A.I.D. Initiatives Progress Update

April 1991

The Environment Initiative
The Democracy Initiative
The Partnership for Business and Development
Family and Development
plus
Toward Strategic Management, and
The Administrator's Evaluation Initiative

Agency for International Development
Washington, D.C. 20523

Office of the Administrator

April 4, 1991

Dear Colleague:

This is the first periodic update of progress on the six A.I.D. Initiatives begun in 1990. Four of these were launched in December of last year, while the Evaluation Initiative began in September and the Environment Initiative dates from early 1990.

The question frequently arises: "do these Initiatives replace the current portfolio of A.I.D.?" The answer is "no". A.I.D.'s overall objectives are formally expressed in the Agency Mission Statement dated September 1990. The Mission Statement embraces all of the major dimensions of the current A.I.D. program worldwide. As the Administrator repeatedly affirmed in his Congressional testimony, the Initiatives do not alter our historic concerns for reducing poverty through a range of ongoing programs to improve health services, to increase the economic returns to agriculture, and to improve the access of the world's poor to education and literacy. These Initiatives are lenses through which the Agency is looking ahead at the development challenges of the 1990s. All our programming should encourage the trend toward more representative governance, recognizing pluralism as a powerful ally of the forces which support equitable growth. Sound environmental policies and the prudent management of natural resources should permeate the entire portfolio of development interventions we undertake.

As will be evident in the progress reports, some of the Initiatives, Democracy and Environment for example, already have substantial sets of project activities underway in all four geographic bureaus. Others, such as the Family Initiative and the Business and Development Partnership, are in earlier stages of conceptual and programmatic development. It is neither possible nor desirable that specific projects for each of the Initiatives be built into each of our country programs. As we strive to focus our country programs--doing fewer things in each country, and doing those few things very well--we will have to make choices. Consider a country where our program is entirely geared to child survival and AIDS. Although there would be no projects specifically addressing democracy and environment, we would still look to the portfolio to be conscious of our democratic concerns and sensitive to environmental dimensions of

the health sector interventions it supports. Certainly, we would be seeking ways to build the family, as the primary decision making and resource allocating unit, into the program themes.

The initiatives are not ends in themselves. They are intended to orient the evolution of the Agency's overall program in the years ahead. The first attachment to this letter consists of a list of highlights from all six Initiatives. I encourage you to contact directly the staffs involved in the Washington aspect of the Initiatives. Their names and telephone numbers are noted at the end of this packet. Most importantly, I hope each of you will actively involve yourself in one or more of the Initiatives. Seek out opportunities to introduce field perspectives and ground truth into each of the efforts. Look for opportunities to build them into the foundations of your programs. They will only be as strong as you make them.

Sincerely,

John S. Blackton
Executive Assistant
to the Administrator and
Deputy Assistant Administrator (Policy)

Attachments:

1. A.I.D. Mission Statement

2. A.I.D. Initiatives Progress Update Highlights

3. A.I.D. Initiatives Progress Update

4. A.I.D./W Initiatives Contacts

Mission Statement

U.S. Agency for International Development

The Agency for International Development administers economic assistance programs that combine an American tradition of international concern and generosity with the active promotion of America's national interests. A.I.D. assists developing countries to realize their full national potential through the development of open and democratic societies and the dynamism of free markets and individual initiative. A.I.D. assists nations throughout the world to improve the quality of human life and to expand the range of individual opportunities by reducing poverty, ignorance and malnutrition.

A.I.D. meets these objectives through a worldwide network of country missions which develop and implement programs guided by six principles:

* support for free markets and broad-based economic growth;

* concern for individuals and the development of their economic and social well-being;

* support for democracy;

* responsible environmental policies and prudent management of natural resources;

* support for lasting solutions to transnational problems; and,

* humanitarian assistance to those who suffer from natural or man-made disasters.

A.I.D.'s mission as a foreign affairs agency of the U.S. government is to translate into action the conviction of our nation that continued American economic and moral leadership is vital to a peaceful and prosperous world.

September 14, 1990

A.I.D. INITIATIVES STATUS REPORT HIGHLIGHTS
April 4, 1991

ENVIRONMENTAL INITIATIVE

- A.I.D.'s spending on environmental activities has increased significantly from FY 90. In FY 91 and 92, we are planning to spend $496 million and $460 million, respectively.

- The Environmental Working Group (EWG) is rapidly expanding, (currently 65 members). An EWG retreat is planned to work on both the Environmental Action Plan and Strategy Statement.

- A.I.D.'s environmental capacity has been strengthened: 1) 16 environmentalists have been hired in FY 91, with an additional 14 planned; 2) an environmental retreat was held for A.I.D.'s senior management; and 3) a training program for all A.I.D. staff is being developed.

- The Agency is developing its first Unified Environmental Report to Congress.

DEMOCRACY INITIATIVE

- A worldwide cable was sent in March outlining the Democracy Initiative and future expectations. The regional bureaus are all deeply engaged in efforts to incorporate democracy across the range of A.I.D. activities.

- Approximately $131 million is planned in direct support of democratic institutions in FY 91, with an additional obligation of about $123 million in FY 92.

- PPC has commissioned several studies and is working on donor coordination in the area of democracy. S&T has sponsored several workshops and meetings of experts in this field.

- PM is offering a pilot training course to develop the skilled cadre of field officers needed to implement this initiative.

PARTNERSHIP FOR BUSINESS AND DEVELOPMENT

- A cable has been prepared to the field, announcing the Agency's renewed emphasis on capital projects.

- A Working Group has been established to implement a wide range of activities under the Business and Development Network component of the initiative.

- The Administrator has formally approved the creation of the Business Advisory Committee.

- Four sectors have been identified as potential areas of focus under the Emerging Sectors of Development component of the

initiative: environment and energy, telecommunications, and agribusiness and biotechnology.

- S&T/RUR's grant program is being curtailed; a new project which will provide seed grants to universities to leverage and encourage entities prepared to invest resources of their own.

- A draft proposal for an international business fellowship program has been prepared for Agency review.

FAMILY AND DEVELOPMENT INITIATIVE

- We have established a working group to develop a strategy and a process for implementation of this initiative.

- The working group has identified strategies for implementation of the initiative in the following four major areas: the family as an economic system; the family as a social and a biological reproductive system; political choices and the family; and, families at risk.

- Information is being compiled on successful programs or projects that have taken the family dimension into account.

MANAGEMENT INITIATIVE

- PPC activities include a rewrite of the Foreign Assistance Act and revision of local currency controls.

- MS activities center on the areas of host country contracting, excellence through automation, and procurement improvements.

- FM activities center on the creation of a new A.I.D./W. Accounting and Control System and leadership of the Management Control Review Committee.

- PM is leading development of a human resources strategy, the revitalization of a junior officer recruitment program, and workforce planning and training initiatives.

- Regional Bureaus and S&T are focussing portfolios and moving toward concentration of activities.

EVALUATION INITIATIVE

- Basic agreement has been reached between PPC and PM on key issues concerning the reorganization of the Center for Development Information and Evaluation (CDIE).

