ADVISORY COMMITTEE ON VOLUNTARY FOREIGN AID (ACVFA)

PUBLIC MEETING TRANSCRIPT

MARCH 14, 2013

PAVILION ROOM

RONALD REAGAN BUILDING

USAID

1300 Pennsylvania Avenue, NW

Washington, DC 20523

ACVFA MEMBERSHIP

Present

Patrick Awuah
President, Ashesi University College

David Beckmann
President, Bread for the World

Nancy Boswell
Consultant/Former President and CEO,
Transparency International

Lorne Craner
President, International Republican
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Helene D. Gayle
President and CEO, CARE

Charito Kruvant
President and Chief Executive Officer,
Creative Associates International

Jack Leslie
Chairman, Weber Shandwick

Ndidi Nwuneli
Founder/Director, LEAP Africa; Co-
Founder, AACE Foods

Liz Schrayer
Executive Director, US Global Leadership
Coalition

Megan Smith
Vice President/Google[x], Google

Katie Taylor
Executive Director, Center for Interfaith
Action on Global Poverty

Sam Worthington
President and CEO, InterAction

Absent

Abed Ayoub
CEO, Islamic Relief

Ralph Cicerone
President, National Academy of Sciences

Esther Duflo
Professor, MIT Department of Economics

Maria Eitel
President, Nike Foundation

Asim Khwaja
Professor of Public Policy, John F.
Kennedy School of Government

Richard Klausner
Managing Partner, The Column Group

Charles Lyons
President and CEO, Elizabeth Glaser
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Bruce McNamer
President and CEO, TechnoServe

Paul Meyer
Chairman and President, Voxiva

Eboo Patel
Executive Director, Interfaith Youth Core

Sunil Sanghvi
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Cameron Sinclair
Executive Director, Architecture for
Humanity

Ken Wollack
President, National Democratic Institute

Advisory Committee on Voluntary Foreign Aid

Thursday, March 14, 2013

Pavilion Room
Ronald Reagan Building
1300 Pennsylvania Ave NW
Washington, DC 20004

Public Meeting Agenda:

2:00 p.m. **Introductions and Opening Remarks**

2:15 p.m. **Session 1: ACVFA Recommendations on Local Capacity Development**
- o ACVFA Presentation of Recommendations
- o USAID Reaction and Looking Ahead
- o Public Comments & Discussion

3:15 p.m. **Break**

3:30 p.m. **Session 2: Elevating Science, Technology and Innovation for Development**
- o Grand Challenges
- o Fellowships
- o Mobile Technology
- o Higher Education Solutions Network

4:50 p.m. **Closing Remarks**

5:00 p.m. **Public Meeting Adjourns**

JACK LESLIE: Good afternoon, everyone. I'm Jack Leslie. I'm the chairman of the Advisory Committee on Voluntary Foreign Aid. Welcome to all of you and thank you for coming here this afternoon. I want to start off by thanking all of the members of ACVFA who are assembled here in the front row, many of them, most of them you'll hear from during the course of the afternoon. ACVFA, as many of you know, was established by a presidential directive after World War II in order to facilitate cooperation between the government and all of the various non-governmental entities that work across a whole host of development issues. When we were together a little while ago Raj described USAID as a collection of partners and, in fact, this is the very important forum for us to collaborate on the important challenges that we're going to hear in a moment from Raj.

Today's meeting is a follow-up of one that we had in June [2012] at Georgetown University when Administrator Shah requested that ACVFA take a look at a couple of things. First of all, policies that relate to country ownership and specifically the necessary local capacity development programs that achieve that, and as a result a working group was formed. It's been under the incredible and able leadership of Liz Schrayer, who's here and who you'll hear from in a moment. They have provided a list of recommendations to the agency and in order to help them continue to refine local country ownership. Liz is going to moderate a discussion among some of the working members of the committee in just a moment after we hear from Raj. We'll hear from Raj and then after a break we'll have another panel that's going to talk about finding ways to harness and elevate science, technology, and innovation.

Many in this -- of you in this room have been at the launches of grand challenges and the higher education solutions network. We want to take time today to talk about progress that's being made there. I know that we're going to want to have time. We've set aside time in both of these panels to hear from all of you. We want you to feel free to -- that's what this forum is all about, is helping the administrator and his staff, and we're all here as they work through a whole set of challenges.

It's my real distinct pleasure to introduce Raj Shah. He's come to be well-known, I think, to almost everyone in this room. I was just saying how delighted we are that he's going to be with us through this -- hopefully through the entire second term, and you will hear from him the challenges after I think having made -- and all of the members of the committee having just told him, they really made remarkable progress in these last few years. This is a terrific opportunity now to build on that in a second term and I'm anxious, I know you are, to hear from Raj on those challenges. Raj Shah.

[applause]

DR. SHAH: Thank you, Jack, and I am so grateful for Jack's service as our board chair. He puts in the time and the commitment, because as many of you know, but I certainly have come to learn over a number of years and in a number of different roles, his commitment to service and service for those who are least fortunate, has been deep and abiding, and he has, in fact, put in this kind of time in a number of different roles, all of which have turned into real success stories. So, Jack, thank you for your leadership of this board. I also would like to thank Sandy Stonesifer. Where did Sandy go? Sandy, stand up so folks can say hi.

[applause]

Sandy, as you know, leads the ACVFA board from our perspective at USAID and has supported the board members to offer great insights and really help us get this right at this point in time, and I'll speak to why that's so important, but thank you, Sandy, for your leadership. I do want to mention, the board members that are here, we do owe a deep debt of gratitude to. Patrick Awuah visiting from Ghana, thank you, Patrick. David Beckmann, not from far away, but constantly fighting for this mission. Nancy Boswell, we always respect your leadership and holding us to account in our own transparency, as well as those of others. Helene Gayle, thank you for being here, Helene, hi Helene. Charito Kruvant, we appreciate your

service on this board. I mentioned Jack. Ndidi Nwuneli, thank you for coming from Nigeria and really allowing us to live up to our core commitment, which is to enable this institution to enable excellence all around the world. Liz Schrayer, you'll hear from Liz, who chaired the group working on local capacity development and did so very ably. Thank you. And Megan Smith, the vice president at Google, whom we're always inspired to hear from and who let me play with the Google glasses earlier. For that I am deeply, deeply grateful. Katie Taylor, for your partnership and commitment, and Sam Worthington, whom -- who needs no introduction in this room. Thank you, Sam.

You know, I don't want to take a lot of time up front, because I'm very eager to hear from the group of experts that have come together. I will just say a few things. First, the time is now to get this right. You know, we laid out in the first term an aspiration that USAID would become the world's premier development institution and partner. And to live up to that mandate we've put in place a number of different reform efforts, and a number of different ideas to bring innovation and technology to our work and to better enable us to invest in people and not just projects, and to recognize that in fact our capacity to be an open platform connecting excellence in the United States with excellence all around the world can help achieve that aspiration. And the time really is now.

We are ending two wars, reinvesting on the home front, dealing with difficult and challenging fiscal situation, but also a world where the connection between extremist ideology, extreme climate, and extreme poverty is so glaring and so critical that the choices we make today and our capacity to absorb the guidance we receive from our board will, in fact, determine whether America can lead based on its values around the world or whether we have to protect ourselves using different means. So thank you for being here and thank you for making this a special moment in time.

President Obama highlighted the special moment in time recently in his State of the Union Address. In that setting he said that we have the opportunity to end extreme poverty in two decades, and the "we" he

referred to was not just the United States and certainly not just the United States government, it was a global partnership across public and private institutions, young people, entrepreneurs, scientists, philanthropists, all coming together to create change starting in their communities, and then reaching all across the world. And I'm absolutely convinced that it is an achievable goal, for the first time in our lifetime an achievable goal in such a short timeframe, but one that will require a way of working that is different, that's more connected, that's more open, and that is more focused on putting our resources and energies in those areas where we know we can deliver, measure on and report on real concrete results.

To achieve that vision and live up to the moment we have, our agency has been trying to put in place a new model of development and a new model of how we work. That new model has some core characteristics that we have to lead with partnership, partnership with people, partnership with local institutions that can be the change agents in their own community, partnership where we listen and learn together, and partnership where we enable creative approaches to take hold. We've tried to implement a number of reform efforts, and I think you'll hear a lot about that in the first panel in particular.

The second element of the new model is innovation. We believe firmly that one of the unique things we have to offer is a connectivity to an innovation economy and great colleges and universities, incredibly talented and creative young people and entrepreneurs that can bring innovative new ways of tackling challenging problems from corruption to malaria diagnostics, to the farthest corners of the globe, and that is our absolute belief. The more we can do to turn that belief into practice in our many programs in more than 80 countries around the world and in the spirit of our dialogue in partnerships with countries and partners, the closer we will get to helping to end and eliminate extreme poverty in two decades.

And third, and perhaps most relevant for the current budget discussion and congressional environment, our capacity to measure on and report, deliver, and highlight actual concrete results remains absolutely critical and our north star. You will see in the coming days and weeks the USAID Forward report that

will have the data that indicates how we're performing on these metrics and how we're putting these principles into practice. There's always room for improvement, but I am so proud. As I look around this room I see some colleagues from USAID and many from our partners. I'm so proud of this community for recognizing and leading in the effort to change the way we work to stand up and perform better against a bigger challenge in a new time and a new era. I know that hasn't been easy, and I know it hasn't always been without bumps in the road, but I am very grateful to each of you for committing yourselves and your institutions to that new model and to helping to set an example for the rest of the world in that regard.

So with that said, I will just highlight that, you know, I think now is our opportunity and our moment and we have -- we can talk about a broad range of programs. My goal this afternoon is really to listen and learn, and I would encourage others that are here on behalf of USAID to do the same and we'll have a chance to take the guidance and advice and the consideration of our board members and colleagues into account as we take this new agenda forward. And, again, I want to thank the members of our board and just recognize that the only way we succeed is by doing this together. There is no greater goal, no greater aspiration, and frankly, no greater, you know, political challenge at this moment than building a coalition that can elevate development, elevate the effort to project American power through American values, and do that in a way that's innovative and results oriented and can usher in an era where there -- where extreme poverty is something you visit in a museum, as was said during lunch.

So, thank you all very much for the chance to be here and I look forward to participating in the panel to follow. I now want to just recognize --

[applause]

I just want to recognize and call Liz Schrayer up, right? We're starting with that panel. And would the

members of the first group that focused on local capacity development and building strong local institutions please join us on stage?

LIZ SCHRAYER: Right. Well, thank you Raj, and I think on behalf of all of us that are in this room and not in this room, we congratulate you and your team for leading an effort that we're just proud to be part of and to add what expertise and thoughts that we have.

I'm Liz Schrayer. I serve as the executive director of the U.S. Global Leadership Coalition. I look around the room and see many, many of our members, but today I'm here to chair a very distinguished panel to share with you some of the findings of our working group that the ACVFA board members put together to take a look at the issue of local capacity building. I have been struck in the last decade of watching the growing bipartisan consensus about not just the importance of the need for more development, but really this drive to what you've just begun to articulate, I know we have more coming in the week ahead, in how we get to real results-driven, effective, efficient quality development. We've seen it with Republican and Democratic administrations. We've seen it in -- particularly with what you've done with USAID Forward. I just got back from actually my first trip from Africa and I can tell you that I felt that having talked about it and talked about it and talked about it I saw it in the people I met that reiterated back the kinds of reforms that you are doing here in Washington.

So let me share with you, to the folks that are here, about what we tried to do with our working group. You know, under the leadership of Raj you know that he put out a very ambitious and serious effort to say we have to look at how to get more results-driven foreign assistance, and one of the -- development -- and one of the key drivers is to make sure that we have greater country ownership, and in doing that you have to make sure that we have local capacity development. And as you set out your plans, you ask us to take a look at bringing together some expertise about how we can make sure there are best practices in implementation of the local capacity development building. What can we offer about how you go about

doing that?

