

NEW DIRECTIONS WITHIN USAID, DCHA, and PVC

Introductory Remarks by Judith Gilmore, Moderator

MS. GILMORE: I am delighted to see so many of you here today. I see a lot of old friends and many, many new faces, which is very exciting for us. What I would like to do now is introduce Roger Winter, who is the Assistant Administrator for the Bureau for Democracy, Conflict and Humanitarian Assistance. Roger comes from the NGO community, he has a long history of working with many of you, and so he is very supportive of all our programs.

Before Roger addresses you, I would like to make one other introduction. Garrett Grigsby, our Deputy Assistant Administrator. Garrett is Roger's deputy and my boss. We are very delighted to have him here.

At this point, let me turn the podium over to Roger. Roger is going to talk to you about the Agency's priorities and his vision for DCHA.

Presentation by Roger Winter

MR. WINTER: Good morning. All my friends are old, so if you know me in here, you are old almost by definition.

As Judy said, I come from the PVO/NGO community, where I was for some decades. I worked mostly on refugees, displaced people and the conflict side of things. In some ways, the kind of things I am dealing with right now are the things I have always dealt with; it is just I have changed to an USAID hat. I have been in this role for a year and a half. I don't consider myself an USAID person yet. People like Judy have long track records here, but maybe the stuff I haven't learned yet is just as well unlearned.

People who know me, and there are a number of you here especially from the refugee community, think I was nuts to leave a job as a CEO of a useful nonprofit. I loved my job, I had done it for some decades, I had a board that I could work with and, you know, in some ways I had the best of all possible worlds.

Some of you know that I was also in the government during the latter part of the Carter administration. I was head of the operation of resettling refugees into the U.S. during the time of the Mariel Boat Lift, and I had sworn that I would never go back to the U.S. Government.

So why did I? Well, let me try to be clear. I tend to be naive and idealistic and I tend to stick by my friends. Andrew Natsios was a friend and we had done an awful lot of work together when he was at the Bureau for Humanitarian Response in USAID and the Office of Foreign Disaster Assistance.

While he was waiting in the wings for his confirmation, he asked me to come over to talk about Sudan, which a number of you know is one of my favorite topics and has been for several decades. He wasn't looking for somebody, and I wasn't looking for anything except to brief him on Sudan, but we wound up in a conversation.

Let me try to convey to you the kinds of things I find attractive at USAID, right now, and caused me to come here. First of all is Andrew. Now, he can be a wild man sometimes. I think, probably, a number of you know that, but he has more passion in his guts for the people we might call the beneficiaries of what we try to do. He has a history in this Bureau and that's a little bit intimidating. I am following somebody who had the exact sequence of jobs that I did, and he happens to have had them longer than me even though it was a little while ago. He knows them better than me, so every time he looks over your shoulder, it is a little bit intimidating. But the first reason I came here was Andrew, because I knew very clearly where his values were and I knew very clearly that he had a vision.

Now, you might agree with his vision or disagree, but he has a vision and I viewed that as a good thing. He wasn't a functionary of any kind and you will never be able to saddle him with that kind of nomenclature.

His vision included the fact that he wants to restore USAID to being a respected arm of the foreign policy apparatus of the United States. Respected is a key word because, as everybody knows – and I might say particularly Garrett Grigsby whom Judy introduced a moment ago knows – it wasn't always respected. We are digging ourselves out of a sort of perception of disrespect. I think we are doing it successfully, although certainly not completely. We still have lots of warts and moles, and many of you in the room know a good number of them.

The idea of rebuilding the image of USAID necessarily relates to rebuilding how USAID functions. I will be the first one to tell you we have not achieved a lot of the major goals that were set a year and a half or so ago for what USAID ought to look like, but I do believe we are making a lot of progress.

One of the areas that we have provided -- forgive the term -- almost an enema to, is our administrative systems. Many of you have had very bad experiences with the administrative systems of USAID, particularly in the procurement area.