- A draft agenda proposing topics for CDIE's evaluation workplan for FY 91-93 was circulated to Agency senior management (both in Washington and the field), to numerous Congressional staff, and to OMB. Responses to the agenda have been highly favorable to date.

The Environment Initiative Progress Update

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Overview

Environmental problems are closely linked to developmental concerns. Because of this linkage, the expansion of A.I.D.'s environmental activities has been encouraged by the Congress, the Administration, a vocal environmental NGO community, and by a growing number of developing countries. In addition, the upcoming 1992 U.N. Conference on Environment and Development (UNCED) will attract increasing attention to this area. This gives A.I.D. a unique opportunity to emphasize our successful integration of developmental and environmental programs and underscores the urgency of implementing the Environmental Initiative.

The purpose of the Environment Initiative, which was announced in June 1990, was to begin to focus the Agency's environmental and natural resource interventions. The initiative was developed over a period of months by the Environmental Working Group (EWG). This rapidly expanding group (currently 65 members) is chaired by the Agency Environmental Coordinator and includes representatives from all geographic and central bureaus, along with representatives from State/OES and EPA/OIA.

The EWG currently is developing an Agency Environment action plan to translate the Environment Initiative into more of an operational document. The Action Plan also will be accompanied by a strategy statement. Both of these will provide a directional focus for A.I.D.'s environmental interventions over the next five years. The target for completion is June 1, 1991. In addition, even though the Environment Initiative is less than one year old, the EWG will likely propose several revisions to that document this summer. (Interestingly, the Canadian International Development Agency (CIDA) is working on a similar strategy and many of the concerns and approaches discussed in our Environmental Initiative are mirrored in their draft document).

I. Further Steps: An Action Plan and Strategy Statement

A. The Environment Action Plan

This initiative identified the following environmental problems and cross-cutting approaches:

- Problems:

  - Loss of tropical forests

- Loss of biodiversity
- Unsound agricultural practices
- Poor management of coastal resources
- Poor management of watersheds
- Inefficient use of energy
- Urban and industrial pollution

o Approaches:

- Developing sound economic and environmental policies
- Strengthening institutions in the host country
- Involving the private sector in creative solutions

Unfortunately, the Environment Initiative was not clear in linking problems with approaches. Therefore, the EWG created subgroups to examine these linkages and to identify within each problem area the most appropriate A.I.D. intervention(s).

The results of those efforts are draft matrices indicating what AID/W believes are the most critical environmental problem areas, our objectives for addressing these problem and the activities we believe are necessary to support our objectives. Recently, the subgroups were tasked with prioritizing all objectives and activities. We now are requesting a similar effort from the field and expect completion of these efforts by early May. We hope that what will emerge from this process will be a shared vision of where the Agency's resources should be focused in the coming years.

There are two additional factors requiring attention that the matrices do not address. First, many environmental problems are linked (e.g., unsustainable agriculture leading to increased pressure for deforestation) and we need to ensure that our proposed activities adequately address such linkages. Second, there is a need to incorporate environmental concerns in every developmental project. Therefore, we are currently considering ways in which the Environment Initiative can be linked with the other initiatives.

B. The Strategy

Although we have an environment/natural resource policy paper, the Environment Initiative, and bureau strategies, we lack an Agency strategic statement clarifying the purpose of what A.I.D. is doing and what we hope our efforts will accomplish. Some question the need for this effort. However, we believe that such a strategy statement is necessary to help guide future Agency activities in this area. A draft of the strategy paper will be circulated in mid-April, followed by discussions with senior bureau managers and consultation with representative environmental NGOs. The strategy paper will be completed by June 1.

One important issue with which we are wrestling is determining how best to mesh bureau environmental efforts with the creation of an Agency-wide Strategy and Action Plan. The increasing responsiveness of all bureaus to environmental concerns is reflected in the generation of new bureau environmental/natural resource strategies for LAC, ENE, APRE, and S&T (all due to be completed in 1991) and the refinement of the existing AFR bureau strategy. Many of the priorities of each bureau are similar, but some are unique, and it is still unclear how best to accomodate these unique concerns into the Strategy and Action Plan.

C. The Retreat

We are planning a two-day retreat (May 1-2) for the EWG to work on both documents as well as to initiate the planning of potential responses to the most important environmental problems facing developing countries in the next 10 years.

With all of these ingredients mixing together at the retreat (the initiative, matrices, draft strategy, brainstorming future environmental problems and solutions), we envision a resulting Strategy and Action Plan reflecting Agency-wide environmental concerns, cutting across all regions and bureaus.

II. Funding

From FY 90 to FY 92, the total environmental obligations are projected to increase from $408 million to $460 million. The increase in projected funding for environmental activities is gratifying and reflects the importance and continued interest in this sector over the last several years. In some areas, the increase has been dramatic -- biodiversity funding, for example, has increased five-fold from FY 88 to FY 91.

The EWG is reasonably confident that the Agency will meet its FY 91 funding target of 75% of new environmental resources directed toward the areas of focus specified in the initiative.
We are currently developing a method to track funding for the Environment Initiative.

III. Uses of the Environmental Strategy and Action Plan

Due to a remarkable confluence of external events in the next 15 months, there will be opportunities for A.I.D. to increase significantly the visibility of its environmental programs and activities. With our initiative and a completed Strategy and Action Plan in hand, we look forward to enhancing A.I.D.'s role among developed and developing countries as well as to clarifying that role with other USG organizations interested in the environment. The opportunities are outlined below.

- The U.N. Conference on the Environment and Development (UNCED) will be held in June 1992 in Brazil. If UNCED is convened as a heads-of-state meeting, as currently proposed, the political visibility will be substantial and will provide A.I.D. with a remendous opportunity to highlight its experience with environment and development issues.

- The World Bank is still in the process of finalizing its procedures and developing project proposals for the Global Environmental Facility (GEF). The Action Plan and Strategy will help us respond to that opportunity, possibly to leverage GEF funds to support our own environmental activities.

- Congress has taken a great interest in the environment. The Environmental Strategy and Action Plan should enable the Agency to take a more proactive role on funding issues.

- By involving environmental NGOs in the development of our strategy, we will improve our relations with that community. Since NGOs play a major role in this area, we can benefit by soliciting their best ideas for program development and implementation.

IV. Related Environmental Activities

- Guidance on the Agency's approach to global climate change will be sent to the field by mid-April; it will outline the problem, international approaches to the problem, and A.I.D.'s strategic response.

- The Agency is developing its first Unified Environmental Report to Congress (due to be completed by April 20). This should replace most of the separate reports now requested by Congress. It also will serve as a general document for public distribution of the Agency's environmental activities.

- An A.I.D./EPA memorandum of understanding is ready for signature in April. It outlines the areas of common interest between our agencies and supports cooperation in those areas.

V. Strengthening A.I.D.'s Environmental Capacity

- The initiative recommended increasing the number of qualified environmentalis within A.I.D. by 20 people each year during the period 1990-92. As of March 1991, we have increased our "on-board" strength by two direct hires and 14 contractors; an additional 14 positions are being filled. The addition of more direct-hire staff remains an issue, however, and will impact both on how well we manage our expanding portfolio and on how many new activities we can undertake prudently.

