremost this means facilitating access to commercial capital markets for microfinance institutions. Finally, we are promoting a better enabling environment for microfinance, focusing on issues of regulation and supervision.

On the business development services side, we are testing the commercial viability of business development services programs, first and foremost through research and case studies, but also through training, conferences and some of the innovation grants programs that we have. There will be a particular emphasis on promoting sustainable impacts on clients as well as promoting a competitive market for all of the crucial services that microenterprises need to thrive.

So that is a very brief overview, and like everyone else, I'm available here for questions.

Question-and-Answer Session

MS. LISKOV: Well, we have shared a wealth of information, a very broad overview of the Agency in a very short period of time. Let's spend the next ten minutes or so with some questions and answers.

MS. HENDERSON: I'm Laura Henderson from CARE. I believe it was Steve from the Africa Bureau who mentioned that since USAID has had its staff cut, there have been more and more collaborative consortium network Requests for Proposals (RFPs) and Requests for Applications (RFAs).

I was wondering if you could share with us some of the lessons learned from this. As USAID moves towards the trend of having larger RFPs and RFAs, one needs to look, sometimes, at the issues that may make those larger ones not as nimble and flexible and effective in what they are trying to achieve.

MR. WISECARVER: That is an excellent question because this has not been a longstanding practice. I would say there have been some problems in trying to include too much under a given solicitation -- and I am talking both about contracts and grants -- that when we tend to ask too much and the consortia get too large, there have been problems.

Aside from that, Laura, I'm not sure we have the experience on the specifics of what has gone wrong in specific instances. I think on the positive side, when we do see these large consortia, we do see a very rich blend of resources at the table that the consortia bring to bear on a given problem.

You are always going to have tension between partners, or between leader grants and associates in terms of division of workload and that kind of thing, but that is always going to be case with prime-sub relationships, or with other partnering relationships. But on the whole, I would have to say it is positive. That is not to say that there are not glitches in some cases.

MR. WESCHE: I'm Ken Wesche with Enterprise Development International. I have a question relating to the DCHA. The statement was made that there are probably as many opportunities for PVOs in DCHA than in any of the other Bureaus. What would you say is the best way to learn of those opportunities as they are developing?

MR. LYNCH: I should have mentioned that the Agency does have a procurement website that has information about opportunities offering that sort of thing. We are developing a Bureau website that will be more all-encompassing than we have had in the past.

One of the things we intend to do is, first of all, provide more information about how the Bureau is organized and what the various offices do. Beyond that, some specifics about the kinds of partnership arrangements that are possible and the opportunities that might exist will be provided.

In the meantime, it is probably worth the effort to contact the various offices. As I was saying earlier, the Bureau does a whole range of things, from immediate disaster response, emergency programs, including both food aid in those situations and non-food relief, the post-emergency, post-crisis transition activities.

This can include things such as civil society strengthening through media development and a whole range of other interventions aimed at promoting a solid political transition and democracy and governance. There is also the work of PVC, which is capacity building and organizational strengthening of both U.S. PVOs, and now more prominently, indigenous NGOs.

It is probably worth some effort in trying to find out more about what those offices do and the kinds of needs they are anticipating in terms of assistance with implementation.

MR. NORTHROP: I am from Project Hope. A number of you in your remarks were rather discouraging about the possibilities that might result from being approached by an NGO or PVO and by particularly coming into such a discussion at a time when the strategies have already been fixed.

From an operational point of view at the PVO level, this raises the question about whether it worth it to put together an unsolicited proposal? Are there any times when fresh ideas can be received? How should we think about unsolicited proposals? Is it worth the effort at this point?

MS. BEANS: Just speaking for the Office of Foreign Disaster Assistance, they do encourage concept papers. We encourage concept papers more than a full-blown unsolicited proposal because we really don't want organizations to go to the effort and expense of putting together a full-blown proposal. We are willing to address and look at a concept paper, and we will tell you very candidly if it is going to fall within the current strategy, if it meets a current need that we are looking at. Unsolicited proposals are sometimes not as welcomed as concept papers where you have a more collaborative discussion at the beginning about whether or not your program is going to fit in with what is trying to be achieved in a particular country.