So last summer we set out a group of us, about a dozen of us, who talked on the phone a lot, met a few times. We reviewed a lot of the studies by people in this room. There were studies and reports done by Interaction, Bread for the World, CSIS, CIDC, IRD, MFAN, OXFAM, SAVE [spelled phonetically], and many more that really helped give us some guidance of what the key issues were. We took a look at the pillars of USAID Forward and the objectives and we focused on two of the key objectives that were around this issue of local capacity building.

Number one, objective number one, is you set out to strengthen partner country capacity to improve aid effectiveness and sustainability, and the second objective you laid out was to strengthen local civil society and private sector capacity to improve aid and effectiveness. What I was struck -- in the group that we had as a working group, there are experts from international NGOs. There are experts from development contractors, from academia, from think tanks, and the truth is, as Chair I'm the only one that's absolutely not an expert and know very little about the details of development, so I did a lot of listening, and what I was struck with is how quickly this group of fully diverse experience, but all really hands-on technical experts, came together in consensus around a couple, few things, both -- first of all, in terms of support. There was absolute focus. We spent no time, because it was kind of a given, that everybody agreed right away with how important strengthening local capacity at the partner government level institutions and the local civil society was.

The second thing that was very clear is that there was this enormous consensus frankly to support what you're doing. The committee said right off from the bat we will believe that the vision and passion that Administrator Shah has laid out on how to build local -- that we need to build local capacity. We need to invest in it. That is where we're going. So, we ask ourselves, well what can we offer of how you could implement it, perhaps a little bit better, stronger, quicker, without -- whatever we could offer, and we have

four recommendations. All of you might have hopefully got copies of it when you walked in. It's also online and you can take a look at it. But there were two thoughts that we had that we wanted to put out kind of before we got to the recommendations that you might have seen.

One is kind of -- it's obvious, but we felt it really important to say, is that we have to recognize that there are some very complicated places in this world that you operate in, fragile state countries where the governments themselves don't always have a functioning structure to be successful in what we want to try to achieve with country ownership and that it's, again, obvious, but we want to recognize that right from the start that the goals of what we're trying to achieve may not be able to happen as quickly everywhere in the world. And the second thought that we had that we wanted to make sure we stated is while our report was not focused on the work of civil society, we certainly acknowledge, I know USAID acknowledges, the importance of a robust civil society in achieving long-range, long-term development in capacity building.

So what were our four recommendations? I'm going to briefly just hit upon them and then what we're going to do is I'm going to ask my four colleagues here to go a little more in-depth in each of the four to give you a flavor, and then we'll welcome to hear Raj's views, as well as everybody in this room.

So first, if we want to ensure transparency, accountability, and results, we have to make sure that we invest in the capacity, the capacity both at the country level, as well as at USAID. In the country level we did focus quite a bit of conversation about the natural tension that exists between our interests in empowering and working with local government, local institutions, and to mitigate the risk that comes with that. And how do you build in that accountability to make sure that we're transparent, make sure we mitigate risk at the country level? And that was a lot of conversation and we have some recommendations that I know David will talk about.

We also spent some time talking about that if you want to drive down to this country ownership expertise and local capacity building, USAID needs to make sure you have the capacity. You need to have the skill set. You need to have the right number of people. You have to have the ability to be transparent about what you're learning and so you can keep getting stronger and better. So again, I'm going to ask David to talk a little bit more about that.

The second recommendation was in the issue of the -- really tailoring what we do out around the world to deal with the complexities of the local society. We all know this in this room. One size does not fit all. And we really commend -- and the group commended USAID. They'd taken -- you laid out a vision and you've already, I know even since that vision, done a number of things to address the reality that one size doesn't fit all and we need to do different things in different places. We did, however, make some specific recommendations. I will share with you that our committee did not have a consensus point about a percentage goal of what should be the right number. What we did is instead say if you're going to try to reach a goal, here are the things we think that you need to do that you might not have enough robust energy in that could make a difference. Developing guidelines to assist missions in determining when direct assistance is preferable to assistance from long-term partners. Increasing consultation with Congress so they're part of the reviewing of the timetable and priorities and to help clarify expectations of what we need partner government, partner institutions, to be responsible from their end to fulfilling country ownership.

The third recommendation had to deal with collaborating with the development partner, and this is something I know that's important to all of us in this room. One of the greatest strengths of USAID is to be that convener, to be that catalyst. I think, Sam, you used the word earlier in a meeting and how we can really leverage the knowledge, the skills, the resources of a whole range of partners both here and abroad to really bring to the table, and so we offered a series of recommendations to even make that richer than what's going on.

And last, but certainly not least, and these were not in any particular order, but was the importance of connecting short-term goals and development with long-term outcomes. Again, probably obvious, but to really think through one of the mechanisms in which we can all do that. The process of budgeting and funding doesn't always allow us to do long-term strategic overlays that we like to, but we do believe that much more thinking needs to be done to make sure that we take the capacity building and recognize the long-term nature in that.

So those were our four recommendations. Obviously I went over them quite quickly, but I'm going to call on a -- everybody here to add to them. Let me just conclude my remarks with this. I think -- I agree all were clearly applauding the effort of local capacity building in terms of the goals that you set out that this -- that there isn't a person on the committee that didn't believe that if we were going to -- as you've -- I've heard you say, work USAID out of a job, that the way -- a clear path to doing that is to make sure we invest in local capacity development. We welcomed and embraced the direction that you laid out and I know everybody is excited to hear your one year report about it. And we take these recommendations as kind of fine-tuning, as ways that we can bring the expertise of the ACVFA membership to you to say we think you're heading in the right direction. Here are some ways that maybe you can just [unintelligible] and we encourage you to continue to be part of the dialogue with us.

So with that as kind of an introduction of what they do, I'm going to start by asking David Beckmann, who certainly is an important voice in the reform effort, not only in the work at Bread for the World, but as a co-chairman of MFAN, which has played such an important contributing role to making sure we're all driving to effectiveness aid to talk about the capacity issue and if you can share some of the thinking we had as the committee about local capacity development.

DAVID BECKMANN: Well, I want to speak especially to the issue of transparency and accountability.

On that aspect, if you just look back at the working group before, we are remarkably supportive, you know, for a group of outside advisors. Basically, just a lot of it was "Hoorah!" You know, there is this section on building capacity in the AID mission, building capacity in AID here in Washington, but there is just a lot to celebrate on this really crucial issue of transparency and accountability. The dashboard was a breakthrough on transparency. The high-quality evaluations are a breakthrough on accountability. The country development cooperation strategies are a really important instrument, AID reaching out to the host country governments and the people in those countries to help us think about what we're doing with AID funds, the whole effort to work more directly with local institutions is really a crucial part of building the capacity, their capacity for transparent accountable development. And I'm struck that the president's global food security initiative is the big thing that this administration has really started and shaped, and in that area in particular, AID and the broader global food security effort made the decision to start with country developed plans. So, in fact, the initiative was a little slow in getting off the ground because you started with local planning rather than just flying in, but the results have been just remarkably good in terms of reach and impact now on millions of households.

So, hoorah. I guess -- this isn't in our report, but just as a U.S.-based advocate I would make two suggestions of things that we need to do here to support what you're doing to be transparent and accountable to help foster transparency and accountability around the world. One is we've got to get the money. We're now in a new Congress, so the debate now has been joined in a new way. Let me be blunt. If the House gets what they want in terms of funding for the national development assistance, USAID Forward will be dramatically weakened. All the things that we are celebrating, it is very hard to sustain those things if you're slashing budgets all over the place. And more generally, U.S. support for progress against poverty and hunger around the world will be severely constrained. So, for all of us we need -- I -- we need to work together to get the Senate members on the continuing resolution -- to get the Senate members -- the Senate budget is much better than the House budget when it comes to international development assistance. And we -- I think we need to work with a much broader coalition of people to

try to get a bipartisan agreement on how to reduce our deficits, because even if we get -- even if you get through this year's continuing resolution, if the sequester remains in effect next year and the year after that, we're going to see big cuts in development assistance and USAID Forward will see like a kind of a distant glory. So, we need to get the money.

The other sort of advocacy perspective is that the administration ought to be supporting the Poe bill. This is a Republican-led bipartisan bill in Congress that basically celebrates and would codify what this administration has done in the area of transparency and accountability. And it almost passed both the House and the Senate last year, and really our most difficult opponent was the administration, especially the State Department. All the way around the State Department slowed us down on this thing. It doesn't make any sense. So I know, you know, you don't decide those things by yourself.

[laughter]

But it just doesn't make any sense. This is a chance --

LIZ SCHRAYER: David, this is a very important conversation, but a little off of what the working group is.

[laughter]

And I would agree with everything that you said, but can I keep us back to the working group.

DAVID BECKMANN: Okay, I said it.

[laughter]

LIZ SCHRAYER: So important. I don't want to cut you off, but that wasn't part of our working group report.

DAVID BECKMANN: No, that's right.

LIZ SCHRAYER: So David just talked about capacity building. And likely budgets and some congressional involvement to get there. The second area, as I mentioned, in our report was this recommendation about tailoring and focusing on local complexities and I don't know who better to ask to just add some flavor into what we talked about than Charito Kruvant, who I think you all know is the founding leader of Creative Associates, but more importantly, one of the real inspiring actors and players and innovators in the developing world. So, Charito, help the guests that are here, a little window into what we were thinking around this issue of tailoring to local complexities.

CHARITO KRUVANT: It's wonderful to follow David, because I know that he's the one with the wisdom. I am the one with experience.

[laughter]

But it was a joy to be part of the team, because it allowed for a dialogue. It also allowed for us to bring our different perspectives and our different experiences, but as was said before, it did not take too much for us to really be very immediate in our support for USAID Forward. I think that all of us felt very strongly about that. The new vision and new energy was very necessary at USAID and we were very grateful for very young, handsome, good looking, what else can I say, because I know --

[laughter]

Leadership came about.

[talking simultaneously]

[laughter]

CHARITO KRUVANT: I'm not following the talking points right?

[laughter]

But it was necessary, the new energy theme about -- and it made all of us not only re-commit, but also because we understand that the future of development in one way or another is so much more than just us. But if you're not part of it, the future will not be with our imprint of our good deeds, so it was very special and so we have to thank Raj, but sometimes he [unintelligible] he was just terrific at making us re-commit. But when we looked at capacity, like myself at Creative Associates like many of you, we are implementers and so we do know the complexity of both trying to transfer something to very different settings.

There's no way that you can have -- try to Google -- you can't just Google the answer. There is no one way to do something. It requires total knowledge of the local capacity. It requires the trust of the community at the village level and from then on in partnership [unintelligible], but the division of -- the transformation required. But we have found ourselves, we try to recommend some -- maybe some too simple things, but the idea is that the staff in Washington [unintelligible] conditions, they need to be supported. They really need to be not only told of the new mission, but also be given the tools to how to go about, and they also need to be trusted. But in some instances at the division level there exist some

needs for some of those in the more fitting for the needs. The other one that at least to me was very important, and that one also has to do with my age, I have the benefit of having been seasoned. So -- but it was so joyful because it's not just myself, the team expressed it. I have the ability to influence, but the urgency of change, it was wonderful and he provided that. And the documents bring that kind of commitment to change, but in the urgency of measuring the change, there's some instances they will not be pushing the locals to, and that might be worthwhile in some instances take the time to be shown that you did get working changes [unintelligible] and there's lessons learned involved from that and that we all have the opportunity for dialogue and also for being considerate of some adjustments. Sometimes in the urgency of just doing it fast and report, we might be missing some great opportunities or past experiences and past experience is [unintelligible] so really able to have that kind of wisdom with the [unintelligible] when they learn from experiences.

