

**Advisory Committee on Voluntary Foreign Aid
Public Meeting**

- October 17, 2001 -

SUMMARY REPORT

**USAID's Strategies for Conflict Prevention,
Procurement Reform,
the Global Development Alliance, and HIV/AIDS**

Welcome and Introduction: William S. Reese, ACVFA Chair

William S. Reese, ACVFA Chair, welcomed the ACVFA members, the U.S. Agency for International Development (USAID) staff, and meeting participants. Mr. Reese remarked that much has been said about the world not being quite the same since September 11, but the work of USAID and private voluntary organizations (PVOs) around the world must continue.

Mr. Reese welcomed two new ACVFA members to the meeting: Sally Montgomery Brumbaugh, formerly with USAID, and Mary McClymont, President of InterAction. USAID Administrator Andrew S. Natsios could not participate in the meeting due to scheduling constraints, but he was very supportive of the agenda and will continue to work closely with ACVFA.

Opening Remarks: The Role of Civil Society in Conflict Prevention

William Garvelink, Deputy Assistant Administrator, Bureau for Democracy, Conflict and Humanitarian Assistance, USAID

Mr. Garvelink remarked on the timeliness of the issues under consideration at the meeting — conflict prevention, HIV/AIDS, and changes at USAID. He stated that all healthy societies have vibrant civil society organizations that play a role in conflict prevention. Humanitarian assistance groups have worked on the root causes of conflict for many years, but have called it poverty reduction, empowerment of women, or good governance. Mr. Garvelink remarked that NGOs and civil society organizations are uniquely positioned to play a large role in conflict prevention. The activities of these groups are parallel and complementary to the conflict prevention activities of diplomats and governments. Conflict prevention is a complicated, long-term issue that must be addressed by coordinated efforts of donors and relief and development organizations.

PANEL

Conflict Prevention and Developmental Relief

Moderator: Charles MacCormack, ACVFA Member, President, Save the Children

Mr. MacCormack remarked that the events of September 11 underscore the importance of trying to prevent conflict and address its root causes. Conflict prevention has been a reality for most development organizations for a long time, but is ever more important today. The number of countries in pre-conflict, conflict, or post-conflict emergency situations has tripled in the last 11 years. Development organizations increasingly work in the context of failed states, civil strife, war and other forms of crisis.

The first of the humanitarian principles of the Red Cross and NGOs states that all relief actions affect the prospects for long-term development, either in a positive or negative fashion. Mr. MacCormack cited examples from Somalia and Bosnia of how immediate relief can be packaged in ways that are supportive of long-term development goals. He expressed hope that immediate relief to Afghanistan can be organized in such a way as to build upon the tremendous capacity of the Afghan people to address development issues.

Dayton Maxwell, USAID, Special Advisor to the Administrator on Conflict Prevention

Mr. Maxwell recently returned to USAID to establish a new conflict prevention priority. By nature, conflict prevention is long-term, and a long-term mandate is required for effective interventions. Currently, there is some indication that the Departments of State and Defense (DOD) as well as Congress, welcome USAID's conflict prevention initiative, and that a long-term focus for USAID and for the U.S. government as a whole is the right direction.

Mr. Maxwell remarked that effective conflict prevention is more than development assistance - it requires addressing political issues. Democracy and governance programs and the activities of the Office of Transition Initiatives are already doing that in USAID. However, democratization may create conditions in which conflict is more likely to occur. Programs need to be examined to minimize that likelihood. A conflict prevention initiative will require closer working relationships with State and DOD on the political factors.

USAID hopes to be able to provide more support for programs that build and strengthen civil society and help to make governments more responsive and accountable to their publics. Developmental relief involves providing relief while immediately addressing the

medium and long-term development issues in post-conflict situations. Mr. Maxwell expressed hope that the United States would be able to address the long-term development issues in Afghanistan immediately when conditions permit.

Mr. Maxwell stated that NGOs face new challenges as they become more engaged at the political level. Terrorism is also going to be a severe challenge for the development community. Mr. Maxwell cited a need to create an open dialog between the West and Islamic communities, as well as to help diverse Islamic communities dialog among themselves.

John Fawcett,
Consultant

Mr. Fawcett stated that peacebuilding is a political process and anyone engaged in it is a political actor. He then presented his view of the current state of the politics of aid. Mr. Fawcett commented that NGOs are forced to respond to the goals of USAID and other donors rather than to the needs and interests of the people they work with. Mr. Fawcett asked how this situation could be changed.