When I came here, I came here as the head of the Office of Foreign Disaster Assistance. I found that we had emergency response grants that had been awaiting final procurement action for in excess of six months. You start to say to yourself, what is wrong with this picture? It isn't only in the procurement area. This is a massive undertaking within USAID, which has not delivered on all of the hoped-for products yet.

This is a long-term process. There are some identifiable elements of progress. It is most particular in the procurement area. It is arcane to get into too much discussion about it, but I want you to know it is one of the things I found attractive.

I also found it attractive that the organization was to be reorganized. This is what I really want to focus my comments on.

This Bureau, the so-called DCHA Bureau, is what in the new framework for USAID we call a Pillar Bureau. Pillar Bureaus are non-Regional Bureaus that are supposed to be fundamentally technical in nature. They are policy heavy, best practices heavy, technical support to the Missions heavy. That is their function. It is a field support kind of function, but with the brain trust in a whole lot of the technical areas.

This particular Bureau, the DCHA Bureau, is a Pillar Bureau. It is a Pillar-plus Bureau because besides having some technical capabilities, it is the one Pillar Bureau that actually delivers a lot of programs. These are the old programs of the Bureau for Humanitarian Response. It is OFDA, OTI, Food for Peace and so on.

It is a Bureau, which is budgeted for the next fiscal year at almost \$2 billion, so it is a big operation within USAID. It consists of eight offices. One of those offices is a support office to the Bureau, and then there are seven program offices. They include, as I say, the old elements of the Bureau for Humanitarian Response, plus Conflict Management and Mitigation, and Democracy and Governance. Most of the money of the Bureau continues to be in humanitarian response.

Andrew talks a lot about developmental relief. This is an attractive term to many of us that are in the humanitarian field. The truth of the matter is that, in practice, there isn't nearly enough of our humanitarian resources that really go into things that we might call developmental relief.

When you really look at the overall humanitarian package, many of us conclude -- Andrew did; it was the underpinning of his proposed reorganization -- that what we are doing is maintenance. We are saving lives. What we are doing is absolutely indispensable, but it doesn't take you anywhere in terms of development and solutions.

So the reorganization that Andrew put forth for this Bureau was to try to get at the issue of how do we link in thoughtful, creative, programmatic terms what we do in humanitarian assistance with initiatives that are solution-oriented.

He wanted to do this very much in the context of a focus on failing or failed states. Obviously, everything we do in this Bureau doesn't necessarily relate directly to failed and failing states. Other than what we do in the disaster response area, most of what we do in the humanitarian assistance area is related to failed and failing states in some way. This means that the state inadequately meets the needs of the population for which it is legally responsible under international law.

In many cases, the state views some element of that population as the enemy for some reason or another. What we are talking about are states with complex humanitarian emergency status and in which conflict is a factor. It's an initiative, which very heavily focuses on internally displaced peoples

(IDPs). Everybody understands that because of the kind of conflict I am talking about, our refugee numbers have been going down internationally, while our IDP numbers have been growing.

Within the old BHR and still today, all our humanitarian programs are geared for the most vulnerable populations, regardless of what their status is. However, it does mean that there is an increasing focus on IDPs within the DCHA Bureau in an organized way, and you will ultimately begin to see some of this.

The idea was that these two new units in the Bureau – Democracy and Governance and Conflict Management and Mitigation – would, in a common Bureau with humanitarian assistance programs, begin to cross-fertilize in ways that were more developmentally oriented. This is the direction we are moving in.

We did not move all of USAID's Democracy and Governance programs to this Bureau. The great bulk of the resources for Democracy and Governance are in the Regional Bureaus. What we did was to move what used to be called the Democracy Center. It's the brain trust of our democracy programming. It looks at best practices, the formulation of policy, and a whole variety of things like this.

Also t an Office of Conflict Management and Mitigation has been newly created within the Bureau. In the first instance, it was to be called Conflict Prevention Office. When I heard this, I got the willies because it is awfully presumptuous that we can prevent conflict. Instead we wound up with the terminology of Conflict Management and Mitigation.

Once again, the idea is that this will be a brain trust, focusing on policy formulation, best practices, and field support activities. Most of the program resources will be in the Regional Bureaus. Technically, this office didn't exist until October 1. So it is three weeks old. Before this, we had a task force, which is in the process of being disbanded.