The other one that is critical and I think with -- in Washington you should not forget that while we are so eager to have partnerships all over the world, and we're so eager to really share experiences with everybody so the capacity of all increases. But this is taxpayer's money and it all has to be valued within the rules, and the law of the United States. And for that you might sometimes be -- I would be surprised sometimes you might have to take a little bit of a moment, rethink that what you want to do, but at least that you have not been having to describe what we did in ways that people might misunderstand, that it's not done with detail of the law. So that's -- that was -- hard to say it, but we owe it to ourselves to say. But in general, the capacity is something that all of us together, both the implementers and the local villagers together can do it because you define a [unintelligible] and you define a picture of a better world. So we're very thankful for that.

LIZ SCHRAYER: Thank you. The last point that you made is leading into the third of our recommendations, which was again about this issue of how we had some ideas of how you can even improve the collaboration with the partners and there is no better individual to speak to this than Sam

Worthington, who I think everybody knows is the head of InterAction, a very, very important partner for us all, and Sam has been one of the great thought leaders in thinking through how do you create that real meaningful collaboration. Maybe you could share with everybody some of our thinking and recommendations for this report.

SAM WORTHINGTON: Thank you, thank you Liz, and thank you Raj for this. And I think the place to start with this is a little bit of humility, because when you start talking about giving advice on partnership, you always know that a partnership is multidimensional, involves multiple players, and the tricky thing about partners is that you are one of them. And I think this change that we've seen in the development ecosystem of multiple actors engaging and that ultimately development is local and about local partnerships and that local ownership is at the heart of this. I think Raj's mantra right up front is lead with partnership. It's within that that we're sort of exploring the how can we better lead with partnerships and leverage knowledge, skills, resources that exist in this room, that exist around the world, and that recognize that is that ability to capture the knowledge, skills, and resources that will ultimately determine our success.

And this is true of both local partners and the U.S. partners. And we have this long list from private contractors, multilateral organizations, development contractors, NGOs, professional business associations, philanthropic organizations, faith-based organizations. The development space is now occupied and shaped by a tremendous diversity of actors from the broad private sector to the ability of someone with a dream in a country that is engaged in development to have that dream become part of the reality down to the individual. There's this concept of partnership that we're trying to bring out there.

The first point is a basic one. The U.S. government and AID has an enormous capacity to convene. Its ability, particularly at the mission level, to ask a question who should be around the table? Let's have a diversity of actors around the table, international, local, government, civil society, business,

entrepreneurial that should be there, and to help missions have some guidance of well how do you best convene and when to convene?

The second point, and this goes to the complexity of at least from a civil society perspective of approaches to development, but we're looking at country ownership, but also a whole of society ownership of the development process. So how do we -- and I think AID has done some very good work on its papers on inclusion of others, how do we, in essence, as much as possible make these partnerships equal partnerships? And I think this applies as much to, you know, we could say this of AID. I could certainly say it to our own community as is, but the ability of creating equal partnerships and helping AID, particularly with security concerns and the ability of AID staff at times to get out of the mission to be that bridge and support partners.

And then the third point goes to this idea that the resources of partnership are for AID not just in your hands. Those resources are throughout this room. They're local. They are tapping individual organizations for mentoring, for the monitoring, for evaluation, for capacity development, but ultimately tapping the capacity of each partner in this development enterprise to be part of the creation of the program and the solution. And that is a difficult evolution for a government to do. It is a difficult evolution for an NGO community to do, but you only get, I believe, and I think the community probably believes, to this level of local ownership and capacity if you put this sort of heart of effectiveness into what is the partnership of development.

LIZ SCHRAYER: Great. Thank you, Sam, and I think it leads very nicely into the last of our recommendations, which is really some ideas about how to better integrate long-term outcomes with short-term strategies and who again better to respond than Helene Gayle, who is the president and leader of CARE. This trip to Africa was sponsored by CARE and I couldn't be more proud to have seen the incredible work, Helene, you and your colleagues are doing to really change people's lives. So, Helene, if

you could share some of our thinking that we had around the tension between short-term needs and long-term outcomes.

HELENE GAYLE: Yeah, thanks. And it's hard being the last in this, so many of the topics that people mentioned, kind of weave throughout it, but let me try to talk about this one specifically. At first, you know, as you said, clearly there is this tension. You know, I think all of us in this room buy into having local capacity, really looking into country ownership, all of those are the right way and that's how we're all going to work ourselves out of business, but that that's a long-term goal.

But I think if we look at that and, you know, we also know the tension between an agency that is often forced to look at things in the short run because of how money got appropriated, how people, you know, are looking only at, you know, what happened on a year-to-year basis, and the real challenge with that. But I think if we think about how we do it in, you know, in a variety of different ways, how we do it with development in general, we understand that the, you know, making a difference in the lives of poor people is a long-term endeavor, but we look at what are the inputs that go into it all along the way and recognize that if we have kind of a theory of change, if you will, about what will make a difference, in this case our theory of change is that by building local capacity you ultimately have a greater impact on local development. And we look as much at what are the short-term inputs into that and measure ourselves somewhat based on that. And so I think, you know, if we look at it more in that way, so what is it -- you know, we've got the targets and, you know, the targets in and of themselves are not end point 30 percent, nice number, good, you know, kind of in the right ballpark, but the target is only, you know, a step along the way.

You know, again, the real -- what we really want to achieve is having that stronger local ownership. But I think being able to set targets, look at what are the criteria. How are we looking at when is it right to focus on a local organization versus a long-term partner that may be a global organization? Are we doing

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as much as we should be about making those distinctions between not just the right number, but the right

roles, and looking at those appropriately and thinking about those as part of your outcome measures.

You know, I think if we look at, again, more what are we putting into this and do we have it right so that

every -- moving forward in this way we're measuring those different inputs that will get us there, then I

think, you know, we can have this -- make this tradeoff between short-term and long-term, and really have,

you know, I think ultimately a real success in that.

You know, I think about my own previous experience when I was with the Centers for Disease Control

working on HIV and AIDS, and when HIV in the minority, particularly the African-American and

Hispanic communities was becoming much more of a crisis, CDC went from what it traditionally does,

which is to fund state and local health departments to funding directly community-based organizations.

And there's a whole history there that I think AID could learn from because I think it really did show how

you can transfer that ownership, but at the same time still keep in place the providers of technical

assistance, capacity development, who have a very different role, but it really did make for a very

different new dynamic and, you know, 10 years later it's real clear that having funded directly

organizations whose capacity was built as a result of that had a huge impact on greater ownership at those

communities of the epidemic and really, you know, a lot more change. So I think there are a lot of

experiences like that that we can build on, but it does mean, you know, looking at what are the inputs

believing that you've got the right long-term goals and working all along the way to keep measuring those.

LIZ SCHRAYER: Terrific. I should have acknowledged and I apologize, Don, that I didn't, but we are

very delighted to have our deputy administrator, Don Steinberg, here with us as well, and what I'd like to

do, we want to take your questions, but we'd love to hear from Administrator Shah, Deputy Administrator

Steinberg, to ask the two of you to comment on reactions to this report and looking ahead, where are you

going forward? Again, I know next week the report comes out, but shed a little light on your own

reactions to what was just provided.

DR. SHAH: Do you want to start?

DONALD STEINBERG: Sure. What's really exciting about this is that we start from exactly the same place, and this is not just the question of, as Helene was saying, the theory of change, but it reflects the reality of development today. It reflects the fact that USAID's resources are not the drivers right now, that we do indeed have to use our resources to leverage and convening authority and partnerships and reducing risks for others, taking risks ourselves. It also recognizes that this isn't a choice, because the countries and the people of the countries themselves are demanding it. They are insisting upon ownership over their own development drives. They're no longer going to accept policies and programs exclusively made in Washington or London or Brussels, and they've expressed that at Accra, at Paris, most recently at Busan.

Third, it reflects the fact that development is more today than 6 and 8 and 10 percent growth rates. It is about inclusivity. It is about addressing human security questions. It's about drawing on women and people with disabilities, young people, and the LGBT community as planners and implementers and full contributors to the development drive. So that's what's for me particularly exciting about the report. But also what's exciting is that it's consistent with a phrase that I put in every single one of my speeches, which is that no single organization has a monopoly on financial resources, on good ideas, on ground truth, or moral authority. We're all destined to work together.

In terms of the specific recommendations, they're all spot on, and in particular, this idea of reaching out to the community here for good ideas. We've already had, last June, a capacity building seminar. We had an experience summit on country strengthening systems in November, but we need to be better in that space.

Secondly, we need -- as we look at the risks that are out there, we need to use the felicitously accurate acronymphomaniac phrase -- PFMRAF

[laughter]

-- more effectively to use the public financial assessment framework, and we need to adapt that using the expertise that you have. We need guidance. And we are in the process of putting out policy and program guidance. We need metrics and indeed if all of the rest of our metrics measure outcomes, as opposed to inputs or outputs, we need to do the same thing with ourselves, and perhaps most significantly we need to be the catalyst to the international community for this. I'm about to go off to Indonesia for the Global Partnership on Effective Development Cooperation's steering committee and these principles are the ones that we're going to apply.

One last point in terms of us listening to you, you told us very clearly that implementation and procurement reform was not the phrase that was going to inspire the masses to rise up.

[laughter]

And so I am delighted to be able to turn it over to our administrator to tell you what the new phrase is.

[laughter]

DR. SHAH: I am not going to do that now other than to say we believe at the end of the day, to Don's point, the concept we're trying to reflect is a deep belief in local solutions and local people and local leaders. So I think the phrase you're thinking of is probably local solutions development.

DONALD STEINBERG: But we're leaving off the D. Local solutions.

DR. SHAH: Local solutions. Good. Okay, good. Good. Just local solutions.

LIZ SCHRAYER: We love it.

DR. SHAH: Perfect. Okay, great. But it's reflective of a reality that I think speaks to many of these points, that the capacity to do this is going to come from local partners. The capability to understand what complexity means in different settings is best understood by people who live in and come from those settings. And so good. So local solutions is what we'll go with going forward.

I do want to say a few things. One is just a thank you. I think we owe it to you to say thank you for the quality of recommendations and I've been -- the degree of consensus in your presentation maybe doesn't fully describe that there was a rich conversation here. Not all of this is easy. If it were it would be less interesting.

LIZ SCHRAYER: We had a lot of conference calls.

DR. SHAH: Yes. So thank you.

LIZ SCHRAYER: A lot of questions.

DR. SHAH: I also want to highlight Helene's example, because at the end of the day I think that's a very powerful example from CDC's efforts to fight HIV/AIDS in this country. And the reality is if we're trying to build movements that end hunger through investment in agriculture and creative ways to improve nutrition, or if we're trying to eliminate preventable child death or trying to ensure more girls go to school

and have that opportunity, I think in each of those examples it's a very strong correlation between that and what happened as you described it. And ultimately our goal is exactly that. It's to build the kind of local ownership that persists long after we're gone with our resources. I mean, the reality of our project work is, whether it's a three-year project or a five-year project, these are longer-term challenges and they deserve to be led by strong local leaders leading strong local institutions with strong support from these wonderful global partners that can bring innovation and technology and capability to the task.

So with all that said I think I'll just run through some of these recommendations. And I think the piece on aid capacity building is very much appreciated. The reality is for us to build our own capacity to do this we have to do two things. One is continue on a path of reinvestment in our staff resources. We've hired 1,100 people over the last three years. As a percentage that's probably larger than nearly every other federal agency during that time period. But it does highlight David's maybe off-message point that budgets right now matter a great deal, and so I will refer you to David's comments on that.

Second, you know, we've had to reposition our staff, particularly to Africa to be able to do this, and that means drawing down in some other regions of the world. And those are just tough tradeoffs that we know we have to make and I would ask our partner community to support in any way that you can, because, you know, as a development agency working to end extreme poverty, our footprint doesn't always reflect where that extreme poverty is, and so those are tough tradeoffs and they're politically even more difficult to make, but we seek your support in repositioning staff from wealthier and middle income countries to less wealthy countries.