Mr. Fawcett suggested that USAID require NGOs to conduct political evaluations that would take into account the political impact of aid. Some of these evaluations could be done at interim program reviews. Mr. Fawcett remarked that there is time to develop these tools for the post-conflict situation in Afghanistan. He encouraged the NGO community to carry out such assessments, even in the absence of donor requirements.

Shamil Idriss, Chief Operating Officer, Search for Common Ground (SFCG)

Mr. Idriss provided a brief overview of Search for Common Ground (SFCG). The focus of SFCG is conflict transformation. Specifically, this involves changing the ways that conflicts are addressed, moving from adversarial approaches to collaborative, win-win approaches. He provided examples of SFCG programs including those in Sierra Leone, Liberia, and Burundi where SFCG developed radio production studios, fully staffed with multi-ethnic teams. All SFCG programs emphasize process, long-term commitment, and identification and engagement of stakeholders.

Effective conflict prevention is more than development assistance - it requires addressing political issues.

Mr. Idriss put forth two main worldviews found in the natural sciences: (1) the “Newtonian view” of cause and effect, linear stages of peace, conflict, development; and (2) the “chaos theory” stressing unpredictability, external chaos, but internal connections. There is a need to consider both views in development and conflict prevention. Program and funding structures within organizations are often short-term oriented, but relationship building is a long-term process. Facilitating communication around non-conflict issues can develop relationships that contribute to problem solving. Mr. Idriss stressed the need to identify the stakeholders, determine their influence, and pay careful attention to the process of engagement.

Rick Hill I, Director, Office of Emergency and Transition Management, Cooperative Housing Foundation (CHF)

Mr. Hill suggested that NGOs begin to identify the decision-makers of societies and determine their motives. There is a need to do stakeholder analyses, as was done in years past. Mr. Hill remarked that more attention should be paid to issues of economic development. Conflicts are political, but they require economic support to continue.

Mr. Hill noted the need to identify a model for reducing conflict. The current model is essentially a democratic model, which seeks to spread power broadly. When a large number of people have access to economic power, they have a stake in political stability. Mr. Hill challenged the audience to think about how to build realistic mechanisms for people to control their own lives, particularly their economic lives. He cited CHF's work in Lebanon as an example of how communities in conflict can be brought together around economic motivations.

More attention should be paid to issues of economic development. Conflicts are political, but they require economic support to continue.

DISCUSSION

Mr. Fawcett: A flexible response from donors that would allow NGOs to learn in a real-time manner is part of the solution.

Question: What diagnostic tools are available for use in predicting conflicts?

Mr. Idriss: SFCG relies heavily on local field staff as a tool to gauge what is going to happen and appropriate ways to react.

Mr. Maxwell: This is a high priority for USAID. There have been several conflict vulnerability assessments done in the past few years with varying effectiveness. USAID is trying to develop better assessment tools.

Question: How does the transformational approach address the underlying injustices that lead to conflicts?

Mr. Idriss: SFCG seeks to identify the stakeholders and then the issues. One of the difficulties of conflict transformation is that it necessitates engagement of all stakeholders, even some who may be involved in objectionable activities.

Question: Is USAID working with other government agencies in conflict prevention?

Mr. Maxwell: Breaking down interagency barriers is a priority at USAID.

Comment: There is a need for more prior knowledge before working in a society. Better coordination among government and non-government organizations is necessary to be able to assess conflict situations.

Mr. Fawcett: Aid agencies often “parachute in.” There is a need to learn in real-time, because the lessons learned are after the fact and hence not available. In order to know the impact of aid, one must rely on local knowledge and trust politically savvy local people.

Mr. Idriss: It is difficult to be effective without the benefit of local knowledge and a long-term commitment.

Mr. Hill: The process of democratization is not furthered unless there are many voices engaged in the decision making.

Question: Where do predicting and preventing conflict stand on the Administration's policy agenda?

Mr. Maxwell: Predicting conflicts is difficult, but it is very important to try to anticipate where the world is headed and what might be done about it. For that reason, it is critical that the window of planning opens to the long-term.