- As recommended in the initiative, a training program for all A.I.D. staff is being developed. This program will offer several two- to three-week courses, including courses on environmentally-sound development planning, environmental impact analysis, and the environmental dimensions of economic analysis. In addition, the program will provide seminars, speakers, and modules for inclusion in other A.I.D. training activities, conferences, and meetings.

- On February 11, an environmental retreat was held for A.I.D. senior management, including the Administrator, the AAs, their deputies, and other senior staff.

The Democracy Initiative Progress Update

April 1991

One of a series of initiatives of
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Overview

Since November 1990, representatives of PPC, regional bureaus, and, more recently S&T and FVA, have met every Tuesday to discuss the Democracy Initiative and its implementation, and is called the Tuesday Group. Chaired by PPC, a broad number of topics associated with the Democracy Initiative have been discussed. One of the current priorities is a draft democracy policy paper which will include guidelines on a full range of Democracy Initiative issues. It is expected that this draft will be ready for senior Agency review by the end of April or early May.

I. Incorporating Democracy Across the Range of A.I.D. Activities

The first of the four components of the Democracy Initiative calls for A.I.D. to incorporate support for democratic practices and values across the broad range of its activities. Specific steps taken thus far include:

- An A/A.I.D. worldwide cable was sent in March outlining the four components of the Democracy Initiative and future expectations.

- The AC/SI codes describing A.I.D. democracy activities have been revised, enabling field missions to provide more accurate and comprehensive funding data.

- PM is offering a one-week pilot training course scheduled for May, to develop the skilled cadre of A.I.D. field officers needed to implement the Democracy Initiative. This will cover U.S. interest in democratization, theory and application of democratic governance, Agency experience, and strategy development. After evaluating this effort, similar courses may be offered in the future.

- APRE has developed a country framework which provides a common analytic approach for missions developing country programs. A field workshop for democracy officers is planned for August.

- In September 1990, AFR initiated an extensive dialogue with field missions on democracy and improved governance in Africa. This has continued, and the Democracy Initiative will be a central topic at the Mission Directors' meeting in May. AFR also organized an experts meeting (facilitated by S&T) to discuss ways in which civil society can support the transition to democracy in Africa.

- ENE held a two-day experts meeting (facilitated by S&T) on problems of democracy in the Middle East. Participants included a large number of field staff who were in Washington on evacuation status.

- LAC has incorporated the "evolution of stable, democratic societies" in its Country Strategy Development Guidance. The Bureau is finalizing its regional Democracy Initiative (DI) strategy and has a set of management objectives with specific targets for implementing it. A conference for DI field officers is planned for May.

- PPC has commissioned several policy studies including a paper synthesizing the main analyses of democracy and a worldwide study of the links been democracy and economic development (in conjunction with ENE and APRE). Assistance also is being provided to the DAC Secretariat to help develop a common donor approach to "participatory development."

- S&T has sponsored several workshops and meetings of experts on democracy, including workshops on public sector management and decentralization.

II. Support for Democratic Institutions

Approximately $131 million is planned in direct support of democratic institutions in FY 1991, with an additional obligation of about $123 million in FY 1992.

APRE is finalizing its Asia Democracy Program, which outlines its direct support for democratic institutions. Country strategies to support democratic institutions have been completed in Thailand, Sri Lanka, Indonesia, and Nepal. In addition, a competitive grants program is being established for FY 91. In FY 92, an additional $2 million in central funds are expected to be obligated for pilot democracy projects.

Over the past two months, AFR has approved 20 projects ($530,000) to promote civil and political rights, and plans to increase the FY 91 116(e) budget from $1 million to $4 million. In addition, several countries are designing multi-year projects focused on governance for obligation in FY 92.

ENE is implementing a $35 million program in Eastern Europe through six projects: National Legislatures; Sub-national Government and Public Administration, Rule of Law; Independent Media, Political Process (electoral process, political organization and citizens networks), and Social Process (minority issues, books for democracy, and educational reform). In the Near East, ENE is implementing a $2 million program which augments the efforts of its missions. With its regional funds, ENE hopes to support a region-wide NGO with in-country presence to design and implement democracy projects. In addition, DPI strategies and/or needs assessments were prepared for several Near East countries.

LAC supports democratic institutions through projects focused on improved court administration; strengthened political pluralism; efficient and honest government through enhanced accountability and improved public administration; improved civil-military relations; decentralization to local and municipal governments; civic education; and support to independent media private foundations, public policy institutions, and NGOs. A total of $87 million will be obligated in FY 1991, and an additional $91 million is proposed for FY 92.

III. Assessing Progress Towards Democracy

This third component of the Democracy Initiative has proven to be the most complex and difficult to implement thus far. Two distinct issues are involved. First, this involves complicated questions on the most reliable, comprehensive, and practical method for assessing a country's progress. A second issue is developing an Agency-wide approach that is sufficiently flexible and sensitive to widely varying regional conditions. AFR and LAC already factor progress toward democratic governance into their country allocation process.

Various bureaus are engaged in discussions with OMB on their country allocation process, and the FY 93 allocation exercise is underway. Nonetheless, the Tuesday Group is examining the appropriateness of an Agency-wide approach. By mid-May, we expect to send to senior management an options paper outlining different alternatives that could be adopted (see concluding section on key issues).

To assist in this, PPC is developing a technical experts meeting in early May. Participants will include regional bureau representatives, who will review the different systems developed thus far, assess the strengths and weaknesses of these competing methods, and discuss the operational implications of each approach. We expect to invite participation by the Development Committee of the OECD (DAC) in an effort to help advance our discussions with our DAC partners on this issue, as well as the internal A.I.D. dialogue.

IV. Legislation for Rapid Response Capability

Under present law, the primary constraint A.I.D. faces i responding quickly to democratic opportunities is the ineligibility of certain countries to receive any U.S. Government (USG) economic assistance (e.g., countries that have communist governments, regimes that have resulted from the overthrow of an elected government, and/or regimes with violations of human rights.) Yet these are precisely where the USG may want to move quickly to assist if there is a "democratic breakthrough" and an opportunity to support and help consolidate a movement toward more open, democratic political systems. Consequently, the proposed FAA rewrite contains provisions giving the President the authority to waive restrictions on countries eligible to receive USG assistance where such changes occur. Thus far, there appears to be little or no opposition to this proposal on Capitol Hill. Secondly, we are exploring the feasibility of using OFDA resources for rapid responses in specific countries.

V. Consultations with Congress and Other Agencies

In collaboration with LEG, AA/LAC James Michel and PPC have held a series of consultations with Congress, followed by more focused conversations on specific issues. We also have had a series of meetings with USIA to discuss ways in which our efforts can be mutually supportive and complementary.

PPC has been working on coordination with other donors. This includes the development of a DAC paper for the June Senior Level DAC meeting and the July Tidewater meeting (hosted by the U.S.) focusing on governance. PPC also is coordinating with State and Treasury on responding to a draft World Bank document outlining the legal parameters within which Bank support for improved governance must operate.