We've had a challenge and opportunity to continue to build that contracting staff, so I would again ask, and for those of you that represent USAID here in the group, the more we can do to celebrate our contracts offices and our OAA team, this is a little bit inside baseball, but you know, these are the folks that are helping us live up to the vision here, and sometimes they're not the ones that often get to go into

the field and sit with the child who's alive because of our efforts and feel that direct reward. So the more we can do to just celebrate the efforts of OAA, to celebrate our contracts officers and to respect the challenging role that they're in, I think the better off we'll be as an institution.

On local complexity I appreciate those comments. I would refer to Don's points. We created these unfortunately named tools, but the one mechanism that is supposed to be clear and easy and more a light burden to use with local organizations we manage to call the FOG, but it's --

[laughter]

No one is going to credit us with getting acronyms right, but it's the Fixed Obligation Grant award and it's designed to respond based on results and not require the same kind of process engagement, and I'd like to ask our team to look at, you know, can we expand the use of that tool, even with our more traditional partners to reduce some of the reporting requirements on, you know, every aspect of process and to really focus on streamlining and results.

HELENE GAYLE: The FOG is a really bad acronym.

RAJIV SHAH: FOG is a bad acronym. Maybe we could rename that, too. Yeah, yeah. The other good one is literally called PFMRAF.

[laughter]

It's -- and I -- when I first saw this I thought oh my goodness this is so bureaucratic in terms of such a detailed assessment of can an energy ministry, agriculture ministry, health ministry receive our funds. And what I've come to learn after having to, thanks to the partnership with Congress, read many of these

myself. What I've learned from going through boxes of information is that these are very detailed and these actually highlight specific individuals that might be a corruption risk or they highlight a particular part of a process that undermines transparency for our government. And what we have found is our government partners are so eager to work directly with us that they're willing to take these assessments and make changes in order to qualify for direct partnership. And ultimately I realized that this isn't bureaucratic, this is the discipline of helping to build great institutions. And so what we found is that in many cases we do the assessments and we're not able to move forward. In many cases we do the assessments and folks make changes and we are, but I expect in next week's report you'll see some real progress in our performance and then I expect since the -- since doing these projects takes nine months at a time, you will see even more progress in subsequent years. So I respect the need to follow the law certainly, and I think these tools, as unfortunately named as they are, help us do that.

On collaboration with partners I think we owe it to this board to come back with how we want to respond to these excellent recommendations. I mean, there ought to be a way to have a structured use of convening at the mission level and at the -- and at Washington level. I would suggest to folks from our legal team here, I see -- I thought I saw John and some others, you know, we've got to figure out ways to allow for that kind of collaborative discussion in a way that does not violate procurement sensitivity. It's just a challenge in federal procurement that we've got to somehow create safe space for creative collaboration with partners prior to getting into the mode of this is now a federal procurement discussion, which is governed very, very carefully and appropriately. So, I'll make sure we come back on that, but once we do that ought to create some options for how we can respond and we owe you a real response on that.

And Helene on this short-term/long-term piece, I very much value your assessment that, you know, that having a target or at least getting in the practice of collecting data and information and reporting on it allows us to assess performance and allows us to set an aspiration that's not 100 percent, because that

would not be responsible, but is in fact a big step towards the -- living with our resources and our actions up to the basic concept that we believe in local solutions and we believe in local leaders. So we're going to keep moving forward with that spirit and we appreciate the board's support.

LIZ SCHRAYER: Well, thank you, Don and Raj. I think we're going to have a working committee on acronyms is the next --

[laughter]

I think Jack Leslie knows all about communications. We welcome your input, your questions, your ideas. There are staff with microphones, I believe, so just raise your hand. We've got about 10 minutes to, I think in this session, to hear your thoughts, or comments, or questions. Gentleman right here. Hold on one sec we'll get you a --

JOHN COONROD: Thank you.

LIZ SCHRAYER: Could you introduce yourself?

JOHN COONROD: I'm John Coonrod with the Hunger Project and your last comments, Raj, I really appreciate. A lot of NGOs and others in this room have devoted decades to figuring out how to do those discussions and consultative processes, and there are -- we're all on your team for that if there's any way that we can contribute. I love the list that was in your report of all the different reports on those processes, and building that machinery within civil society in the countries where USAID works is in itself -- would be a huge step towards that creating democratically inclusive locally run consultative processes that then can invite USAID to participate. Investing in that would be a brilliant investment, and I know a lot of our organizations, InterActions has invested in that, so -- and some of the Rome agencies are also investing in

that. So it doesn't all have to fall on the mission director to pick up the phone and call everyone. That capacity can be built to provide those conversations. So thank you for that and any way that we can support you in that we want to.

LIZ SCHRAYER: Okay, thank you. Other thoughts, comments, questions?

MIRZA JAHANI: Liz, this is Mirza Jahani from the Aga Khan Foundation. First a great thanks to USAID for entering into a partnership which had wedded the local partnership in Afghanistan for the $16 million that we just signed and I am very grateful for that. I mean, before we achieved that I must say that I was thinking this is all rhetorical about working locally or not, and you proved me wrong there so thank you very much for that. But as I read this paper and the question for the panel really is I don't see any idea about sustaining local capacity, sustaining local institutions, and I wondered if any of your panel would speak to that.

LIZ SCHRAYER: Well, we talked quite a bit about it. Maybe Sam you can touch upon that.

SAM WORTHINGTON: I think this goes to the point I made of development being about multiple actors. It's about the ability of civil society to relate to the private sector, of linking villages or capacity groups or institutions or local with a growing economy, but it's not just economic growth. You get to the whole process of inclusion. So how do you have growth that is inclusive? And it's that triangle that is ultimately the basis of sustainability and we are but facilitators of that process. So the tension between growth, linking to economics, jobs and so forth, which is one engine. The basis of consolidating societal frame from government and policies of government driving its own society and a civil society playing a key role -- local civil society playing a key role in terms of inclusion, and there are all sorts of variants of that, but I think that is the basis, which we did not address [unintelligible].

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LIZ SCHRAYER: You know what -- I'm sorry. Raj --

HELENE GAYLE: I was just going to say it builds on something that Raj had said in one of his comments, too, is that, you know, in many ways what we're doing by doing more local capacity building is building a movement, and I think that's what makes it self-sustaining. So it's not whether or not, you know, an organization is going to continue to have a grant to do a water project, but it is are we building within organizations and within the local fabric the need for access to water, which then means they will, in whatever way is necessary, sustain that access. So I think, you know, if we think of it less in the sense of does this mean that the organizations that are funded will continue to have funding versus are we truly building the capacity to create movement and momentum. Then I think we are building something that's sustainable.

LIZ SCHRAYER: The only thing I would add is that the last point, Helene, that you said, was kind of a given and maybe we didn't -- maybe we should've said it clearer, but it was such a given that this was about sustainability, but maybe we missed communicating that effectively, but we all started with that. Other -- yeah. And now Don's answering if somebody wants to bring a --

DONALD STEINBERG: Just to add another concern that we have in that regard, especially on sustainability vis-a-vis civil society. We are seeing closing space for civil society all around the world, even partnering with a variety of groups that try to push back on that, both by empowering the individual group, but also by coming up with innovative approaches to work through, you know, our food security programs to create honest cooperatives, which then play a different kind of role in their society. We're also leading in the post [unintelligible] period a working group of the international community that is trying to determine how best to push back on what's going on all around the world, and it is one of these incredible paradoxes at a time when communication is expanding, when transparency is occurring that we've seen in many cases authoritarian or even not authoritarian governments pushing back in this space

and we're delighted to partner with them in that sense.

LIZ SCHRAYER: Great. Thanks, Don. There is a question.

PAUL MILLER: Thank you. Paul Miller, Catholic Relief Services, and thanks to all on the panel, for the leadership of Administrator Shah and Don. Helene just talked about social movements and I was briefing a bunch of Catholic university professors going to Brazil, thinking about Brazil as a new donor. So other nations are also trying to fulfill their commitments as good and better donors, yet Dirk Dijkerman at the Experience Summit said that's one of the areas where maybe the donors have had more difficulty trying to complement each other's capacity building with local governments. So, the question, maybe to throw out another complexity, how's it going with the other donors? And I know Don's also going often, but -- and also this mythical piece called the interagency. The MCC has its own way of building capacity. How are these things being combined? What have we learned?

DR. SHAH: Well, let me try that briefly. I'd just say on the donors I start from just a point of skepticism perhaps, but I think a lot of what we call donor coordination in the past involved myself or folks representing agencies at a senior level sitting in Paris or London, you know, talking about donor coordination. And then, you know, being for it. And I was --

[laughter]

But, you know, if you go to a couple of those meetings they're really, really, really dry. And so --

DON STEINBERG: Which is why he sends me.

[talking simultaneously]

[laughter]

DR. SHAH: So, so -- but I say that to say at the same time I feel like there's actually more joint operational planning at the country level, and what Jim Kim and I have started to do is on key subject areas we'll bring our -- four or five of our missions together. They all -- in terms of country missions, they come to Washington, they sit with us, and then we just go around and they say instead of sort of describing how great donor coordination is, they talk about what's not working. And, you know, sometimes it's shockingly bureaucratic, but it's, you know, USAID required nine different approvals around one agreement for us to transfer funds to the bank, and then in a different mission did the same thing and it went to the, you know, a different set of World Bank lawyers and they didn't connect with the others. I just think this is an industry that operates a little bit like a cottage industry.

Even the big organizations like USAID and the World Bank don't often have a deeply integrated operating mechanism that streamlines how we partner. So we've tried to break through that in health and agriculture, we're going to do that in energy. And I hope that we can make the shift from high level discussion about coordination to core operational partnerships and, you know, on our end we've created the, again, we call it PIO, Public International Organization grant mechanism that allows us to now move much faster and more directly. For anyone in the room who still -- I used to hear a lot that oh, USAID doesn't support international organizations or doesn't join basket funds and pool funds in country. That's not true anymore, we do and we have tools to enable our staff to do that. They're applied with different degrees of consistency around the world, but it's been a sea change in our capacity to build partnerships with major international partners and deliver better results.

LIZ SCHRAYER: We're out of time, but I want to thank three groups of people. One is that there are a dozen people that actually participated in the working group, so it wasn't just the five of us that are up

here on the stage, but to thank all them that are listed in the report. Obviously thank the four that did participate for not only being on a lot of those calls and those emails, but for sharing your thoughts today. But I think the big thank you from the working group in concluding our work is to Don, to Raj, and to the rest of the USAID team for giving not only the vision, but the real sweat equity in putting in the clarity of how to move this forward and although we have recommendations, and I think all of us including the two of you and your team believe there are ways we can even make it better and better. The direction you're going is a direction we want to follow and we're just thrilled to congratulate you and look forward to next week in your launch of the one-year report on USAID Forward and you'll see a lot of cheering fans when you do that. So thank you all.

DR. SHAH: Thank you.

LIZ SCHRAYER: We're going to take a 15 minute break.

[applause]

And then come back here.

[break]

SUSAN REICHLE: Okay, we're going to get started as our panel gets seated. And I want to welcome all of you to our second session of the ACVFA meeting. And for those of you I don't know, I'm Susan Reichle. I'm the assistant to the administrator for the Policy, Planning, and Learning Bureau here at USAID. I'm really thrilled to be able to talk about the work that's been done on elevating science technology and innovation in the agency with all of you, with our partners, with our ACVFA board members because this has really been a group effort as we move forward.