BREAKOUT SESSIONS

Group 1 – Topic: Integrating Development and Relief

Recommendations to USAID:

- ❑ Facilitate learning across sectors, linking practitioners, academics, governments, and NGOs.
- ❑ Encourage cross-sectoral learning and program implementation at the country level.
- ❑ Adopt a policy of participatory program evaluation.
- ❑ Use simulations to test the potential impact of different actions.
- ❑ Work with a wider range of groups in other countries.

Recommendations for the PVO/NGO Community:

- ❑ Develop a strategy to educate the Congress and PVO/NGO constituencies about development and the link to national and global security.
- ❑ InterAction — Create a forum for dialog between its own members and political officials, particularly ambassadors.
- ❑ Strengthen the development education efforts of PVO/NGOs. Help constituencies better understand the long-term issues of development.

Group 2 – Topic: Integrating Development and Relief

Recommendations to USAID and PVOs/NGOs:

- ❑ Develop clear definitions and common terminology around conflict, relief and development terms.
- ❑ Develop diagnostic tools for assessing vulnerability to conflict.
- ❑ Design new evaluation tools that include qualitative data.
- ❑ Coordinate economic development activities with private sector groups.
- ❑ Develop tools to assess the impact of development work as it relates to conflict.
- ❑ Facilitate better coordination among donors of food and emergency relief.

- ❑ Work with USDA to evaluate the impact of food aid on the local agricultural systems.
- ❑ Consider public attitudes and constituency building. Increase development education activities.
- ❑ Better educate field staff before going into a conflict situation. Help them understand the complexities of the political situation.

Group 3 – Topic: Managing Conflict Resolution and Peacebuilding

Questions identified by the group:

1. *What is the role of local civil society organizations?*
2. *What are the political dimensions of partnerships with local organizations?*
3. *Is the contract model a potential category of partnerships in conflict resolution?*
4. *Is “conflict” a sector or should USAID integrate it as a crosscutting program?*
5. *How can PVOs/NGOs evolve from donor driven agendas?*
6. *Should/Do U.S. PVOs/NGOs have a role in conflict resolution?*
7. *What is a realistic role for PVOs/NGOs in conflict resolution?*

Better diagnostic tools for assessing vulnerability to conflict are needed.

The role of local civil society organizations:

- ❑ Local partners can be helpful or they can compromise neutrality.
- ❑ Partnerships should be based on mutual interest, recognizing inherent political agendas.
- ❑ Partnerships should involve government, civil society and the private sector.
- ❑ There is a need for clear guidelines on partnership relationships.
- ❑ There are few good models about how to do advocacy, especially in another country.
- ❑ There is an opportunity for projects to build economic foundations among adversaries that could lay the groundwork for greater equity and reduction of tension over the long-term.

Recommendations to USAID:

- ❑ Examine how information fed into USAID can be shared with Congress and other agencies.
- ❑ Vigorously advocate strategic goals to Congress.
- ❑ Develop tools to measure the impact of conflict prevention programs.

- Develop a long-term results focus.
- Provide NGOs with more program flexibility.
- Address the tensions between development agendas and political agendas.
- Develop greater program continuity and more strategic planning.
- Assist in sharing learning about participatory approaches to needs identification.
- Examine ways to utilize political assessments already being carried out by PVOs/NGOs.

Group 4 – Topic: Managing Conflict Resolution and Peacebuilding

NGO Experience— Essential elements in conflict resolution and peacebuilding activities:

- Realistic expectations
- Long-term engagement
- Clear definitions and semantics
- Good assessment tools
- Clearly stated expected outcomes
- Recognition that not all situations can be influenced or changed
- Flexibility in project planning and implementation
- Cross-sectoral linkages
- Local level strategies
- Recognition that regional politics can greatly impact country-specific interventions

Recommendation to USAID: Develop tools to measure the impact of conflict prevention programs.

Recommendations to USAID:

- Maintain an ongoing dialog with NGO partners.
- Clearly define expectations.
- Address the root causes of conflict.
- Develop clear definitions for the terminology of conflict.
- Adopt a long-term time frame.
- Make changes in procurement requirements.
- Promote in-country coordination of different interventions (military, diplomatic, development and economic).
- Encourage programming flexibility, particularly multi-sectoral.
- USAID's approach to conflict transformation should be to work it into all stages and sectors of aid - development, rule of law, etc. Conflict transformation should not be compartmentalized within an organization.
- Facilitate the sharing of successes, failures, and the lessons learned.