The idea is that within this Bureau, we will have a very collaborative approach between the entities, and we are trying to do that now. To give you an example, take the issue of Burundi, which is on almost nobody's screen. It is, of course, one of those complex humanitarian emergencies. What we have tried to do in the case of Burundi is take the basic humanitarian response capabilities of the Office of Foreign Disaster Assistance and the Office of Food for Peace, and bring in the capabilities of the Office of Transition Initiatives, which is operating big time in Burundi right now. And also bring in PVC to do substantial programming with respect to local or indigenous NGOs. This is to try to build local capacity rather than relying on outsiders all the time. We are gradually building in other elements from the Bureau.

The idea is that, in terms of the bang for the buck or the impact on a state and the population of an entire state, that the whole of our initiative will be larger than simply the sum of its parts and that this will be done on a coordinated basis. We haven't figured out every way to do this, but that is clearly where we're seeking to go.

Within the mix, PVC is clearly one of the keys. PVC is the clear part of the Agency that brings development thinking across the board and knowledge of the PVO and NGO communities to bear in all of these discussions. While this is not all in place yet, we are seeking two initiatives for PVC. The first of them is a focus on the development of local or indigenous NGOs. All in all, this is a work in progress. I have been here as the Assistant Administrator for about eight months, you don't solve everything in eight months, but I think we are moving in the right direction.

Now I am going to turn it over to Judy and I am going to stay here. We will be happy to take some questions.

Presentation By Judith Gilmore

MS. GILMORE: I would like to just welcome all of you again on behalf of my Office. I also want to thank all of the people in PVC who have worked very hard to put this conference together. We are delighted again to see so many of you here.

Roger has talked about many of the problems that our Bureau is facing. We have been working very hard in PVC to develop a new strategic framework that deals with these problems. This includes Dacha's concern in terms of failed and failing states and building in some of the longer-term development responses into humanitarian crises and conflict at an earlier stage as well building local civil society.

As many of you know, we have been working on our new strategy for the last 18 months, and since Roger's arrival, he has been extremely helpful in giving us guidance and support on this new strategy.

We have had dialogues with the Advisory Committee on Voluntary Foreign Aid, we have talked to InterAction several times, and we have also met with the International Forum on Capacity Building (IFCB), which is a group of local indigenous organizations that meets periodically. We have learned a lot about the needs of these indigenous organizations through the IFCB, and they have been involved in many of the discussions on our new strategy.

What I would like to do today is to provide you with a broad overview of our new approach. I know many of you are waiting for the strategy. We are still working within the Agency to get formal approval, so we are not able to pass out documents for you today. As soon as we can, we will put it on the website for all of you to review.

During these consultations, five clear messages emerged. I would like to summarize these very quickly because they are very important and form the cornerstone of the new strategy.

First, the tremendous growth in indigenous or local NGOs worldwide has radically changed the development landscape.

Second, experienced PVOs are increasingly defining themselves as brokers of organizational development and capacity building, leaving the more operational service delivery role to their local counterparts.

Third, PVOs and NGOs agree that additional development partners, particularly those from the corporate sector, are critical to diversifying sources of funding and lessening donor dependence.

Fourth, advocacy has become an essential means to influence national and sectoral policies.

Finally, greater internal USAID coordination is needed to prevent duplication and provide a more consistent PVO/NGO policy framework.

At the heart of our new strategy lie two priorities, which respond to the major issues that were discussed during our consultations. The first, as Roger mentioned, is strengthening the capacity of local NGOs in service delivery; and the second is mobilizing U.S. development resources. What I would like to do now is outline PVC's new vision and how it will shape our future programs.

Those of you who are familiar with our Office are well aware that our mandate over the last 25 years has been to support the capacity of U.S. organizations working in development. Our new goal is to apply these learnings to the more complex, but ultimately more important local NGO sector. Lessons learned in the areas of organizational development, technical standards, network development and data analysis shape this new approach.