So as you can see by the packed stage, this is a full panel, so -- and given it's the second discussion, we're really going to try and run this in a very participatory manner with me just making a few opening remarks, turning to our administrator to frame it, and then we have four themes that we're going to be covering in this. What we've done on grand challenges for development. I know a lot of you have been involved in that as well as obviously what we have been doing with the universities. You've heard about the Higher Education Solution Network as well a new initiative under elevating science technology and innovation, our fellowship program, and then, finally, mobile solutions, but instead of us just running through everything and you listening, we're really going to do this as a discussion.

So we have our wonderful ACVFA members who were introduced earlier by the administrator who have participating in this and asking them to respond as they hear the different elements of what we're doing and asking you to respond. So really, the next hour is going to be high energy, so really appreciate everyone's participation.

So as you know, USAID obviously was a leader in science technology and innovation. It has a very rich history from the green revolution to oral re-hydration therapy, and yet, really over the last decade or so, more really, we lost our strength in this space, and it wasn't until our administrator came and joined us in November, 2009, when he was nominated, and we had just concluded a world-wide mission directors' conference, and we went over to brief him before his nomination hearing and we talked about the priorities that the career staff saw with the new administration -- what we were just talking about. About working directly with the partners, about really bringing strategic planning, the real discipline of development back into the agency, and one of the things he said very clearly to us in that meeting was, "We need to use science technology and innovation to really drive development results." And so, from that day forward, with his leadership and with all of you and all of us working together to really, really

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look at science technology and innovation, to really deliver. And so, on that note, I just would ask our administrator to say a couple of words to frame the discussion, then we'll dive right into it.

DR. SHAH: Good. Well, thank you Susan and I appreciate your leadership and you're clearly going to be an active moderator here.

[laughter]

So I'll be brief. I just want to for our panel, and, in particular, for our active board members, I have one big question for you. You are going to have a chance to hear from three or four or five of some of our best leaders. They are doing things that are genuinely extraordinary, and they're getting recognized for it around the world, and there's a cohort of folks within our agency in our missions that are inspired by their activities. But in each case you, you'll also hear -- you know, to get the work done, they've sort of built a small team for themselves, and they are these folks are based here, and they're an incredibly talented team. And the challenge I'd ask -- a little bit built on our lunch conversation is, "How do we embed a broader, more durable culture of innovation, and a focus on incorporating the new technologies, and the scientific approach much, much, much more broadly across the full range of our business units and our business models. So a little bit of the design here is to have the active board members just share your ideas on how we can do that after hearing from the team.

SUSAN REICHLE: Great. Excellent. So, let's turn to Dave Ferguson first. I think many of you know Dave. He's our deputy director in The Office of Science and Technology, and he's really been the pioneer for grand challenges for development. When Raj and the team came to USAID and we talked about grand challenges, most of USAID was sort of thinking, "Well, how does that work and how does that relate to the work that I'm going to do?" and Dave and the team really brought that home. So if you can give us just a couple quick highlights. Now, I think it's, what, three years since the Saving Lives -- two

years since the Saving Lives at Birth launch. We just launched the All Voices Count in this room a couple of months ago. How are we -- what results are we really achieving and we'll be interested to hear our ACVFA members and your thoughts about the grand challenges.

DAVE FERGUSON: Great. Thank you, Susan. I really appreciate the opportunity to be here and to -- I want to spend a couple minutes to say what's a grand challenge for development. Right? And what have we done with that program over the last couple of years and where we expect to take it, and I look forward to that request that Raj made because it's really critical. How do we use this kind of new approach, right, in a meaningful way across the board in missions. Like, this isn't a goal of, "We're going to change everything we that we do in development into this [unintelligible] portfolio play here to get into using a platform called "Grand Challenges for Development" to design -- to source solutions to some of our biggest, but what we believe are solvable, development problems.

There are only four things that we need to do in order to be a grand challenge for development. You've got to have a well-defined, articulated problem-statement that has evidence and data to support why this is the thing that we need to solve, and how we think we might be able to go about solving it. Science and technology needs to have a role to play in that, but everybody knows development problems are systems problems, and there isn't just one thing that's going to help solve that problem, but we do believe that science and technology has a role to play in breaking down critical barriers that are preventing progress, that are preventing us from actually solving development problems that we believe are solvable if we can get the world focused on them.

We always work in partnership. Raj talked about this. The board talked about this. There isn't -- you won't do a grand challenge for development unless there are others willing to both say yes, that's the problem we ought to be focused on, and yes, I'm willing to commit significant financial and human

resources to solve it. Then we know we're probably on the right track if we can get three or four different parties to step forward on that.

Our perfect lineup for partnership for Grand Challenge for Development as another donor, a foundation, and a private sector partner. All right. We've got four grand challenges that we've lost, so we haven't hit that perfect trio yet, right? But we attack all three in terms of finding those partners, and we build some really strong partnerships as we go about this. Ultimately, we have to engage the world in the solution quest to solving this problem, right? We've got to our capacity's convene that we heard about earlier, right? It's a critical part of how we put that together, right?

We want more Saving Lives at Birth in March of 2011, All Children Reading in November of 2011, Powering Agriculture using, you know, an energy grand challenge to define energy solutions for agricultural applications where we believe the sustainability issue we talked about earlier will come to play, and Making Our Voices Count. Probably one of the most challenging grand challenging grand challenges that we thought about is how do we solve the use of the word here around good governance.

All right, but clearly, there is technology we brought to there on a citizen-government interface around the world. We've had 11 partners now sign up to join us in these grand challenges, we got $184 million committed to use for programs that we described. At least 77 of that comes from USAID. We've made four grant calls through these programs, we've had between 400 and 600 applicants for those grant programs. That's about 10 times, maybe 30 times what you might expect with typical USAID grant call. The fact that we're doing this in partnerships effectively, got in a multiple voices calling for elevating these issues I think has a lot to say about how that works and why it's working so well. Half of those, by the way, are coming from the developing world. So back to local solutions, I think this is a critical part of we believe that there are innovations to be sourced locally to solve global problems, right? And we've got to enable that system to work.

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A couple of examples from our Saving Lives at Birth grand challenge -- Saving Lives at Birth is our rallying cry. We've got a little bit more behind it than that, and that we're focused on women and neonates around the 48 hours of birth and [unintelligible] setting. How do we prevent that in that environment? The analysis that we came to was we need more tools that work in that kind of environment, we need service delivery models that work in that kind of environment, and we've got to build demand. And those are the critical barriers that we defined, and really, they do calls for solution against that barrier set.

A couple of good examples – one is the solar suitcase. Right? This is a simple solar-based solution to collect solar energy so that we can provide light, right, in an environment where we can then provide medical care right when it's done. With this suitcase, we also have a couple of very simple tools, the fetal monitor, ability to plug in a cellphone to get it charged up so it can -- so we can help that way too. It's a very -- it is a simple system; it fits in the environment that we're trying to serve. This was -- I'm trying to get those -- I want to make sure I get the name right here -- [laughs] -- where is she -- Laura Satchel from the University of California in Berkeley is the innovator here and she's just been recognized as a CNN hero. All right?

Another one is the Pratt Pouch. Pratt Pouch, the Pratt School of Engineering and -- at Duke University, working with their medical school. The ability to deliver anti retrovirus to newborns will have a significant impact on the transmission of AIDS to newborns. If you can get them there at the time of birth, you've got a decent chance of prevention. The problem is it is difficult to deliver those drugs in a timely manner in the kind of environment we're talking about. All right? The Pratt School of Engineering designed the pouch like a ketchup pouch that labels that drug to be delivered to women before that go into labor, and then can be delivered at the time of birth and soon after the time of birth,

and it has so changed -- it's so effective, it is one of the World Health Organization's top 10 innovations for 2012.

SUSAN REICHLE: And that's fantastic. I mean, I think the results just described from a grand challenge we launched two years ago within the agency, and many of us were saying, "What is a grand challenge?" two results that are really not only being recognized at a high level, but also, most importantly, saving lives. So I just would love to turn to some of our panel members for some of your reactions, questions, obviously, from everybody in the audience, but Katie, I mean, one of the things that obviously you've been talking a lot about is the partnership, and as Dave highlighted, how do you bring a lot of different people to the table and from your perch as the executive director at the Center for Interfaith Action on Global Poverty, how do you see that -- and one of the grand -- I'll let you answer that first.

KATIE TAYLOR: Over the last two, three years, I've watched USAID, Raj, and the whole team become an increasingly proactive catalyst of people, ideas, and technology, and the grand challenges have been an extraordinary marriage of those two things, but I also want to mention very explicitly to recognize and congratulate USAID and the team. I don't know if you all heard a few weeks at the Mobile World Congress 2013, USAID won first prize -- number one in the world -- for the best government policy -- best government mobile policy on development. That is an extraordinary achievement, and I just want to say congratulations.

[applause]

Because I think one of the things we sometimes forget, but that I think the agency is -- has kept front-line and center is if you look at developed countries and the aid that developed country organizations give to developing countries. And now the numbers vary. It depends on what year you look at and what data,

but it's in the order of $120 billion. If you look at global remittances for instance and how much you think individuals are sending back home, it's in the order of $375 billion. If you add to that philanthropy and private capital, it's probably in the order of $575 billion. And whether technology and other very creative solutions made to bring people, ideas, technology together, I mean, remittances alone, some estimates say it could increase to a trillion dollars of money going to these developing countries in the next five years. That's significant, and I just simply want to celebrate, you know, what you all are doing to catalyze these new exchanges.

SUSAN REICHLE: Great, thanks. And Meg, I mean, obviously from your approach as the vice president of Google, and seeing really the power of bringing people together globally. Not just, you know, frankly, traditionally, you've often looked to a set number of people who have been engaged in developments states and, as Dave just highlighted, 50 percent of the people involved in our grand challenges actually come from the developing world. How do you see that and what recommendations do you have for us moving forward to really capitalize on that?

MEGAN SMITH: I had input around processes. I think what you're doing is fabulous and, you know, you want to open this up to challenges everywhere.

SUSAN REICHLE: [affirmative]

MEGAN SMITH: And innovations come from everywhere. I was elected to do a lot of acquisitions with Google and also lead the new business development team at early stages. So sort of looking at entrepreneurs [unintelligible] and [unintelligible]. So these comments are formed by that thinking. First is in the inbound, even -- you guys are -- have great results of already like, you know, multiplying from inbound, but you could go even higher. Let's have even more people proposing by using all kinds of partners to get the word out even more. And then second, can you post, maybe from an intellectual

property perspective, you don't post the entire proposals. People want to protect that, but maybe you're posting highlights and doing a little bit of crowd-voting, or at least informing, and that could be quite interesting or people might team up, and you might -- connect us, so that sort of inbound.

In terms of during the process when you guys are judging these proposals, I think that you're doing well to have private sector been a founder of USAID. I think you need an entrepreneur type who's an experienced serial entrepreneur on every judgment group or sets of people because it's sort of that seed-early stage of looking at, "Who is this?" and, "What's the idea and what's the possibility and seeing where they could go?" They have a unique eye. One of the things that the government of Israel does is they co-invest with serial entrepreneurs, and they would put up 90 percent of the money, and the other person could [unintelligible], and in fact, the co-investor, angel investor, could buy them out at dollar amount because the government would just like to get the tax base [unintelligible] a company they don't want and care as much about the return, but they need the judgment of that serial entrepreneur to choose the right thing to bet on. And so, I think that you're judging -- you need to open that up to like, people with some experience to help you navigate that -- that even more than you are.

And then the last area is, like, at the gate. As they get off the gate, it's going to soak and dry for a second. There's dumb money and smart money. Not dumb, but it's like, not helpful. There's cash, right? And then there's cash, and then there's the person who's done this a million times and comforts you and helps you find your management team and runs around and like, networks you and -- you're actually not granting here. You're using a grant mechanism to co-invest in this entrepreneur and the idea they propose of this entrepreneurial team to go forward. So what is it that you're doing with them as if you were an angel investor, including things like finding co-investment partners, finding distributions, finding people to give feedback, you know, teammates. All this stuff that the venture firms do. And even the best venture firms now has not only the partners, but they have a whole set of employees who are like the HR teams and the business and partnerships per sales team. It's astonishing the finance team. You don't

necessarily need to have that, but you need to figure out how you're going to use your astonishing convening power to bring that to your entrepreneurs.