Finally, considerable time has been devoted to A.I.D.'s relationship with the National Endowment for Democracy (NED), a subject that also has attracted Congressional attention. This culminated in the A/AID letter to NED outlining basic principles in our relationship with NED. As a result of the GAO audit of NED, the Tuesday Group is coordinating the development of uniform monitoring requirements for all A.I.D. grants and cooperative agreements with NED.

VI. Key Issues for the Near Term

Two issues will soon require the attention of senior Agency management. First, the function of the Tuesday Group has gradually changed from simply sharing information to framing policy options for senior Agency management. Is this appropriate, and does the Tuesday Group have a mandate to serve this function within the Agency? Second, establishing agreed procedures and criteria for "rewarding progress towards democracy" is one of the most visible and most difficult components of the Democracy Initiative. When an options paper is completed, guidance from Agency senior management will be required to resolve some of the policy issues involved in implementing this component.

The Partnership for Business & Development Progress Update

April 1991

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Overview

The Partnership for Business and Development initative is composed of six distinct activities: 1) a Capital Projects Fund, 2) a Business and Development Network, 3) a Business Advisory Council, 4) Emerging Sectors in Development, 5) Competitiveness through Universities, and 6) Business Internships for Emerging Markets. The current implementation status of each of the elements follow.

I. The Capital Projects Authority

- Fred Zobrist of APRE is the Officer-in-Charge. There is an inter-bureau core Capital Projects Committee (CPC) composed of: George Laudato and Dale Sarro (APRE), Paul Guedet (Africa), Satish Shah (ENE), Jeff Evans (LAC), Laurie Landy and Priscilla Del Bosque (PPC), Mike Kitay (GC/APRE), David Grossman (APRE/H), Ed Stains (APRE/DR/TR), and Frank Kenefick (A/AID).

- The CPC mission consists of two parts: (a) implementing the Capital Projects concept in FY 92 within existing authorities; and (b) developing long range plans and strategy for implementing an expanded capital projects activity, including a "fund," in FY 93.

- Action assignments at present include the following:

  - A preliminary inventory of the impact of existing capital projects and their accomplishments over the past 10 years has been completed.

  - An Inventory of Agency capital project management and skills resources has been completed action completed, but is being expanded to include skills bank;

  - A cable from the A/AID to the field announcing the Agency's renewed emphasis on capital projects and a briefer showing the important role of such assistance in the development process have been prepared;

  - Development of a brochure on Capital Projects is underway.

- Obligations from the FY 92 CP are as follows for the Agency's three largest Capital Projects Programs (Egypt, the Philippines, and Southern Africa Regional):

FY 1990	$532 million (actual)
FY 1991	$573 million (planned)
FY 1992	$420 million (projected)

In addition, Commodity Import Programs (CIP) are shown as averaging $300 million annually. This is indicative that capital projects are declining in importance in A.I.D., compared with the $5.6 billion in active capital projects the Agency has in the Philippines, Egypt, Pakistan, and Southern Africa Regional programs. These are projects which have not yet reached their project assistance completion date; excluded are many projects in various stages of closeout and housing and Commodity Import Program projects.

o A decision was made to drop "pure" Commodity Import Program projects from the list of "Classes of Capital Projects."

II. <u>The Business and Development Network</u>

o Phillip Hubbard is the Officer-in-Charge.

o An inter-bureau Working Group composed of Hubbard, Jim Vermillion (LAC), Ray Malley (AFR), and Lance Marston (ENE) has been formed to provide an integrated approach to implementing this element of the initiative throughout the Agency.

o The Working Group is seeking to define the role and function of the network in order to obtain the Agency's commitment of resources required to service the network's target clientele and support its constituency.

o The Working Group is implementing the following activities:

- A showcase joint trade and investment project;

- Coordination with the Administrator's working group on information systems and analytical tools. This group's recommendations will determine the information system for the "one-stop" center for trade and investment;

- The design of a set of procedures and policies for interacting with the U.S. and foreign business community on a transaction basis; and

- Assessment of on-going trade and investment activities to provide a basis for ascertaining those methodologies through which A.I.D. has achieved its greatest successes in trade and development, as well as identifies niches for innovative new ways to promote trade and investment.

o The Working Group will propose to Agency leadership that a central directorate for

trade and investment be established. Once such a team is in place, efforts can begin to institutionalize common reporting formats and implement a substantive program.

- The Working Group has just completed a highly successful ad hoc effort to gather Agency-wide information for the Administrator on trade and investment activities in FY 90 -- including the names of involved firms, areas/sectors of activity, the amount of private capital involved, the number of jobs created, etc. This effort must now be institutionalized by creating a common results tracking system, reporting format, and database from which to extract future data requirements more easily.

- The Administrator's Trade and Investment Working Group also has been working assiduously to examine the information requirements and means required by the Agency to implement a Trade and Investment Program, including program options under different policy environments.

III. The Business Advisory Council

- Tracy Smith of APRE/IBS is the Officer-in-Charge.

- An initial list of candidates has been prepared, and letters signed by the Administrator have been sent to each of them soliciting their interest in serving. To date there have been eleven acceptances, four rejections, and three from whom responses have not been received.

- Once a final slate of Advisory Committee members is selected, a meeting will be scheduled in Washington, D.C.

- The Administrator has approved the formal creation of the committee, and a letter has been sent to the GSA to complete necessary USG consultations.

IV. Emerging Sectors in Development

- The Co-Officers-in-Charge are James Sullivan of S&T/EN/EY and Michael Unger of APRE/SPEE.

- Preliminary definition of the task is as follows.

  - Partner with more technologically-experienced organizations, thus enabling them to become comfortable with the application of their knowledge in a developmental milieu.

  - Consider technologies that are operational in the U.S. and technically ready for

use in the developing world, but not yet considered commercially viable.

- Focus A.I.D. involvement in a few key areas, be mindful of national competitiveness interests, and consider funding for research proposals, market adaptation and access, or technological venture capital.

- Involve the participation of a responsible U.S. co-operator (university, research center, etc.) to help develop and implement pilot activities.

o To date, four sectors have been "short listed" for focus: health technology and services; environment and energy; telecommunications; and agribusiness/biotechnology.

o Action items include:

- Preparing work plans for each technology sector;

- Preparing a report outlining A.I.D.'s ongoing activities in each of these areas; and,

- Creating a more systematic outreach program to develop and promote A.I.D.'s role in trade, investment, and technology transfer.

V. Competitiveness Through Universities

o Gary Bittner of S&T/RUR is the Officer-in-Charge.

o S&T/RUR's program of more traditional entitlement grants is being curtailed to make room for a new competitive project concerned with University Development Linkages.

o The new project will provide seed grants to universities to leverage and encourage "stake holders" who are prepared to invest resources of their own and become constituents for mutually beneficial activities and interests.

o It is anticipated that up to $1.5 million will be provided in FY 1991 for 10-15 matching cooperative agreements with participating universities.

o The Request for Applications (RFA) for the new University Development Linkages project was advertised in the Commerce Business Daily on February 6, 1991. As of March 12, 1991, we had 336 requests for the RFA.