- Recognize that more money will be required to carry out these programs effectively.

Recommendations to PVOs/NGOs:

- Examine the different roles of PVOs and NGOs.
- Build strong linkages between NGOs.
- Address conflict with multi- and cross- sectoral approaches.
- Build the capacity of local organizations.
 - Be mindful that conflicts are rarely resolved, and they tend to be cyclical.
 - Use local interventions that respond to the needs of the people on the ground.
 - Take into account the roles of women and businesses.
 - Encourage greater listening and participatory approaches.
 - Share lessons learned.
 - Encourage better understanding, more flexibility, and a long-term focus.
 - Continue the dialog about these issues.

Mr. MacCormack remarked that he heard more comments in this meeting than in any previous meeting about the roles of PVOs in development education, constituency building, congressional relations, communications, and institutional learning. The discussions also emphasized the importance of breaking down barriers, cross-disciplinary work, and opening dialogs.

PANEL

USAID's New Way of Doing Business
Moderator: Peggy Curlin, ACVFA Vice Chair and President, CEDPA

Topic: Procurement Reforms
Mark Ward, Director, Office of Procurement, USAID

Mr. Ward stated that procurement reform is clearly a priority of Administrator Natsios. He highlighted some of the procurement reforms endorsed by Mr. Natsios in July.

- Co-Location:** The first, and probably most controversial, reform was to move staff from Office of Procurement (OP) to client

offices. This will be tried first in the Office of Foreign Disaster Assistance (OFDA) and the Office of Transition Initiatives (OTI), and later in the Population, Health, and Nutrition (PHN) office. Mr. Ward believes that this reform will enhance communication, improve planning, and facilitate problem solving.

❑ **Training for Cognizant Technical Officers (CTOs):** This reform is in response to complaints from the PVO community about lack of consistency in application of provisions in grants and cooperative agreements. USAID budgeted \$1 million per year for three years to train 1500 people in four courses: (1) overview of Acquisitions and Assistance, (2) pre-award, (3) contract administration, and (4) grant administration. Mr. Ward encouraged PVOs and the for-profit community to send representatives to these classes.

❑ **Staff Recruitment:** To address the difficulties of locating and retaining qualified procurement staff, USAID will soon begin recruiting from business and graduate schools. This will require significantly more in-house training and mentoring.

❑ **Contract Review:** USAID contracts of \$10 million or more developed in the field will be reviewed, pre-award, in Washington, D.C. Contract officers will be rotated through the contract review board to participate in the review process, which will expose them to best practices. This will help to increase consistency in contracting.

❑ **Streamlining:** A government expert from outside of USAID will examine the procurement system and make recommendations for streamlining.

❑ **The Acquisition and Assistance Advisory Panel (AAAP):** The AAAP, a group of representatives from all over USAID, serves as a sounding board for new procurement ideas. A mechanism is being developed to include representatives of the grantee and contractor communities in some AAAP meetings.

❑ **Cost-Share Policy:** USAID has a new draft cost-share policy. The new policy contains no cost-sharing targets, even as guidance. The draft policy may be obtained from and comments sent to Adele Liskov at aliskov@usaid.gov or Kitty O'Hara at kohara@usaid.gov.

DISCUSSION

Question: What level of PVO staff should participate in the procurement training?

Mr. Ward: USAID's priority is to build teams in the field; therefore, ideally field staff would participate. USAID will publish a training calendar and PVOs are encouraged to send it to field staff. Participation for the entire one-week training session is not required for non-USAID personnel.

Question: Could USAID provide models that delineate what is adequate for accountability to USAID?

Mr. Ward: The CTO training could cover this issue because it involves consistency. It is also a good issue for the AAAP.

Question: What is the status of the Indefinite Quantity Contract (IQC) assessment?

Mr. Ward: USAID convened a group of IQC contractors, subcontractors, and USAID staff in June to assess how well the IQCs are working. USAID commissioned a follow-up assessment of the IQC process with the aim of making recommendations to USAID. The draft document should be available for comments within the next month.

A government expert from outside of USAID will examine the procurement system and make recommendations for streamlining.