SUSAN REICHLE: Great comments on process, which we talk about a lot, and how to open it up, how to really engage others, and that's really the direction that we want to move. So thanks for those comments. Before we move on, I know there are a lot of different comments. I have to ask Nancy because Nancy is the former president and leader of Transparency International. One of our, you know, grand challenges that we launched was All Voice Count. Many of you were here in this room when we talked about that. And just from your perspective, how do you see this new platform, if you will, to really make a difference in this space that you worked the last couple of years.

NANCY BOSWELL: Well, thank you. Thanks for the opportunity. I think it's vitally important. One, that this is all science-based at a time when there's a lot of pushback against fact. [laughs] Using technology, which is clearly transformational for all our lives, and particularly because of its power to engage young people, who, I think, in too many parts of the world feel excluded and hopeless, and working with other development agencies on this at a time of scarce resources and leveraging those. I think all of those principles are very important across the challenges, but in particular with respect to this making All Voices Count, clearly from an anti-corruption good government's perspective. Government accountability is key to realizing all the development objectives, I think, that AID has put in front of itself. Getting information out to citizens in a way that they can actually use it, giving them an opportunity to participate in decision-making, make their voices heard, and then making sure that governments respond to those voices, I think, is clearly the right objective.

Without being too negative about it, I would say it's actually the failure of governments historically in too many instances to make that information available, to listen, to provide opportunities for citizens that actually perpetuate some of the development challenges that we continue to face when you know what the

problems are, but they sit in front of us. So information technology, enhancing transparency, enhancing connectivity, between donors, between donors in governments, between donors and intended recipients, which I think is a new connection that hasn't been made before, and most particularly, between governments and their own people. This is truly going to enhance accountability if we get it right, and I think there are a lot of good illustrations of where we're moving in the right direction: some of the bilateral issues with AID leadership on transparency, [unintelligible] data, getting that information out, The World Bank, ITP for open contracting, an area that is very plagued with corruption, the open-government partnership and -- has been mentioned. I think a host of domestic initiatives where local citizens are coming up with a wide range of good governance and anti-corruption.

Innovations are particularly promising, but I see my role as putting some cautionary flags up because I think if they really want to take this to scale, leverage what we know, we're going to have to pay attention to two particular cautions. One is the capacity to actually access the Internet, capacity to understand technology, capacity to manage a huge amount of data, and with all the transparency to societies sitting on the other end trying to make sense of it, and making sure that governments actually act and respond to that -- to those views, and of course, to protect the privacy and safety of those who are engaged in using information technology for good governance, which leads me to my second caution, which is, many of these initiatives only succeeded government ops in, and, regrettably, too many places where the development challenges are the most severe, governments are still jealously guarding information, they are pushing back, I think, Don Steinberg referred to this earlier, pushing back against civil society and making it more difficult for them to access information and for them to participate. And we know Activist NGOs' media are being harassed, threatened, even harmed when they do get engaged. So...

SUSAN REICHLE: Those are great comments because one of the things that Don and I and the others have been working on closing civil society's states. One of the critical elements we heard from you all last week when we had a partner's on the subject was having the network. Really, it has to reach beyond

sort of the traditional actors in the states. That we need to really broaden that. And so if I can, at this moment, turn to Ticora to really talk about whether the things that we try to do reinvigorate science-technology and innovation is by creating the higher education solutions network, which really is about bringing not only universities into the fold, but capitalizing on relationships that we've had really [unintelligible] problems, and whether that's in the governance as Nancy was just highlighting, or in other spectral issues. So could you give us just sort of a brief description, and we can hear from our panel and then really turn to you all for some reaction comments.

TICORA JONES: Happy to, thank you. So USAID has had a long history of engaging with the higher education community, but as our newest administrator came in and was going out with our science and technology adviser to the administrator Alex Dehgan, the university campuses around the world, one of the things that he came back with was, "I see the future and we're not in it."

[laughter]

The explosion of students that aren't just in econ classes and political science classes, but students that are taking global health classes, students that are traveling around the world, faculty that were engaged in a wide variety of development sectors, yet they weren't really able to engage with USAID, and we were kind of a black box, and weren't necessarily talking to each other either because, you know, one water filtration system at one university could be the same as another, but in terms of people finding one another, and connecting, and being able to talk about their solutions, how to evaluate those solutions, and how to scale them, it wasn't really a space that had been created. And so, as we were looking for opportunities to do this, we concocted the higher education solutions network, and what a response we got.

So very much like Dave, in terms of grand challenges for development program and the number of responses to a call that was placed, we got 500 concept notes in four calls, but they only had six weeks to kind of prepare. So 500 universities and other partners who we didn't specify that it had to be universities, with a wide variety of partners, answered the call to bring themselves and their solutions, their ideas, their abilities to scale, to USAID, and we narrowed that down, and those 500 encompass 49 states. Alaska was the only state that didn't have an applicant come through in 36 countries. And so, that just leads us -- that just shows us the passion, the enthusiasm, the interest in this community that we haven't necessarily engaged in this way, wanting to come to the table to partner with USAID, to collaborate with USAID, civil society organizations, other government organizations that they brought as partners to help us solve development challenges. We were able to award seven, and though the program is still very new. We announced on November 9 of last year -- and those seven are focused in very key areas around kind of context; so there are people looking at sourcing technology, very much like the grand challenges of defining the very particular problem, and sourcing and identifying solutions in that space.

With people who are sourcing are looking at how you get at local innovations, how you're using design and creative capacity-building in local context, but how you're also engaging students and talking to them about context and what's important for designing scientific and technical solutions and process in the developing work space.

There are people looking at evaluations, and not just kind of impact evaluation or project evaluation, but designing how you evaluate technology in this context. Kind of like a consumer reports for international development, so there are tons of cook stoves, but are they all appropriate? Are they all being used in the right context? Are they all scalable? Are they all sustainable? In creating methodologies about how you investigate and evaluate in that space, but also, using technology to create ways to give us senses that help us get at are people using solutions that are put in place instead of surveying and talking to people, you

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can create remote sensors that help tell you whether something is being used, or even tell you if there's a particular disease in a place that you put a sensor, and were trained to tell you if the real diseases are present in that place. You know that's a way of getting at a problem without necessarily being as intrusive, but being able to get a bunch of data that helps you think about that solution.

And then finally, scale. You can create all the solutions you want, but if you don't have a path to scale, if you haven't engaged those angel investors, if you haven't engaged a broader community to figure out whether or not that solution is viable, it doesn't matter. And so how are we -- one of our partners is looking at how you think about scale and methodologies around that, in particular in a global-health space. So each one of these seven partners is looking at those three things or kind of the knowledge that you generate around those three areas in a very different way, but we're excited about what they bring to USAID. We're excited about partnering with them, we're excited about -- we have been engaging them with our internal bureaus and our missions and we're excited about engaging them in this broader kind of international development space with partners like those from ACVFA. I'll stop there.

SUSAN REICHLE: Okay, Ticora, I know you can speak quickly. So, Patrick, I would love your reactions to this. Coming from Ghana, having founded a university, what you see USAID doing in this space, again, USAID has worked with universities for decades -- this isn't new -- and yet the way we're trying to focus it on really solving some retractable problems, as we were discussing at lunch today, about how to make them part of our -- of our partner network, really, as part of the group. How do you see this?

PATRICK AWUAH: Well, you know, 12 years ago when we were starting Ashesi University, one of the things that we noticed was that USAID was no longer really actively involved with higher education, and what asked the question why not because USAID -- actually another project that USAID did was the IIT in India -- investing in that project which really changed the world certainly for Indians and others.

So we're very excited to hear about this new program -- with the higher education solutions program, and I think it's absolutely brilliant. Where we are now, I would say that in my context we're booting up again in Africa in higher education, and we're very much in the mode of learning. I think that the United States has this incredible ability, this process for innovation, and young people who are completely empowered to come up with new ideas and to execute and have confidence that something's going to come out of it. In our context, we don't quite have that yet, right. Young people are a little timid about what they can do, and so the number of things that we've been working hard to do, we now for the first time have had faculty who have applied for a grant -- not a USAID grant, but got a local grant -- to do research project, and to get there to that point involved funding smaller projects within the university just to, you know -- they didn't quite have the confidence to apply for a larger grant. And I think the number of things that has to do that could really explore things. For example putting out sort of an open source way -- what were the successful grant proposals? What did they look like, and what did those partnerships look like? Because, you know, and I think the TED Conference has been amazing at this, right. They put out these brilliant talks and people see them and they say, "Oh I can do one too," and the talks keep getting better, and better, and better, and I think you could take the same approach with HESN in terms of putting out this example of here's the kind of thinking that's -- that will result in grants -- grant awards. Here are the kinds of grants that will result in awards.

The second thing I would say is what's probably happening now is, you know, they see some faculty engaged, but there's this little layer of young faculty who need to get sort of energized and students in Africa, and so if there's a way, a mechanism to include young people who are not quite at the top of their game yet -- they're still learning -- but getting them to participate and be mentored to move forward, that would be a very powerful thing. That's in terms of building capacity for the long-term.

So I think that this is all very incredibly exciting. I would also add that I think when we talk about capacity building, technical capability is not sufficient. That there needs to be a transfer or a discussion

about professional ethos, right. So whether you're working with scientists, or doctors, or government officials, or military, or whoever that there needs to be a component about the ethics of this profession, and if we could build that into these projects that will be, you know, that's how you really build sustainability for the long-term.

SUSAN REICHLE: Right. No, that's an excellent point. I mean, again, about as a profession in that development really is a distinct discipline, and if I can, Ndidi, if I can turn to you just to comment on that a bit, and not only just obviously the development, and the discipline in the profession, but from a perspective from Africa and also working with youth, and what you seen in the space and what more we should be doing, and be ready I'm going to call to all of you who have questions, comments, just gathering any.

NDIDI NWUNELI: Okay. Well, thank you very much. First I must commend the effort like my colleagues have. I definitely am really excited about the importance of innovation and the spirit of innovation. Building on the last point Patrick made, and I'll start there, what scientists don't have are the patents, copyrights, trademarks, protection for innovation, and so I'm taking it further than the issue of ethics to say that we need a framework in most of our countries that protects people who come up with these fantastic ideas because there's a limited amount of innovation, because as soon as someone comes up with a very exciting idea it's copied by every single company and nothing protects the entrepreneur. So I think there's a role for USAID through your mission offices, to support the establishment and implementation of policies that foster innovation and allow ideas to thrive.

The second point I wanted to make was the involvement with the local private sector. For every single idea both the grand challenge and the high education initiative, as an entrepreneur in Africa, I often struggle with the fact that very few resources are being channeled towards local businesses. There's a need for USAID to link very closely with the private sector on the ground, making ideas marketable but

also enabling them to scale up.   So let's use the pouch initiative that you've come up with. Fantastic that it came out of the top businesses but the fact is - how can we find local businesses in Africa that can produce those pouches on the ground and then beyond that one drug what about others? During Raj's recent to Nigeria, I was excited about the amount of time that he devoted to engaging with the private sector, and the first group that he engaged with was young entrepreneurs. Raj showed some of the devices, I believe from the grand challenges initiative, and people were excited. Raj challenged the audience to think about local solutions to local problems and people came up with very interesting ideas right in that room. And I think USAID can serve as a catalyst so you're catalyzing ideas, but very quickly pushing those ideas back on to the country and challenging them by asking what can you do for yourself and how can you link the private sector?