VI. International Business Fellowship, a.k.a., Business Internship Program for Emerging

Economies

- Eric Phillips of A/AID is the Officer-in-Charge, assisted by Leslie Anderson, LAC/DR/EHR.

- A draft proposal for an International Business Fellowship program has been prepared for Agency review.

- The proposal incorporates recommendations from graduate business schools throughout the country and from such professional organizations as the American Assembly of Collegiate Schools of Business.

- The proposal consists of the following major concepts and elements.

  - A one-year fellowship for students between the first and second year of an MBA program;

  - A pre-departure orientation, a one year work experience with a sponsoring A.I.D. field mission, and a follow-up program at the student's university;

  - The program will be structured around an advisory board and four consortia comprised of interested universities, with coverage provided to all regions of the world in which A.I.D. works; and,

  - The initial year of the Fellowship program will run as a pilot activity involving up to 24 students, proportionally distributed throughout the four A.I.D. regional bureaus.

- USAID/Bangladesh has already requested permission to serve as the sponsoring field mission for two of the fellows.

Family & Development Progress Update

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Overview

This draft conceptual framework builds on the Family and Development Initiative. It sets forth goals and strategies and indicates how ongoing and planned programs fit into this initiative. It also describes how this initiative links with and reinforces the Agency's other initiatives.

The goal of development is to improve people's lives. Successful development depends on people's participation -- the central theme of this initiative -- and it is this theme which helps bring together all the initiatives. The family plays a key role in driving economic growth and in allocating benefits to individuals. Economic growth cannot be sustained without widely distributed benefits. Focusing on people and families also is essential to democratization because democratic institutions built on a base of social misery and unrepresentative leadership are not sustainable.

The family is the critical mediating force between people and institutions in all countries. A better understanding of the role of the family in development will strengthen countries' capacity to pursue policies favoring political and economic liberalization and will enhance efforts to directly improve family and individual well-being.

I. Goals and Strategies

The overall goal of all the Agency initiatives is to improve the well-being of individuals. Under the Family and Development Initiative, there are two sub-goals. They are:

1) to enable families to make better choices; and,

2) to facilitate family members' participation in the economic, social, and political life of their countries.

Enabling families to make better choices requires, on the one hand, increased options for and supply of services, and, on the other, information and education so that families can take advantage of the options and resources available to them. The strategies for achieving these goals are to:

- Increase family income by expanding opportunities for participation by families in the economy;

- Strengthen the family's capacity to care for and support its members through improved access to and expanded options for health care, family planning, education, nutrition and other social services;

- Promote pluralism by encouraging and facilitating the participation of families in community and societal decision making;

- Reduce the impact of conditions that place family members at risk and enable people affected by crisis to regain the social support systems needed to survive.

There are at least four major spheres of action in which these strategies can be implemented:

o The family as an economic system

Economic activity in developing countries frequently is concentrated at the family level. Family members can be helped to diversify income sources through removal of barriers to employment, credit, business creation, land, and property rights. Increased family consumption, saving, and investment not only provide impetus for sustained economic growth, but also mobilize families to support the type of policy changes that enable growth to occur. Activities might cover sectoral policy reform; small and micro-enterprise development; family food security; small- scale savings, and credit opportunities; and adult education and skills training, with emphasis on females.

o The family as a social and biological reproductive system

The family has the primary responsibility for nurturing and protecting its members from infancy. Children are introduced to the culture, values, and norms of their society by their families. Responsible parenthood is key to the health and well-being of future generations. For families to be empowered to perform these critical functions, they need access to and expanded options for inter alia: early childhood care and development; health care; family planning; nutrition programs; physical shelter; and basic education for children and adults, ensuring equal access by females.

o Political choices and the family

Deepening democratic reform depends upon extending and institutionalizing local level participation and the exercise of free choice. Top down policies that open up participation in institutions and call for devolution of authority must be accompanied by efforts from the bottom up to prepare for such participation.

Activities reducing intra-family inequities and supporting political pluralism through families include: decentralization of programming, budgetting, and management decisions to communities; expanding access to information and raising adult literacy level, with emphasis on females; education and information on legal rights and civic participation; electoral reform facilitating registration and secret balloting; reform of bank regulations and commercial codes to permit women to receive credit; reform of family law to permit more equitable inheritance and child custody; and liberalization of rights to land, property, free assembly and expression.

o Families at risk

Many families are at risk or are undergoing serious transformation due to civil strife and war, substance abuse, environmental hazards and AIDS. As a result, the number of refugees and displaced people, orphans, and street children has increased. Some of these conditions cause families to be at risk temporarily. In others, the risk can be chronic. In the developing world, growing numbers of isolated households are headed by young females. These households are disporportionately impoverished, and more and more of them are replicating themselves. Such families typically lack education and suffer from ill health, low productivity, and extreme poverty. Targeted assistance to families at transitory risk includes disaster assistance and emergency feeding programs to help families continue functioning. For families at chronic risk, low-cost, self-help housing for the homeless, reduction of exploitative labor practices, support for child care, nutrition, and parenting programs are appropriate.

II. The Role of Family-focused Analysis

Experience has shown that the success and effectiveness of development programs can be hampered by lack of understanding of family dynamics. Compiling and documenting examples of development activities that have been enhanced (or hindered) by an understanding of family dynamics is an important first step. Analysis can give insight into family functioning and survival strategies that inform the design and implementation of development activities. Results of such studies provide a baseline from which to assess the impact of our programs.

At a broader level, expanded use of "family level" analysis in project and program planning and monitoring will enhance the success and effectiveness of a broad range of development efforts. Analytical activities supporting this initiative include literature reviews and analyses of secondary data on family dynamics and their role in the development process and field-based applied research keyed to planned programs or policy reform.

III. Programmatic Agenda

The Family and Development Initiative emphasizes areas in which A.I.D. historically has made important contributions. Although people-based development is not new, this family initiative framework provides an integrated strategy and a mandate for people-based development principles. To improve their own lives and to realize their potential contribution to development, people need to be empowered through wider access to skills, services, and resources and the knowledge and education to choose among and use the opportunities available. This framework has been developed with the understanding that it will be necessary to maintain and possibly to redirect and/or expand options and services in the following areas:

- Basic education, with particular emphasis on female education and on parenting and child development in early childhood years;

- Sustainable child survival;

- Family planning and safe motherhood;

- AIDS, with particular attention to pediatric AIDS and the effects of AID Son family structures and support systems;

- Household production of goods and services; food security; microenterprise;

- Gender and generation issues particularly regarding intrahousehold allocations of time, power, and control over resources;

- Human rights, family law, protection of children, and political participation by family members;

- Disaster assistance and other programs for refugees and displaced persons;

- Assistance for separated families and provision of family or community care for orphans;

- Environmental activities in which families are important stakeholders.

- Policy reforms that take into account the role and needs of families and open up options for their participation in the economic, social and political life of their countries.