Topic: The Global Development Alliance (GDA)
Holly Wise, GDA Secretariat Director, USAID

Secretary of State Colin Powell announced the GDA on May 10, 2001. The GDA is USAID's new business model for the 21st century and a commitment to change the way USAID implements its development assistance mandate. The goal of the GDA is to increase development impact through strategic alliances. The sub-goal is to increase the number and scope of partners and alliances. Since May, a small GDA Secretariat of ten people, including contract support, has been set up.

Ms. Wise invited feedback on all aspects of the GDA. The following information can be found on the GDA website (www.usaid.gov/gda/):

- Overview of the GDA
- Frequently asked questions
- Preliminary guidelines for alliances
- "Circling the Globe," describing current partnership activities
- A page that solicits new ideas for alliances

GDA will serve as a catalyst to mobilize the ideas, efforts, and resources of government, corporations, PVOs, NGOs, and universities, in support of shared objectives. GDA will accomplish this by improving the extent and quality of partnerships; leveraging private financing of development assistance, and enhancing policy reform through advocacy.

USAID has requested \$160 million from Congress to form a few large alliances and some smaller ones. These alliances will have a development impact, but they will also have a demonstration effect. Alliances will be formed only where appropriate and will be managed by the appropriate USAID operating units.

Ms. Wise invited feedback on a draft Screening Tool for Forming Alliances that will be posted on the website:

Phase 1: *Review the eight threshold characteristics of strategic alliances* — synergy, well-defined objectives, ethical standards, high priority area, measurable results, champions for the alliance idea, and significant value-added.

Phase 2: *Assess the allocation of GDA resources* — leading practices, new techniques, speed, sectoral balance, geographic balance, partner balance, track record, comparative advantage, new partners, and demonstration effect.

Phase 3: *Evaluate Potential Alliances* — conduct a preliminary analysis; undertake an analysis of costs and benefits; perform due diligence; detail legal and planning issues; implementation, monitoring and evaluation plan.

DISCUSSION

Question: What are the incentives for the corporate sector?

Ms. Wise: USAID is forward deployed, has a lot of technical depth in certain sectors, has relationships with a broad range of NGOs; and can bring a small amount of financial resources. However, it is not USAID's role to represent the corporate sector abroad. USAID will focus on the development issues of common interest with the corporate sector, not the business activity of the corporation.

The goal of the GDA is to increase development impact through strategic alliances.

Question: What are the specific incentives for USAID staff to participate in these alliances? What is the average alliance size and will this be attractive to corporate partners?

Ms. Wise: Responses from USAID staff vary. Some are not very interested, but many are excited. USAID is aware that incentives are needed. The size of alliances and the transaction costs will vary as well. The Global Alliance for Vaccines and Immunization is one example where there is excellent leveraging, but it is a complex model. The Gates Foundation was primarily interested

in USAID's ability to be on the ground, operational, and focused on both technical and logistical issues. Forming the alliance was a long and difficult process. In general, the potential for pay-off with new partners is thought to be worth the time and investment.

PANEL

USAID's Response to HIV/AIDS: Lessons Learned and Future Initiatives

Topic: Overview of Current Issues
Duff Gillespie, Deputy Assistant Administrator, Global Health Bureau

Four Program Elements of the HIV/AIDS Program at USAID:

1. *Prevention*
2. *Caring for children affected by HIV/AIDS*

3. *Home and community based care and treatment*
 4. *Capacity and Infrastructure Development*

Although prevention is the primary focus, USAID looks at HIV/AIDS on a continuum of prevention and treatment. USAID is starting a number of introductory projects for anti-retrovirals (ARVs).

There has been a tremendous growth in funding for HIV/AIDS programs since 1993, but in order to have a real impact there needs to be still more funding. Dr. Gillespie remarked that his office feels very strongly that if they can show a return of investment on the current funds, additional support will come from Congress and other governments worldwide. In the last three years, the U.S. government has taken a leadership role in increasing funds. Within USAID, the bulk of the funds for HIV/AIDS (52%) go to the Africa Bureau. A significant amount of Global Bureau funds go to Africa also.

USAID has a strategic approach to HIV/AIDS. The program has four "rapid scale-up" countries, sixteen at the next level of involvement, "intensive focus," as well as programs in many other countries. Roughly 44% of USAID funds go to twenty countries.

Administrator Natsios has asked the Agency to examine this approach and determine whether or not this is the optimal way to allocate resources. He wants to examine two issues: measuring global impact and rapid disbursement of funds.