Unlike our previous strategy where PVOs are working one on one with their local partners, we will be focusing more broadly on strengthening the overall NGO sector.

Why have we shifted our focus to the local NGO sector? We believe that a strong and independent NGO community is emerging in the South. This community, comprised of NGOs, networks and intermediate support organizations, or ISOs, can be a powerful force for change. It can advocate for governments to do more to meet the needs of the poor and marginalized, it can deliver services in key sectors such as health, education and agriculture, and it can partner with business to develop and sustain socially responsible programs.

Despite this potential, NGOs do face continual challenges. Many are crippled by financial, managerial and organizational frailties. Donor dependency threatens to undermine the entire sector, raising difficult questions about financial sustainability and credibility. Over-reliance on foreign funds can also cut many of the strengths of NGOs as they lose touch with the local communities because of ballooning donor-reporting requirements. On the other hand, issues of corruption and questions of accountability limit contributions from the private sector, chasing away alternative sources of funds. The NGO community may also be hampered by weak, arbitrary and hostile legal and regulatory environments introduced by ill-informed or wary national governments.

To begin addressing this diverse set of challenges, PVC's new approach is centered around NGO-strengthening programs. The first strategic objective will aim to enhance the capacity of NGOs to deliver development services in select USAID countries. Our approach will be strategic and focused. It is based on the lessons learned in programming over the last 25 years, and it will concentrate on the cluster of factors that influence NGO performance.

What does this mean in concrete terms? First, when we talk of select countries, we mean those countries that are high priority to the DCHA Bureau. This category will also include those countries in which USAID Missions have given priority to NGO-strengthening. They may also include countries that are not particularly conflict-prone, but possess weak NGO sectors.

Second, NGO-strengthening will cover a range of activities. Three interlinked examples come to mind. One is to build networks among and between NGOs. Networks, as you all know, have proven to be an extremely effective means to enhance self-reliance and problem-solving. They are an excellent mechanism for disseminating technical innovations, methodologies and tools, and they can also play a powerful advocacy role.

Support for network-building will help facilitate NGOs to become civic organizations rather than project carriers, and thereby strengthen the capacity of civil society as a whole. Building linkages between NGOs and a variety of other local groups – such as local governments, corporations and businesses – will contribute to sustainability.

A second example is strengthening intermediary organizations whose purpose is to provide support services to NGOs. ISOs are playing an increasingly important role in strengthening civil societies. We define them as independent organizations whose primary tasks are to provide technical services such as training, research, information, advocacy and networking, to strengthen the ability of NGOs to accomplish their missions. Their services could range from providing basic training for community organizers to more advanced training in large-scale project management or policy analysis and advocacy.

A third example linked closely to support for networks and ISOs, is improving the enabling environments within which NGOs work. To operate effectively and sustain programs, NGOs need legal and regulatory frameworks that recognize their legitimacy, permit them to raise resources, and do not arbitrarily limit their operations.

PVC will look to those of you in the U.S. PVO community who are experienced in NGO-strengthening to implement this program. You have a comparative advantage based on the expertise you have gained from many years of partnerships with local NGOs. Some of you are uniquely positioned to design effective programs to accelerate the organizational and programmatic capacity of local NGOs and increase the scale and impact of services.

Before I go on to look at our second strategic objective, I would like to pause here and offer you an apology. I hope that you have received our e-mail last week explaining that we will not be able to discuss our RFA guidelines for our new NGO-strengthening program. There have been some internal delays in formally approving our strategy, which I mentioned earlier, and this has had a ripple effect on our ability to get our new RFA on the street. But we are committed to answering any questions once the RFA is issued, and our program officers will be talking more about this in the next session. But I do want to say I appreciate your patience and understanding on this issue.

Now let me turn to our second strategic objective, which is to increase the mobilization of U.S. development resources.

PVC will continue to spearhead the development of strategic partnerships with the private sector. As you know, this is a very important pillar for the Agency, through the Global Development Alliance

(GDA). Our program has contributed significantly to the evolution of GDA and we intend to continue this.