Bureaus and Missions are encouraged to incorporate the Family and Development Initiative into their respective programming planning and reporting cylces. The above areas are indicative of ways in which activities affecting families should be reflected in programming decisions. All appropriated accounts, including DA, ESF, DFA and P.L. 480 are eligible to support this initiative. All modalities, including bilateral project and

non-project assistance, buy-ins to regional bureaus of Agency programs, Peace Corps cooperation, PVO/NGO grants, and university linkages are appropriate.

IV. TALKING POINTS

QUESTION: Is this initiative intended to replace traditional programs such as child survival, nutrition, population, and basic education?

ANSWER: No. These programs are still priorities for A.I.D. This initiative is intended to ensure that the critical role that the family system plays in the survival, nutrition, and education of children and in family planning decisions is more fully factored into programs in these areas. The initiative affirms people-based development principles and is intended to consistently strengthen programming in these areas. This initiative provides a lens through which programs that have less direct impact on people can be designed, implemented, and monitored in order to enhance their effectiveness.

QUESTION: Is this just a matter of "old wine in new bottles"?

ANSWER: Not entirely. Focusing on the role of the family in development is not a new idea. It is used in many areas, from farming systems research to education policies. However, there are many instances where it is overlooked and could provide important insights for the design and implementation of policies and programs. The perspective reflected by this initiative should flow through A.I.D.'s current and new programs to improve their effectiveness and impact on people. In some cases, there may be new activities, in others expansion of on-going programs that have successfully focused on the family, and in still others a new lens through which existing activities are viewed.

QUESTION: How does this initiative relate to three other initiatives: Democracy, Business, and the Environment?

ANSWER: The goal of these initiatives is improvement in the lives of people. The Family Initiative reflects recognition that people do not operate alone. Individuals express many of their needs, make choices, and avail themselves of resources within the context of their family relationships. In order for development planners to formulate effective economic and social policies and programs, they need to understand how and why the family chooses to make use of economic and social resources on behalf of its members. A better understanding of the role of the family in development will strengthen our ability to pursue effective policies for economic and political liberalization as well as management of natural resources.

QUESTION: Where's the beef in this initiative?

ANSWER: This initiative is not an add-on to our program. Enabling families to make better choices and facilitating their participation in the economic, social, and political life of their countries are concepts that are relevant throughout our programs. The result of using these concepts should not be measured by separate resources or programs, but in the increased effectiveness of our programs through a focus on people and their family systems.

QUESTION: Is family defined as household for the purposes of this initiative?

ANSWER: Both the concept of the family (defined as having kinship bonds) and of the household are relevant to this initiative. Both focus on the organizational level and dynamics that operate between the individual and society. The family is a social system. The household is an analytical and operational construct that is often used in survey research and can provide valuable insights for the design, implementation, and monitoring of development interventions. Because family members outside the household may exert powerful influences on what happens to individuals within the household, household data may have to be supplemented by other analyses in order to understand completely family relations in a development context.

QUESTION: Does the initiative mean that development impact should be tracked and measured in terms of families rather than individuals?

ANSWER: No. Indicators like infant mortality and per capita income will always be standards for tracking progress. At the same time, the family system cannot be ignored, because the allocation of resources to and within families significantly influences the level of consumption, health care, and education available to each family member. Indicators based on individual or macro level statistics can be supplemented by household surveys and qualitative data on family systems in order to better understand the dynamics and track the process of development in any particular situation.

QUESTION: How will this initiative deal with the many family structures and value systems and the differing degrees of autonomy that individuals have in diverse family systems?

ANSWER: Socio-cultural differences make it impossible and inappropriate to apply a standard definition or normative form of "family." Whatever form they take, families have important social, biologic, economic, and political functions. The aim of the initiative is to understand and work with family systems, not to judge them. It must be recognized that in some societies, intra-family dynamics can be more authoritarian than democratic. It is also true that many aspects of this initiative and other A.I.D. programs bring greater equity and voice to individual family members, sometimes at the expense of family authority. These situations must be dealt with realistically and sensitively.

QUESTION: Does this initiative apply to non-project assistance?

ANSWER: Yes, perhaps in some instances more usefully than to project assistance. More careful consideration of the people-level outputs of policy changes and programs on individuals, families, and communities can greatly enhance our ability to use creatively these assistance modes. Analyses leading to recommendations for policy change and program interventions are critical to identifying accurately the impact of our assistance efforts.

QUESTION: What is the relationship between the analytic and programmatic components of the initiative?

ANSWER: This initiative is partially based on previous A.I.D. experience in using and dealing with the family as both an analytic optic and an agent and beneficiary of assistance programs. In many countries and sectors, we already know enough to identify program level activities which are consistent with and will further this initiative. At the same time, there are other areas where further study and analysis are required to better understand how things work and what types of influences or interventions might be appropriate. At a broader level, expanded use of "family level" analysis in project and program planning and monitoring will enhance the success and effectiveness of a broad range of development efforts.

Toward Strategic Management Progress Update

April 1991

One of a series of initiatives of
the U.S. Agency for International Development:

The Environment Initiative
The Democracy Initiative
The Partnership for Business and Development
Family and Development
plus
Toward Strategic Management, and
The Administrator's Evaluation Initiative

Overview

Significant activities have been, and continue to be, initiated to improve the quality of management in A.I.D.; specifically, doing more with less, maintaining high quality, low cost, and proper stewardship of resources. The initiatives have been tasked to AID/W bureaus and independent offices. Their efforts to date are discussed below:

I. Bureau for Program and Policy Coordination

PPC activities include a rewrite of the Foreign Assistance Act, enhanced evaluation activities (see separate Evaluation Initiative status report), and revision of local currency controls.

o Accomplishments

A. Redraft of the Foreign Assistance Act (FAA):

A.I.D. and the Department of State have drafted a substantially revised version of the FAA of 1961. The draft is now being reviewed by the Office of Management and Budget (OMB) for Executive Branch clearance. The draft contains changes intended to:

- Provide a policy framework appropriate to the 1990s, based on U.S. foreign policy and A.I.D.'s mission, combining traditional priorities with the Agency's new initiatives in foreign assistance;
- Permit a more flexible and effective approach to development assistance by combining the functional accounts into a single, global development account; and,
- Simplify and rationalize the multiplicity of administrative provisions in the Act, to provide clearer approaches and authorities for the planning and delivery of assistance.

The revised FAA should be transmitted to Congress in April for review and passage in 1991.

B. Local Currency Policy:

The revised local currency policy was completed in December 1990 and submitted to the geographic and central bureaus for final clearance. This review identified six policy issues to be resolved, two of which have been the subject of legal opinions issued by the Office of the General Counsel. The remaining issues are scheduled to be reviewed and resolved by the Deputy Administrator at the end of March, and the revised local currency policy will then be distributed and implemented.