Dr. Gillespie noted the following changes within the U.S. government in response to the HIV/AIDS pandemic:

- An interagency Cabinet Working Group formed by President Bush.
- The appointment of a Deputy Assistant Secretary for International Health Policy and Science and the establishment of an Office of International Health at the Department of State.
- HIV/AIDS office of USAID situated in the new Bureau for Global Health.

Topic: USAID Progress and Plans in Monitoring, Evaluating, and Reporting on HIV/AIDS

Harriet Destler, Social Scientist, HIV/AIDS Division, Global Health Bureau

Ms. Destler highlighted some of the results that USAID and its partners have achieved.

At the project level there is evidence of sustained behavioral change, resulting in decreased HIV and sexually transmitted disease prevalence. The most dramatic drop in HIV rate was found among young people in Kampala, Uganda. In Thailand, HIV levels were kept down by introducing 100% condom use in brothels. In Senegal, a combination of strong public leadership and aggressive policy in dealing with risky behavior kept the rate down. Many credit the successes in Thailand, Uganda, and Senegal to strong national leadership; however, HIV rates also dropped in Zambia in the absence of such leadership.

Although prevention is the primary focus, USAID looks at HIV/AIDS on a continuum of prevention and treatment.

Ms. Destler presented a list of shared goals of USAID and international community:

- Reduce HIV prevalence rates among those 15 to 24 years of age by 50% in high prevalence countries.
- Maintain prevalence rates below 1% among 15 to 49 year-olds in low prevalence countries.
- Ensure that at least 24% of HIV/AIDS infected mothers in high prevalence countries have access to interventions to reduce HIV transmission to their infants.
- Provide community support services to at least 25% of children affected by AIDS in high prevalence countries.

USAID is working with other organizations to develop consistent approaches to measurement. USAID is also establishing a database system to aggregate and report data. New program areas to track include care and support, mother to child transmission, children affected by HIV/AIDS, program coverage, multi-sectoral, and human and institutional capacity.

USAID Program Challenges:

- Maintaining an emphasis on prevention.
- Identifying sound, cost effective approaches to maternal and child transmission, care and support for infected persons, and children affected by AIDS.
- Scaling up human and organizational resources, maintaining quality, and reaching significant populations.

Topic: CORE Initiative

Warren "Buck" Buckingham, Senior Technical Advisor, Africa Bureau

Mr. Buckingham introduced the Communities Responding to the HIV/AIDS Epidemic (CORE) initiative. CORE is USAID's effort to expand its work at the community level. USAID has long worked with community and faith-based organizations (C/FBOs), but not in a consistent manner.

Unique characteristics of C/FBOs that make their participation essential:

- Geographic reach and staying power
- Life-long presence
- Their own resources
- Well-developed infrastructure
- Influential leadership
- Emphasis on personal and community health and well-being
- Volunteer and skilled professionals
- Capacity to respond across the continuum of prevention, care, and support
- Proven effectiveness

One of the challenges of the program is maintaining a separation between church and state in the international arena. USAID is including safeguards to ensure that its resources are not used for proselytizing at the community level.

CORE Objectives:

- To establish diverse and directed partnerships for enhanced community and faith based responses, emphasizing care and support and reduction of stigma.
- To raise awareness of the HIV/AIDS pandemic among U.S. and foreign C/FBOs, and the role they must play in response to it.
- To support USAID Missions/US Government partners in expanding their work with C/FBOs.
- To nurture innovative, effective, and accountable responses, to expand capacity.

Current Activities of CORE:

- Partnerships with the All African Conference of Churches (AACC), the Organization of African Instituted Churches (OAIC), and a consortium of Islamic groups

- Small Empowerment Grants
- Demonstration Projects
- Islamic Leaders Conference, the first global meeting of Islamic leaders to focus exclusively on HIV/AIDS.
- Information Resource Center, www.coreinitiative.org.
- Women in C/FBOs Project, examining the intersection of HIV/AIDS, gender, and poverty
- C/FBO Workshop Track at the XII ICASA meeting in Burkina Faso in December

early this year, President Bush announced that the United States would make an initial contribution of \$200 million for a consolidated HIV/AIDS, TB and Malaria fund.