We would also like to continue a more modest program to support U.S. PVOs. However, our focus would now be on the needs of smaller, more nascent organizations seeking to expand their development experience overseas. This shift represents the great achievement of our grant programs over the last 25 years. With our help, a powerful cadre of PVOs has emerged, most of you sitting here. U.S. PVOs have gained tremendous credibility with USAID, the U.S. Government, and the wider development community. It is now time for PVC to shift its focus to assisting a new generation of less experienced organizations.

Whether we can continue this grant program will be very dependent on pending budget decisions and the formal approval of our strategy. I can tell you now that this year, we do not expect to issue an RFA under the second strategic objective.

A theme that runs throughout our strategy is conflict mitigation, and Roger has talked to you earlier about the importance of conflict to the work of our Bureau. A focus on conflict aligns us with the Agency priorities and complements the work of the other offices grouped within DCHA.

NGOs with roots in the community can act as a stabilizing force in the context of mounting social tensions. We will focus on entering key countries earlier rather than later in the crisis cycle and work towards stabilizing and rebuilding the local NGO community.

Assisting NGOs and PVOs to undertake conflict assessments and develop responsive programmatic interventions will also be a major feature of our NGO-strengthening programs, and we are working right now with InterAction to develop a conference on conflict in January. It will look at vulnerability assessments and other tools and methodologies as well as the types of programmatic interventions that flow from this. In parallel, longer-term development programs undertaken in post-conflict situations will provide valuable information on how these interventions can be more effectively designed.

A final element of our new approach that I would like to mention before I close is our Research, Development and Outreach Program. PVOs and NGOs possess a wide, rich and growing understanding of community-based development issues. While PVC has helped to build this knowledge base, particularly in our support for innovative programming, we have given less emphasis to lessons learned or ensuring that learning is widely disseminated among PVOs and their local partners. Our new strategy will address this knowledge gap. We have already begun holding a series of frank practitioner discussions with our grantees on the issues raised during this year's final evaluations.

The trends that have emerged and their implications for programming will be published in a series of working papers later in the year. They have also formed the basis of identifying three program issues -- partnerships, networks and how to measure capacity building -- that we are going to look at in greater depth during the dialogue session this afternoon.

Before I conclude, I would like to briefly touch on the USAID reorganization and how it has impacted PVC. The past twelve months have certainly been a tumultuous time for the Office. In the wake of the reorganization and the creation of the new DCHA Bureau, there have been a number of changes within PVC and to our grant programs. Some programs have been moved to other Bureaus. Child Survival has been moved to the Global Health Bureau. Our Farmer-to-Farmer Program is now in the Economic Growth, Agriculture and Trade Bureau.

I think the fact that these programs were so quickly and eagerly snapped up by the other Bureaus is testimony to their strengths and to the achievements of PVC over the last two decades. While PVC is no longer home to some of these programs, the Office has devised a new generation of programs that we hope will again set the standard in years to come.

The next session will talk you through the ways in which the new strategy will be operationalized and the specifics of our individual grant programs.

I would now like to conclude by reiterating PVC's commitment to consultation and innovation. Our new strategy responds to the evolution of our programs and incorporates the views of our PVO development partners. It continues our mutual interest in devoting attention, resources, and expertise to further the development of broad-based civil society.

Specifically, PVC's resources will be devoted to strengthening the organizational and technical capacities of local NGOs, networks, and intermediate support organizations. PVC will do this much more strategically than in the past, and in close cooperation with Regional Bureaus and Missions.

I hope our collaboration, which has proven to be so successful, will continue to flourish.

Question-and-Answer Session

MR. HOWARD: Maybe this is more of a comment, Judy, than a question, but it's really a comment that is intended to go to Roger as the new Assistant Administrator.

Over many years, PVC has probably been the strongest source of support to the U.S. PVO community than probably any other part of the Agency. This has been the one real place that the U.S. PVO community has been able to go to strengthen our capacities and expand our concepts and programs and do so in a very, very effective way. It is a shame to see the series of programs that used to be operated under PVC dissipating away and moving away.