And finally, this issue of sustainability came up earlier and I think with all of these ideas, you know, the young people get really excited, but then they like to move onto the next big thing. I've been working with young people for about 12 years.

[laughter]

You know, high energy, they want to move on to the next big thing, and so the question is how do we sustain these ideas beyond the innovators and keep people innovating by embedding them within a stronger research institutions, a stronger private sector institution, and when you look at the research institutions on the African continent where I'm familiar with most of our research institutions are extremely weak. So building -- that's the pathway for embedding that knowledge, or very quickly transferring it to the private sector so as to enable it to get implemented and scaled up this could make a huge impact.

SUSAN REICHLE: Right. Thank you very much for all your comments. If I can just -- before we turn to fellowships I want to talk about new and mobile as well, and Mobile Solutions just to hear any questions that all of you may have.

Yeah?

BOB RABATSKY: Hi. I'm Bob Rabatsky and I run a new program that's supported by AID called Partnering for Innovation, and we just ran an initial expression of interest and got a pretty good response rate from it, and interestingly about 70 percent of the respondents were from outside of the United States. So we were thrilled about that. The project is supporting technology that can be used by smallholder farmers worldwide: a lot of good ideas, a lot of good technologies. Not a lot of good strategies presented for the business strategy of actually getting that technology into the hands of this new -- of this very challenging market. I forget your name from Google. You touched upon some of the ideas of bringing better management into these companies, which I think is a fantastic idea. What are the other ideas, or other things that AID is working on to help with the actual business backbone to help with those entrepreneurial businesses?

SUSAN REICHLE: Right. Thanks. Can I ask any other questions before we jump in? Okay. Yeah, Meg, please.

MEGAN SMITH: I'm on the board of MIT and the president Rafael Reif is really thinking a lot, you know, universities are being highly disruptive and really exciting with -- and so as we see these moves to huge online classes and this idea here that's the part of the university instruction, but there's this other part of the university which, actually, I think you guys don't realize we just made a major innovation in because in a lab, and in the project-based learning, whether it's the crazy robotics contest, or whether it's, you know, if it's a bio lab and that's -- Evan Lands [spelled phonetically] [unintelligible] wrote a

watershed paper in the late '50s about actually changing all universities -- he was talking about MIT at the time -- to be much more da Vinci-like when you go to the lab, and you are really mentored in projects, and then you happen to get instruction, but that's on the side, so it's kind of a good thing to think about. The universities -- Arizona State University, notably, has changed completely into project space. But I think the universities in the future will be much more like [unintelligible] lab places when you gather, you meet up to do project space things, and what's interesting about the millennials and the digital natives is that they really do have [unintelligible] on campus [unintelligible] development. What number -- what's the percentages of students at Berkeley in the development minor?

MALE SPEAKER: Oh it's --

[talking simultaneously]

FEMALE SPEAKER: It's the largest minor

MALE SPEAKER: It's called the global poverty minor.

MEGAN SMITH: Global poverty minor. They're just doing this -- this is what they do [unintelligible] is their game, it's their way to protest like the young -- or earlier people might have been doing marches and having an impact. The second [unintelligible] is actually doing energy, but I think that these innovations are interesting and thinking about this is actually an educational context in the university. You are as evolutionary [unintelligible]; it is a significant thing you're doing.

And the second thing is -- I would just say -- and by the way, the university you chose have great experience and what I liked about your selection was that you chose people who had -- they were steeped in this and they were not harming; they were actually highly collaborative with people around emerging

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markets together, and inclusive, and lab based, and academic, and we're advancing the academic field together with the actual field. So I think -- and I think the earlier you try to -- we've identified is the -- then scaling. So I think we should talk about this -- think about this next year.

The second thing I would say, which is maybe not obvious, but one of the most important things we can do for American capacity building is we need -- and any young person, but especially if we think about USAID contribution to America, even though that's not our exact mission, design thinking for all of our young people to learn empathy about products and services that you are creating so you're creating something that someone actually wants, and learning that so we can really advance our economy and entrepreneurship of the American youth. The contribution here is tight because they're super engaged; they want to do this and we're sending them to very complicated studies where it's not obvious what to [unintelligible]. They have to figure it out and so in some ways I think you're planting a seed for the future of American prosperity by educating young people about future markets in the design thinking capacity-building way that is really significant and I think you should get credit from Congress for that if you talk to them.

SUSAN REICHLE: We like to hear that. We're for credit from Congress.

DR. SHAH: Can --

SUSAN REICHLE: So that's -- go ahead.

DR. SHAH: Can I just -- can I --

SUSAN REICHLE: Absolutely.

RAJIV SHAH: Can I take over here real quickly?

SUSAN REICHLE: Of course. [laughs]

DR. SHAH: What I -- I started by saying I really wanted to hear ideas that would help us kind of embed this culture and this way of thinking with all of what you just described more broadly, and I think we want to pivot to Priya to talk about mobiles, but I wonder if --

SUSAN REICHLE: No. We're going to go to Michele. To talk about -- because I think the fellowships -- what Meg was just talking about --

DR. SHAH: Okay, good. We'll both of you -- can you describe what's hard because I think there's been a little bit too much, frankly, of this I'm proud of you guys, you're super successful, these things, but it wasn't easy in our institution and in government to get this done, and so if you can describe a little bit of what the challenges are that you were facing, now that you've been facing then maybe our ACVFA members can help us sort of breakthrough.

SUSAN REICHLE: So actually then let's go to Priya first. Because obviously you've heard the ra-ra; you heard about the global challenges and you heard about how much we've been able to move forward with Mobile Solutions. What Meg was talking about as well was about how to really, really engage this generation, and so I'll let Michelle ponder about how we're thinking about that for the fellowships, but really on Mobile Solutions because we just have a tremendous opportunity here, right? With 6 billion, you know, mobile phone users, and how do we actually use this to really, really to move the development needle? Priya.

PRIYA JAISINGHANI: Seven billion.

SUSAN REICHLE: Seven billion?

PRIYA JAISINGHANI: Yeah, but I'm trying to figure out how honest I'm supposed to be with that question, Raj.

[laughter]

First, I just want to acknowledge the awards that USAID won and when I went to accept their award I'm was thinking oh this may not be really legitimate because we give some funds to GSMA and they're the ones awarding the prize to us, but it turns out that the judging panel came from, you know, CEOs of different mobile operators, and ICU and broadband [unintelligible] so it's actually very legitimate, and I'm very proud of it, but it's actually too early because we have so much more to do, and I think they're really recognizing that USAID is the first agency to create a dedicated team focused on the mobile space and because there are some really important partnerships that we've developed over the last three years, and I'll give you an example of two of those that I think are sowing some real success. But I think there's so much more to do and the challenges in this agency are real.

So just quickly on two examples of partnerships that I'm very proud of. One is called Mobile Women. First and foremost we're concerned about making sure everyone in the world can participate in this mobile revolution -- and I don't say that lightly, I really think it's a revolution -- and research we commissioned about two years ago highlighted a huge gap in women phone ownership and phone usage, and we shopped that research around and got it in front of the chairman of Asiacell in Iraq, the largest cellphone company, and because of that research and some very right advisory services around what women want and need when it comes to phones, they then, about 18 months ago, realized that their -- even though they're the largest cellphone company in Iraq, only 10 percent of their subscribers were

women, and they decided they were going to design a whole new product line just targeted at women based on things we know and development experts know women need. So one thing the research showed was men don't let women have phones because they think they'll get harassed. It is -- 75 percent of women say they can't have a phone because their husbands won't let them because they think they'll get harassed. So this product line has a bye-bye functionality so it can block anyone who's calling or texting you, and they'll never be able to access you again. So it has that kind functionality or turns out --

[laughter]

That sounds like a good function, huh? I don't know if we have to commission research to also find out that it turns out women talk longer than men.

[laughter]

Well, that's really shocking. [laughs] So the product line also changes -- the rate structure changes, so after three minutes the price goes down. So there's all sorts of things geared at women but it really shows -- so in 18 months they more than doubled the percentage of women subscribers and there are three, you know, two and a half million women now in Iraq with their own phone that are using it actively because of this, and it just shows that when you put together development expertise with the power of these big companies like a cell phone company, Asiacell, great things can happen and I really think it's meaningful.

So that's one partnership. I'll give one quick other example which is the Better Than Cash Alliance. So there is a lot we are doing, and donors are doing to try and promote mobile banking around the world, and I won't get into a lot of the posits we're supporting this in various countries, but the other thing is that just as -- we are doing a lot in regulatory environments and everything else, but last year Raj announced the

Better Than Cash Alliance in September, and really this is in recognition that electronic payments and mobile banking platforms is scaling all over the world, and yet you look at governments and donors so many of our operations still are cash based at the very end; and I always say I would only use -- I would never use cash in D.C. if only taxis would accept credit cards. [laughs] But most other countries where we work cash dominates and that means that women aren't safe. They have to carry their cash on their bodies or in the form of jewelry on their bodies, that sort of thing. It means that you never really know where financing is flowing, so there's a lot of illicit financial behavior and people aren't getting into the financial system. So cash really is an enemy of growing strong economies.

So we very actively use our convening power to bring together governments of Malawi, and Indonesia, and Philippines, and Kenya, and Columbia, and Peru, World Food Program, CARE, [unintelligible] and various other organizations all committing to changing the way in which our last mile funding goes in starting to get out of cash, and that also meant we have to change our operations -- and this is where I really got way bogged down in some of the bureaucratic elements of USAID, but thinking about our contracting language, and audit requirements, and all of the things we have to change internally. Thank god for CFO and OAA here who helped out by developing new guidelines for them we can start using our own cash footprint to drive electronic payments.

So those are just two of the examples that I think really resonated with GSMA when they gave us this award, and I just think that there's so much more for us to do, but it's hard.

SUSAN REICHLE: It is hard. It's hard to move the ship, if you will. I mean, you and your team, and all of our partners really sowing the seed on this, really, a revolution, as you said, and we're really at the tip of this, and if I could just ask our panel members just some thoughts from you. What more you think we should be doing and as well from the audience, so throw it open.

JACK LESLIE: I'll just make one quick comment because Megan's comments triggered a thought. We both spend our days in the private -- our day jobs in the private sector where your question, Raj, about how you create cultures and collaboration. This goes on in every organization because this is the environment that we live in, and this is where you get ahead in the private sector, as well, and in thinking back on the Pratt Pouch, and full disclosure here, I'm on Duke's board for the Global Health Institute, but they, you know, when you look -- and this is where I think some of the models that are happening with your academic partners you can look to to help you develop these kind of cultures of collaboration.

Mike Merson, Dr. Merson from Duke had come from Yale where you had a little bit more of a traditional school of public health, and my view in my own company is if you plan in a silo -- if you plan in a silo fashion, you're going to act in a silo fashion. If you, in health for example, have an academic institution of public health attached to a medical school and not really anything else you're going to get that focus. What he did at Duke in creating Global Health Institute, as you know, is to make it multidisciplinary. To bring in all of those other schools including Pratt so that you're able to get -- I bet you that's the reason why Pratt came up with the pouch, because he had this information from other parts of the university of what the needs were in health. So I think a lot of this and we -- we've worked with this in the private sector as well, is how do we structurally group things to enhance collaboration in an environment now that's multidisciplinary and very, very different than private 10 years ago?

DR. SHAH: And global.

JACK LESLIE: And global.

SUSAN REICHLE: That's great. That's great. Any other thoughts?

KATIE TAYLOR: If I could just add to that open source. I was chatting with Kate, cofounder of Architecture for Humanity, was saying open source is not just about innovation, it's really about distribution, and so when you take things not just technologically based ideas, but since this last time this group met it was at the same time as a global initiative that USAID coffered was a global call to action on child survival. You're now leading the charge on an evidence summit around what is the behavior, not just the technology and all the science, but what's the evidence around behavior that can occur at the country local level that will make a difference?