MS. FERRARA: This is a tricky question. Frankly, I have been hard-pressed to provide a good answer to people because I think in some cases; it isn't worth the effort if you are hitting the Mission or the program at the wrong part of the cycle. But I agree with what Georgia said, too. From my experience in Missions, a concept paper at any time is certainly worth discussing, but I guess the solution, in my mind, starts considerably before that point.

It is important, because of all of our limitations these days, to really get to know USAID. If you are operating in a country, get to know that Mission, meet with those people. You will understand when their strategy cycle is coming up. If you want to go into a country, then clearly you have to do it perhaps from a long distance, but follow the websites pretty regularly and establish contact with the Mission. You will get a feel for how the cycles evolve. I think it is very important to hit the Mission in the run-up to the strategy development or in the strategy development process. At this stage, they are really open to a lot of ideas and we really do try to make a concerted effort of getting input from our partners or would-be partners or people who have been in the country and know things that we don't. We like to get that input, but it needs to come at the right time. So we can factor such considerations into our strategies if appropriate. I would recommend really getting to know the Mission or USAID's cycle as a whole.

MS. BROWN: Yes. My name is Marsha Brown and I'm from ACCION International. I have heard rumors that the Latin America and Caribbean Bureau is undergoing some changes. I couldn't help but notice that there isn't anyone from the Bureau here. Can you offer any enlightenment on this?

MS. LISKOV: All we can say is that the entire Agency has been undergoing review under this reorganization. We have all been through what have been called Portfolio Reviews. Some of us have come out of it shaking a bit more than others. I know that there are changes. I apologize; we were not able to get someone from the Latin America and Caribbean Bureau. We will try and find a way to look into that and put you in touch with someone if you don't have other contacts there.

MR. COHEN: I am Don Cohen from Plan International. This question is addressed to Geoff Chalmers. I heard you say that the innovative grant program normally is on an annual cycle, but I was wondering implicit in that as to whether you are changing that cycle, because there hasn't been an RFA out on the street this year.

MR. CHALMERS: The short answer is no, that wasn't implicit. There will be an RFA this year, but implicit in that was it may not necessarily be annual and ongoing, but this year, there will be one.

MR. HOWARD: Ron Howard, OIC International. Is there any way to have a preliminary sense of what RFAs are in the making so that before the formal RFA announcement is actually out, there can be some kind of heads-up on what is process? Generally speaking, there is a relatively short turnaround time for when an RFA is actually issued and when it is due. Is there any way of getting a heads-up ahead of time of what is in the works?

MR. WISECARVER: I have been out of the procurement business for a while, but I think in large part it is every six months or every year. Most Missions put out an annual program statement of their needs over the coming year. This responds in some respect to the unsolicited proposal question, because in lieu of unsolicited proposals, people are looking for unique or creative ideas from PVOs' on how to approach certain problems. That is probably your best source.

There also has been something called the Source List that has been used, but I don't think that has been used as extensively to give people a heads-up beforehand.

MS. BEANS: Do most people know the difference between the RFA process and the APS process? An RFA is used when an organization really knows the answer to the question and is looking for implementing partners to help them implement that program in the way that they have pretty much designed it.

The reason that the Missions and offices publish an annual APS is that they are looking for creative, innovative answers from the PVO community to a question. We know the question, but we are looking for people who maybe have a different answer. They are willing to look at lots of different kinds of answers and weigh all of them. The APS is another way to do that because all of that information will come in at a given time. Some of the APSes are open all year long and they will receive proposals

throughout the year; others might have a closing date where they say, "We want to look at all of this at a certain time." As I mentioned, sometimes they are very broad and they might cover the entire strategy for an organization, or in the case of OFDA it might be very specific, like just food security in one country. You guys have the answers because you are working in those countries, you know the capacities, you know the answer, and so we want you to come in and help us with the answer. Both RFAs and APSes are all published on the USAID website.