I just hope that as a part of your new responsibilities as the Assistant Administrator, you can see to it that we don't lose PVC as a vital player in supporting not just local NGOs – we certainly understand and appreciate this new thrust – but also supporting the U.S. PVOs who also still need a lot of help.

We may have progressed a lot and there are many of us that are very strong and much better off, but there are still lots that has to be done. I don't, right now, see very many programs within the current thinking of PVC that are looking at the needs of the U.S. PVOs. This is a big loss and something that needs to be addressed and corrected.

MR. WINTER: I will focus more on the latter part than the former part of your comment with respect to Child Survival. We did pursue actively and energetically the idea of it [the Child Survival Grant Program] staying with PVC. I think Judy is right that in another context, we might call this mainstreaming. In some ways it really is an indication that PVC did a good job and should not be looked at negatively.

The latter part of what you said is something I am more focused on, and that is what are the new things for PVC? PVC is not going to disappear. Nobody wants it to, to my knowledge. The issue is, how, within our current context, can it become the place where PVO-oriented initiatives are birthed, nurtured, and mainstreamed throughout the way USAID does business. Judy and staff have been making a real effort to pick up on the current priorities within USAID such as conflict and agricultural development, which, as most people know, is, Andrew's big passion for USAID.

It has been easier to mainstream and move out some of the successful programs than it has been to birth some of the new ones, because they come across in our budgetary system as enhancements and so forth. But your caution is well taken. The part I want to see us focus on, is building new programs between USAID and the PVO community.

MS. GILMORE: I think through our analytic agenda and our research work, we really want to emphasize innovation and bringing the U.S. PVO community together as a whole with the rest of the Agency and Missions. We still hope to be able to work very, very closely with the U.S. PVO community on new ideas and getting them mainstreamed in the Agency through our Office and our relationships with the rest of the Agency. Also, under our second strategic objective – again, depending

on budget availabilities – there is the possibility of still working with some smaller, newer organizations in the Agency’s priority areas. As Roger said, these would include conflict, agriculture and education. We are still hoping to have a very warm, close relationship with the whole PVO community, and not lose the innovation and new ideas that you are all spawning.

MR. WINTER: I mentioned in my comments earlier PVC's involvements in Burundi. Maybe this is an unfair statement, so you tell me if I am wrong, but I don't think the rest of the Bureau really thought about a PVC role as significant as this one is. It is a concentrated role in a situation like Burundi. We are now talking about the involvement of PVC as a unit of this Bureau within Sudan. These kinds of involvements are a bit different than has before and I think they are going to help contribute to the cementing and expansion of the portfolio of PVC involvement on behalf of USAID and with the collaboration of PVOs.

QUESTION: Judy, in your comments on the shifting role to promote the sustainability of indigenous NGOs, the one puzzling aspect to me is that within the Bureau, you talk about select countries. Will you be constrained to work in a country that is in conflict or a country that is a failing state. Or, is this something that in of itself could be mainstreamed within PVC?

MS. GILMORE: Right now, we are in the process of trying to develop a list of countries for our new RFA, and we are doing it in a variety of ways. We feel it is really important that we work within the context of DCHA in conflict-prone countries. We are also talking to Regional Bureaus about countries that they feel are important in terms of either complementing what Missions are already doing in the area of NGO-strengthening or in countries where the NGO sectors are very weak. This would include non-presence countries.

So while DCHA priority countries are very important for us, because we are part of the Bureau and we want to be able to contribute to providing some longer-term thinking in the context of conflict countries, we also hope to be able to work in other countries as well. A lot will depend on the budget that we have available to us.

MR. WINTER: There is no restriction to conflict countries from the Bureau for this strategy.

QUESTION: Could you speak just briefly to the second point of your strategic objective, which is collaboration between PVOs and corporations? What do you envision? Perhaps, you could provide some specific examples.

MS. GILMORE: As many of you know, with our Matching Grants we have been able to create partnerships between PVOs and corporations. There are several examples with Starbucks. If any of you attended the Advisory Committee for Voluntary Foreign Aid meeting a few weeks ago, you would have heard about the partnership between Conservation International and Starbucks in Mexico. There has also been a partnership with CARE. There are several other partnerships like this that we have been able to establish through our Matching Grant program.