Topic: Budget/ Legislative Update

Felice Apter, Senior Technical Advisor, Population, Health and Nutrition, Bureau for Policy and Program Coordination

Dr. Apter remarked that it was only a little over a year ago that the HIV/AIDS meeting was held in Durban, South Africa. That meeting brought the severity and the magnitude of the HIV/AIDS pandemic into the public consciousness. Preparations were then made for a special session at the UN on HIV/AIDS. At the same time, the G-8 Group acknowledged that infectious disease was important in a geopolitical context. A G-8 health working group identified HIV/AIDS, TB, and Malaria as major causes of global health burden. Within this context, Congress enacted the Global AIDS and Tuberculosis Relief Act of 2000 that established a World Bank AIDS Trust Fund.

Many other countries also proposed trust funds. The four main proposals were the Genoa fund, the World Bank fund (proposed by the U.S.), the UN fund, and the Ottawa fund. Earlier this year, President Bush announced that the United States would make an initial contribution of \$200 million for a consolidated HIV/AIDS, TB and Malaria fund. In June, the UN Secretary General announced the formation of a consolidated trust fund with a target initiation date of January 2002.

The groups that decided to consolidate and key stakeholders met in Brussels and a Transition Working Group (TWG) with an initial 38 members was established. USAID provided \$1 million dollars and seconded a staff person to direct the work of the Technical Support

Secretariat, a coordinating body that is compiling information for the TWG. The fund is officially named The Global Fund To Fight AIDS, Tuberculosis and Malaria. Its purpose is to attract, manage and disburse additional resources through a new public-private partnership that will make a sustainable and significant contribution to the reduction of infections, illness and death, thereby mitigating the impact caused by HIV/AIDS, tuberculosis and malaria in countries in need, and contributing to poverty reduction as part of the Millennium Development Goals. The Global Fund is moving forward, but is not yet ready to implement. Much work remains on the fund's governance, country processes, accountability, legal aspects and fiduciary issues. In addition, the role of NGOs, civil society organizations, regional groups, and the private sector must be determined.

DISCUSSION

Question: Does USAID have data disaggregated by gender? What resources are available to other sectors that are heavily impacted by HIV/AIDS?

Ms. Destler: USAID is paying a great deal of attention to data disaggregated by gender. Many USAID projects are directed to working with women, particularly high-risk hospitality workers, but also in all areas of family planning and the distribution of health information.

Dr. Gillespie: It is essential to make sure that it is not just the powerful (usually males) that have access to resources. USAID encourages multi-sectoral approaches. HIV/AIDS clearly impacts on every area of development, but the concern is that this program not be seen as a general development fund. USAID needs to assess which multi-sectoral approaches can impact effectively on the pandemic.

Question: To what extent does USAID negotiate with pharmaceutical companies? Please describe the introductory projects for ARVs.

Dr. Gillespie: USAID's role is to indicate the implications of drug price increases or decreases. The introductory projects for ARVs are intended to maximize the public health impact. USAID is looking at projects that can be scaled-up in a large population.

Question: Will the expanded response goals be included in this year's reports to Congress?

Dr. Apter: USAID is trying to set up a measurement system that is consistent with international standards. USAID will ensure that all of its missions - and hopes that the international community - will use the indicators established by UNAIDS (with strong USAID support).

Question: What factors contributed to the HIV rate decline in Zambia?

Ms. Destler: In Zambia, there was leadership at lower levels in the government and a concerted community and donor effort. There were major changes in sexual behavior.

Comment: A participant urged that bilateral assistance not be left behind in favor of the Global Fund.

Dr. Apter: The Global Fund is a presidential initiative. The money has been additive to the bilateral funds, which are also increasing. USAID is committed to ensuring that this fund is implemented and activities and money flow quickly. One of the benefits of the Global Fund is the leveraging of additional funds. UNAID's website reports that \$1.2 billion has

been pledged officially to date, some of which might not have been available otherwise.

Comment: In a meeting with USAID's Africa Bureau and PVOs earlier this year, the issues of multi-sectoral approaches and involvement by non-health groups were raised. A steering committee (formed as a result of that meeting) has been identifying actions and issues that will be presented at a conference in early 2002. Some of the issues include needs for strategic partnerships, technical assistance, and information access and exchange.

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Mark Your Calendars!

Next ACVFA Meetings:

February 20, 2002

May 22, 2002

October 9, 2002

Washington, DC

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Meeting Report

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