II. Bureau for Management Services

MS initiatives involve the areas of host country contracting, excellence through automation, and procurement improvements.

o Accomplishments

A. Improving Host Country Contracting (HCC)

Missions will ensure that contracting officers and commodity management officers participate at appropriate stages in the procurement planning and implementation when HCC is utilized. When HCC is utilized to implement project activity exceeding $250,000, certification by the Mission Director is required regarding the capability and integrity of the contracting agency. Such certifications will be based on thorough assessments conducted prior to initiating new procurement actions, and, in the case of continuing activities, repeated or updated at least once every three years. Finally, Missions will assure that audits of HCCs are planned at the Project Planning stage and that funds are set aside for performance of the audits. These procedure and policy changes have been arrived at in consultation with key congressional staffs.

B. Procurement Improvements

The Procurement Policy Advisory Panel (PPAP) was reestablished last year. Contracting efficiency will be addressed through a series of forthcoming recommendations concerning specific procurement planning requirements, increased contracting officer involvement in project design, and an increase in the dollar threshold from $100,000 to $250,000 for other than full and open competition for contracts awarded overseas Potential vulnerabilities that now exist will be addressed with revised handbook guidance on: Buy-in contracts and Indefinite Quantity Contracts (IQCs), agreements with other government agencies; and on the establishment of a steering committee on buy-ins and IQCs. Finally, the Agency will begin utilizing an information system managed by the Commerce Department to expand our publication of planned procurements at an earlier stage than is possible via announcement in Commerce Business Daily.

C. Excellence Through Automation (ETA)

Prior to establishment of this project only 37 percent of AID/W employees had access to word processing, the Agency's IBM mainframe computer, electronic mail, and limited ability to share data files. The remaining 63 percent have had less access to automation capability, primarily only to automated word processing. The ETA goal has been to install personal computers connected through local area networks and redeploy workstations to provide desktop access to 80 percent of the Operating Expense (OE)-funded professional staff and 100 percent of the OE funded support staff in AID/W. Assuming that the FY 92 portion of the project is funded, this level of automation will be available to 95 percent of all AID/W staff.

III. Office of Financial Management

FM activities center on the creation of a new AID/W Accounting and Control System and leadership of the Management Control Review Committee.

o Accomplishments

A. AID/W Accounting and Control System (AWACS)

A review of the Agency's financial management requirements has been completed, and eight business areas identified for specific, in-depth analysis. Later this summer, a decision will be made on whether A.I.D.'s AWACS can be created from an off-the-shelf commercial package or will have to be custom designed. FM and IRM are coordinating efforts in this area to ensure that details of the AWACS project remain consistent with the Agency's overall strategic information plan.

B. Management Control Review Committee (MCRC)

Since the announcement of this initiative, two meetings of the MCRC have been held. The MCRC has reviewed and approved the annual certification letter to the President and the Congress regarding the Agency's management control assessment activities.

In addition, performance elements and standards related to management controls for senior managers have been included in the instructions for preparation of Foreign Service EERs. Similar instructions will be transmitted for SES/GS/GM employees later this spring.

Finally, training courses have been designed and conducted for Agency personnel regarding vulnerability and internal management control assessment. During the week of March 18, training was provided to 25 of the Agency's senior staff, 40 line managers, and 30 MCRC coordinators.

IV. Office of Personnel Management

PM has taken the lead on development of a human resources strategy, the revitalization of a junior officer recruitment program, and a workforce planning and training initiative.

o Accomplishments

A. Human Resources Development Strategy

PM is developing a strategy for human resources development and management for A.I.D. employees. Our goal is to provide each FS and GS employee with a dramatically improved and personally-satisfying career path; that is, a series of planned experiences that increase an employee's skill and competence obtained through work assignments, formal classroom training, mentoring, and by individual or unit accomplishments that further the Agency's program goals. Simultaneously, these activities should enhance each individual's effectiveness and value to the Agency. We are in the process of implementing a personnel system that is more transparent, perceived to be more equitable, and provides a more predictable set of expectations about career advancement.

We have identified obstacles in the present personnel management systems in the areas of recruitment, assignments, training, incentives, position classification, and organization structure. We soon will release an AID-wide cable detailing the problems in these areas as we perceive them and our expectations for improvement.

B. Junior Officer Recruitment

The Administrator has approved implementation of a revitalized International Development Intern (IDI) program. Beginning immediately, FTE and funding have been set aside and will be managed centrally by PM. With this change, assignment of an IDI to a bureau or mission will represent a net staffing gain to the organization. This will allow PM to emphasize recruitment of entry level, as opposed to mid-level officers. Selection criteria have been revised to again emphasize analytic ability and potential; lack of prior overseas experience will not be disqualifying. In addition to reducing program costs, the Agency will realize significant progress in affirmative action recruitment. In 1991, we will appoint a class of 40 IDIs representing meaningful racial and gender diversification.

C. Workforce Planning

In September 1990, the Deputy Administrator charged PM with establishing a planning working group to conduct an extensive study of the A.I.D. workforce

workforce. This activity has been completed and has resulted in a comprehensive report that indicated, in addition to description data, the most desirable skills and skills mixture that the Agency will require of an officer in the foreseeable future. The Deputy Administrator has since approved the creation of a formal workforce planning system whose goals are to shape and manage the size, skills mix, cultural diversity, distribution, and placement of the workforce. Ultimately, this system will lead to the establishment of a future workforce that will accurately reflect the projected direction and priorities of the Agency.

D. Training Initiative

The Agency has developed training programs to prepare staff to operate in a rapicly changing environment with emphasis on the new initiatives. In response to emerging program needs, PM produced a training course in Democracy Initiatives and one intended to assist in the agricultural aspect of the Partnership for Business and Development Initiative.

V. AFR, APRE, LAC, ENE and S&T Bureaus

The above bureaus have been charged with concentrating bureau and mission portfolios and moving towards "doing more with less."

o Accomplishments

A. Bureau for Africa

Since May 1989, AFR has made progress toward improving its management of development and food aid resources. Specific bureau objectives in this area and accomplishments are:

o Concentrate Development Fund for Africa (DFA) resources in countries that are performing well. A supplemental budget allocation exercise was conducted in November 1990. This resulted in a decision to focus additional resources supporting of social sector reforms (health, family planning, and basic education) and to a lesser extent, in environmental conservation;

o Tie routine management actions to DFA policy and program priorities. AFR has sought to achieve this end by reorganizing to concentrate management resources, increase the authority of the geographic offices, and establish shorter and clearer lines of authority overall;

o Put A.I.D.'s resources to work with PVOs, other donors, and private business sectors. AFR has recently added funds to three International Finance Corporation-managed projects; started a venture capital promotion project; and

negotiated an agreement with OPIC under which U.S. companies will participate in six trade and investment missions to Africa in 1991 and 1992;

- Integrate programming of food aid (and ESF) resources with DFA resources. AFR mission staff is moving rapidly to implement the new Title III legislation, which is especially well-suited to the African situation and the mandate of the DFA. Program proposals for Mali and Mozambique have been received and are now under review.