What we have done now is move beyond just the Matching Grant. We are also trying to broker some of these relationships through a grant to the Millennium Alliance. This is what we are referring to in that particular strategic objective. It's an active brokering of relationships between U.S. PVOs and corporations in addition to what we had actually stimulated previously with our Matching Grants.

We also are talking about this in the context of support to local NGOs. We are talking about developing linkages between local NGOs and corporations at the local level.

QUESTION: An important question for many of us is, what is the definition of a local NGO? Many of us work with partners. Some of them might be branches of the PVO, some of them might be legally registered as a nonprofit, maybe even some that are for-profit entities, but connected with an American PVO. I'm curious if, in your deliberations within the Bureau, you have been able to clarify this issue to help us understand whether or not our partners or our affiliates that we work with in the field might qualify under this facility.

MS. GILMORE: I think when the RFA comes out, there will be more clarity about this. What I do want to say now is that we will be looking at impact on the NGO sector. This would include local NGOs in-country that are having an impact on creating networks, creating relationships with local governments, with the corporate sector, and those that are working with many NGOs. The emphasis will be broader than what we have been doing in the past. It will be on the entire sector rather than one-to-one partnerships.

We will be looking at proposals and seeing what kind of impact is being proposed, and what kind of analysis is being proposed in terms of programming.

MR. BECK: I'm Lawrence Beck from Logistics Management Institute, and I have a question. It's good to see the various departments of the U.S. Government making changes to adapt to the current environment in which we work, but has there been clear linkages with the Defense Department and the Army in regard to where we are going?

I say this because if you look at the Army's vision for 2010 and 2020, they talk about a full spectrum of military operations being disaster relief, humanitarian assistance, conflict resolution, peacemaking, peacekeeping, nation-building, and then, of course, what they do best, war-fighting.

Obviously, in failed states, or failing states, we bump into them all the time -- not all the time, but at least some of the time, on the ground. Someone mentioned earlier, the chaos of those days. Is there an effort between USAID and the NGOs and PVOs to coordinate in a more strategic way between the handoff during disaster relief? This really seems to be in our court as opposed to their court, although they have some logistic ways of supporting what we do. Has there been talk about handoffs between the two agencies and how the two can work together?

MR. WINTER: Yes. We concede to them war-fighting and peacekeeping. The rest, we don't. There is within USAID an extraordinary, and I would say, thoughtful discussion about these relationships going

on. There are some things we want to do and some things we don't want to do. There is an orientation within the leadership and a level of experience in these issues.

Obviously, most of you know Andrew is a military person, activated during the Desert Storm War. Bear McConnell, who heads OFDA, comes from the Defense Department and the Pentagon. For example, this has been the case in Afghanistan. There have been, and are now, some very clear operating arrangements that help define what we will do and what we will not do. There are some things we do jointly and there are some things that, as a matter of policy, we will not do jointly. But I must say, for all of us there is still a lot of newness to the current environment. So I wouldn't say it is all tacked down in every aspect. Some aspects are much clearer than others.

What is new and different, I would say, that bodes well for the relationship, is the kind of thing I was saying when I was making my comments before about USAID being a respected part of the U.S. foreign policy apparatus. I would say, clearly, there is more of a seat at the table in these kinds of discussions, at this point in time.

Although you could point to loopholes in what I am about to say, in general, we have actually made some progress in important areas such as depoliticizing humanitarian aid. You saw this in Afghanistan, imperfectly, but nevertheless you saw it articulated from the beginning. The concern about vulnerable civilian populations and the military was very focused on this. It is a learning experience for them, as well as a learning experience for us. There is a lot of consultation between us and US Central Command (CENTCOM), for example, on some of the difficult situations that we are engaged in.

I don't think the book is entirely written that relates to the new environment we are operating in. I think USAID is well prepared, and there has been a reasonable receptivity on the part of the military to collaborate and learn what our concerns are. It's another work in progress, but there is a lot of sensitivity to it, I can tell you that.