B. Bureau for Asia and Private Enterprise

APRE has undertaken activities to improve strategic management and focus resources. These include:

- A portion of the International Executive Service Corps (IESC) funding has been withheld pending an analysis to correct chronic funding problems and inefficient country operations;

- In conjunction with PPC, APRE has set up a least cost tracking system for microenterprise projects. This system is essential to providing information to Congress and the Agency for tracking program efficiency;

- Reporting requirements have been strengthened in the Investment Office's Loan Portfolio Guarantee Program. In the area of enforcement, APRE is prepared to terminate agreements in those cases of delinquent bank utilization reports; and

- A detailed assessment of Housing Office operations has been undertaken. Policy revision is underway to improve appraisal of the guarantee facility, determine its appropriate use, and improve the management of the existing portfolio.

C. Bureau for Latin America and the Caribbean

LAC has initiated a series of actions intended to streamline and concentrate Agency planning and program. These include:

- An examination in each country action plan review of program focus, with a corresponding rejection of proposed new projects that stray from a focused program strategy;

- Issuance of an LAC Bureau cable requesting mission suggestions for reducing paperwork and streamlining program documentation;

o Reduced paperwork requirements in the Bureau's CDSS guidance;

These actions have resulted in the following suggestions from the field which are now under consideration:

- Delegation of food aid reporting and approval functions to the field;
- Review of procurement authorities and procedures;
- Mission Director authority to approve H.B. 13 cooperative agreements up to $1 million;
- Reduction of yearly changes in routine reporting requirements; and,
- Establishment of a TDY pool to assist missions in program and project development.

D. Bureau for Europe and the Near East

ENE has reorganized its process for allocating program development and support funds around the Agency's Mission Statement. To help focus the ongoing portfolio in this direction, reviews have been conducted regarding applicability of existing policy and project objectives. In addition, analysis has been undertaken to better relate program portfolios to mission workforce. Although workforce allocation will never dictate program levels, a review from this perspective provides another basis for identifying marginal program activities.

E. Bureau for Science and Technology

Consolidation efforts have resulted in a series of "clusters" or working groups to explore opportunities for better focus and consolidation of programs in the areas of breastfeeding, communications as a development tool, sustainable agriculture, forestry, and Vitamin A. Linkages with universities are being restructured and consolidated under the newly-formed University Center.

Further efficiencies are being sought through innovative program initiatives. S&T and FVA are exploring methods for the use of debt and financial technologies as a development tool. This year the Office of Population will start a new private sector project; one aspect of which will be to use, on a long-term project basis, local currency (raised through debt swaps and purchases of blocked currency) for expanded sustainable delivery of family planning. Finally, S&T has established and directed an Agency-wide environmental working group which has defined the terms of the Agency's Environment Initiative.

The Administrator's Evaluation Initiative Progress Update

April 1991

One of a series of initiatives of
the U.S. Agency for International Development:

The Environment Initiative

The Democracy Initiative

The Partnership for Business and Development

Family and Development

plus

Toward Strategic Management, and
The Administrator's Evaluation Initiative

Overview

Strengthening the role of evaluation in the Agency is part of the Administrator's emphasis on management excellence in A.I.D. Because of the importance of a strong and independent evaluation function, PPC's Center for Development Information and Evaluation (CIDE) was assigned the lead role in expanding the Agency's evaluation capacity. In response, CIDE has begun a major reorganization and expansion of responsibilities and a recruitment program within the Agency.

The main elements of CDIE's strengthened and broadened evaluation mandate include:

- Targeting assessments on strategic issues of performance and impact that will help senior management make critical programming and policy decisions and report more convincingly to Congress, OMB, and the public.

- Assessing A.I.D.'s operational processes and management systems.

- Undertaking regular, comprehensive reviews of A.I.D.'s program performance as a basis for performance-based decision making to establish an Agency-wide system for measuring and comparing performance of core programs.

- Functioning as a center of exellence for the Agency's overall evaluation system.

- Expanding CIDE's technical assistance, guidance, and training support to Missions in designing and implementing evaluation systems for effective project and program management.

I. Reorganization of the CDIE

- Basic agreement has been reached between PPC and PM on key issues concerning the reorganization of CDIE, including:

  A functional statement for CDIE, the basic organizational structure, and staffing pattern;

  A senior- and mid-level grade structure necessary to attract the Agency's "best & brightest;" and,

The mix of FS and GS officers necessary to provide a balance between practical field experience and more continuity in technical and methodological expertise.

- o Remaining issues of the organizational placement of CDIE and the titling of CDIE sub-units (as offices or divisions) was sent, in the form of an action memo, to the Acting Administrator on April 3.

- o While the formal recruitment process must await approval of CDIE's reorganization proposal, the Center's management already has interviewed scores of interested FS and GS candidates and will be ready to move quickly.

- o Full-time employees (FTEs) have been transferred from the Bureaus to PPC to enabl the planned expansion of CDIE (13 FTEs in FY 91 and 12 in FY 92).

II. The Administrator's Evaluation Agenda

- o A draft agenda proposing topics for CDIE's evaluation workplan for FY 91-93 was circulated to Agency senior management, including the Missions, to numerous congressional committee staff, and to the Office of Management and Budget.

- o The review process included meetings between CDIE and the Bureaus, comments from some 25 Missions, and several congressional responses and briefings. The agenda was revised based on this input, approved by the Administrator, and widely distributed.

- o Responses to the agenda have been highly favorable to date.

- o The three-year "rolling plan" agenda includes plans to initiate the following:

  - Eight major field-based assessments of Agency programs and policies;

  - Six assessments of key operational and management systems issues; and,

  - Several "desk studies."

III. Evaluation Support Services Contracts

- o Contracts prepared by CDIE for approval to provide required contractor services in support of the new evaluation initiative include the following:

  - An Evaluation Technical Services (ETS) contract to provide specialized

technical expertise and evaluation/data collection support for CDIE's workplan of field-based assessments and other evaluation studie; and,

A Program Performance Information and Evaluation Systems (PRISM) contract to provide professional evaluation and related technical specialists in support of CDIE's plans to strengthen the Agency's decentralized evaluation system and to make it more relevant to management information needs at all levels, including senior managers.

- o Budget and implementation plans have been developed for Program and OE funding needs for FY91, and projections have been developed for FY 92-93.

IV. Program Performance Information System Plan

- o A Program Performance Information System (PPIS) Plan was drafted by CDIE and circulated for review within the Agency. Review meeting with Bureaus are now underway.

- o A revised PPIS Plan was submitted to the Administrator on April 5, and a briefing for him and senior staff is scheduled for April 22.

V. Major Studies Underway

- o Program and policy assessments on-going or initiated include
  - Export Promotion
  - Democratic Initiatives
  - Child Survival
  - Population/Family Planning
  - Policy Reform
  - Counter-Narcotics

- o An operational and management system assessment has been initiated for:
  - Alternative models for A.I.D. in-country presence; and,
  - Getting A.I.D. management to focus on results.

VI. Critical Next Steps

- FY 91 recruitment of 13 of the Agency's "best & brightest."
- Obtaining building space to accommodate increases in staff.
- Obtaining agreement or developing a proposal for reallocating Agency OE and program funds to CDIE to implement the Administrator's evaluation initiative, as he directed in a September 1990 action memorandum.

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