Question to you, can you open source that a little more. Can -- because it will be on that -- on something like that it's the distribution that will be the vital, so I think that alliance with Jack and Megan.

SUSAN REICHLE: Great. Nancy.

NANCY BOSWELL: I just wanted to add on the private sector engagement that there's a shared interest in the private sector in the Making Voices Count. One of the things that my experience in the private sector demonstrates is their desire for notice and comments. For example, for being able to know what information is coming down and how they can comment on it. So I think there's a synergy there that we can draw on; similarly, for putting things online, reducing the number of people that you have to deal with and the discretion that they have to solicit from you, again, a shared synergy with the public in removing discretion from the process. So I think we can work more on that.

SUSAN REICHLE: No, that's great, and Meg I'll turn to you in just a second, but to comment on what Kate said, many of you weren't privy during the lunch, but as many of our members -- our ACVFA members, and we appreciate you traveling around the globe -- one of the things that they highlighted during the lunch is how in the field everybody is really, as you know, as the clear foreign service officer on the panel, out there really, really, you know, you want to be working with a partner. You want to be

making these reforms, and how to actually maneuver the bureaucracy, and that's what we're trying to reform. That's what USAID's about in order to really be this open development agency, harness energy whether they're there in the universities or citizens. So Meg.

MEGAN SMITH: I really like that you guys you took the right seat at the table. Meaning you didn't write these apps, or try to write them, or commission somebody to write them, you looked at the industry and looked at some really good potential partners, and sets of partners, and did it with them, and then you took the role that indicates the sector that was missing and did the work that they didn't have time to do and added that in, but then solved in yet again back into the private sector. This is when best the public-private partnerships work. And then in the other case, I think Better Than Cash, the best practice there was being a great customer in order to evolve your practice really just to -- let's just say anecdotally on understanding we, you know, what you did with women and cellphones. We recently had a developer conference in Saudi Arabia. We run it regularly and usually we get like less than 10 women, you know, out of hundreds of people, and so one of the people said, "Why don't we just have women's developer conference?" We got 200 women. We were there for three days thinking like this is very smart, there's a lot of talent out there and engaging the women. And it definitely was smart.

SUSAN REICHLE: Right. Ndidi?

NDIDI NWUNELI: No, I love the ideas that were shared. What I was just curious about is how USAID transfers this knowledge from one spot to another because, I mean --

SUSAN REICHLE: The talent.

NDIDI NWUNELI: It's interesting. This issue of women and cell phones. Every single country has the same problem -

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SUSAN REICHLE: Yes.

NDIDI NWUNELI: And engaging women via cell phone use can enhance the democratic process because few women are engaged in voting or elections and cellphones are a very useful tool to get women engaged in the democratic process. So I would like to challenge the team to share this example and encourage adoption or replication.

SUSAN REICHLE: Absolutely. And those of you who know us well, you know we're an incredibly decentralized agency. The advantages: We're in the field. The disadvantage is that these pockets of excellence, stovepipes of excellence often don't get shared. So that's one of -- part of our reform is how do we take out and then really scale it up. Patrick, did you have a comment before we --

PATRICK AWUAH: Yeah. I had one comment around scaling. I think that often when we think about developing for the developing world, or developing for the poor, we kind of get stuck in that mode after the innovation has happened and we don't need to. So, for example, if there's some medical device that's been innovated that's great for India or Ghana or for people that are poor. It's also the case that it might be a great technology to bring back to the developed world -- the more industrialized world because it gets health care costs down, and I think that, you know, when innovations are done, when you really get scale is when the middle class can access this new device, or this new product then you're really going to get -- you're going to get volume, and so it would be really helpful to get the private sector thinking in that way. I think that the example you just gave about the bye-bye feature and Raj's reaction to that.

[laughter]

Just an example, right. You're designing for women in Iraq, but as it turns out, the USAID Administrator wants it --

[talking simultaneously]

[laughter]

And by the way, you know, I thought the same thing --

[laughter]

And, but if you think, you know, you design for the group, but it's applicable for a larger group.

SUSAN REICHLE: For a larger scale, yeah.

PATRICK AWUAH: Then it really gets the private sector engaged in a very big way and I would say do not exclude U.S. private sector. In addition to, you know, developing country private sector and figuring how to scale.

SUSAN REICHLE: Great point and also just about how you expand the group, right? It can be the private sector; it can be youth, as we've been talking about today. I mean we are really at a pivotal moment where everybody wants to be engaged in development. So on that note, if I can turn to Michelle, who hasn't said a word on this panel, but really to share with us some of the thinking, and this is very new, so you're hearing it really for the first time, maybe our administrator's hearing elements of this for the first time. But it's something that we've been talking about for some time about how to use science,

technology, and innovation and that fellowships like, so that everyone feels as though they're part of the development community and really, really harnessing that energy, so, Michele.

MICHELE SCHIMPP: Thanks Susan, and this is just a wonderful chance to come together with something that may be procurement sensitive, but it's total work that really to be successful, you have to connect to the work that you do and to have -- to begin an honest dialogue. So, I'm just really thankful for this. I want to tell you what we're doing, thanks to Raj giving me the permission, I'll anticipate a few difficulties that I think we're going to run into, and then some things that I think we need from you.

So it is perfectly -- I think the discussion earlier has already made the argument for why American, young, students, scientists, working oversees couldn't bear ingenuity, technical and scientific training to bear on real tangible development problems as needed. Right, I mean this feels like the discussion earlier had centered on that and that if we're simply about elevating times in technology within USAID and sort of the forcing new innovations, you know, that can happen but for endurance, it's how do we create the force of students that's irreversible. It's the next generation of people inspired to work in the field we're fortunate to work in.

So with that we spent some time on a gap analysis. What was the terrain that was covered, what was the terrain that wasn't? What could we do, if able to do, working in partnership where government can service the platform to get this going, but not necessarily be the funder of it exclusively? Nicole Mlade's here from Peace Corps. We aspire to learn as much as we can from Peace Corps. They have been very, very patient and generous in sharing their advice and we've been tapping a number of other U.S. government capacities.

Let me tell you a little bit about where the gap analysis led us to about what this is and isn't because that may also be where we encounter some difficulties in the future. What it is is it is about students working

on development issues; it's not about bringing oversees students to the U.S. That's going on. It's going on all over. We find foreign students in our schools, we've got -- each country has programs like that. This fills a gap that is not overseas students to here.

It's also about finding fellows who have this extraordinary intellect and character, to have that strong potential to achieve development impact overseas. [unintelligible] development experts sometimes think you've got to, you know, put in 20 years before you can make a difference. You've got to overcome that bias and say "We can figure out ways where we've got hypothesis that need to be tested, that need that specialized technical background."

It is also about quality, because if these folks are going to be able to make the difference, we're going to have to be highly selective and yet, the needs are so vast, that I think there's hope that we could scale this up in a very, very meaningful way and so that'll be attention as we grow this quality versus quantity.

And finally, it's not about recruiting more aid bureaucrats, or even cheap labor to serve within [laughs] the partner institutions. This is about figuring out how we can make prudent investments now and that next generation, who are going to work, not for us, but who can work in private sector, who can work in academia, who can work in NGOs, in start-ups and others -- and be our allies in these development endeavor and ultimately as I think I said earlier, it's about partnership, not sponsorship. We need to use our convening authority. We can create the platforms to connect people to research needs, sharing responsibility, leverage, and sponsorship, sharing costs, et cetera, we can work it out.

So how do we do this? There are two sides. One side of this is a bit clearer than the other. For the placement of fellows, there was wide consensus across the board, that we could pursue the strategy of magnetizing or attracting bright young students if only we could make available research opportunities and tangible needs for research throughout the developing world. And then it's also about figuring out

how we make that sustainable into out years. So what people had suggested, or the suggestion that we came up with was, like we should develop a catalog of overseas research placement opportunities. This can be in academia, non-governmental organizations, private sector, health country governments. Many students already come with their own resources. A lot of students are getting National Science Foundation funding. Fulbright is a great vehicle foreign language and area studies, et cetera. The amount of what it would take to be a sponsor, to cover housing and travel, and modest costs, is really going to be very cost-effective. But our cut comparative advantage is USAID, is that knowledge of networks and quality and institutional arrangements that we could help broker. So we're going to develop that catalog, and as we solicit descriptions of opportunities, we're really going to look for only those that are to be high quality research opportunities that advance what we consider to be re-development priorities in those countries.

So the process to many of you and if you're at all interested in coming in and really thinking through how research science and technology can help you advance what you're doing overseas, please do let us know. We also still will remain open to innovative new ideas that come in and students who want to be fellows and who want to work on doing things on their own.

The intake of fellows can come from multiple sources. Currently the Higher Education Solutions Network is a foundational pillar and in 2013 this year, in terms of fellows, we'll already be supporting roughly 115 students, recent graduates working in short and long-term fellowships across nine different developing countries. For HESN each year, more and more, but the only HESN at MSU is the National Science Foundation is already sponsoring amazing scientific research student skills et cetera, but a lot of them are working domestically and in developed countries like European countries. We can make accessible for these cadres of truly wonderful students. They've got a pool of 10,000 graduate research fellows on five year fellowships, that with modest amounts of additional support, and channeling them

towards research opportunities overseas, we both can be working in developing countries on development problems.

Also, in terms of undergraduates, NSF has come up with -- I know a lot of people are skeptical of undergraduates, but to go out in cohorts with faculty members in order to jointly tackle a particular problem or travel over successive years. So this presents tremendous potential for us. And we also see that if we identified these opportunities overseas, Fulbright recipients and others are going to naturally find [unintelligible] and we'll work with Fulbright and others to figure out how we better channel those efforts.

[unintelligible] just research fellowships and their own, or you know, you need to figure out ways they can sustain the connection and increasingly make this a self-sustaining arrangement and move that away. So orientation part of the fellowship so they go out understanding, or are oriented to development mission, annual fellows conferences in order to meet these folks, learn from their work, knowledge sharing, support for student researcher, network overtime connected to HESN. [unintelligible]?

SUSAN REICHLE: Yep.

MICHELE SCHIMPP: Few more seconds? We've created the placement catalog. We're going to need to grow a really robust pool because the chances of making that [unintelligible] stuff is going to be really enhanced by a greater volume

SUSAN REICHLE: This is a huge partnership opportunity, right? This is something that we're just creating, we're thinking about, we need all of you to partner with us and thinking this. And Meg I know you have to dash off and get a plane back to California, but do you have some thoughts on this before we throw it open to the group?

MEGAN SMITH: Yeah. It's funny how [inaudible]. So there's this wonderful person named Caroll Wilson and he was faculty at Sloan, he was actually -- when he was -- the reason why he knew that young people were good at this was because when he graduated from MIT, Vannevar Bush, who was FDR's Science Advisor, grabbed him and said "You're this special epiphany, work on all our science policy [inaudible] recent graduated senior." As he went through SUNY, he never got his Ph.D. and he -- this amazing fact that he did, you know, part of [unintelligible]. The program that he founded which was called "Fellows for Africa," was to take recent MBAs and JDs as much of the revolution, other things were happening at the time, and throw those people into the country as recent grads to help structure constitutions, and I've met some of these people, they're amazing and you know, and they were whatever, 27. And it was an amazing experience for them and it was very helpful for a country to have these young people to help. So -- and Kennedy used some of that thinking for the Peace Corps.

SUSAN REICHLE: Yeah, absolutely.

MEGAN SMITH: So, today we have an award in his name, which I actually won when I was a student, went and did research in South America on solar cook stoves to help inform some design work, working with Peace Corps volunteers there. I think that there's probably -- you'll be surprised like, how many students are already ready to apply to you. We get so many students, just take MIT alone. We get graduate and undergrads and what they're looking for in this specific case is to do their thesis research work, but they want to go do it overseas. The other [unintelligible] are passionate about some crazy idea. They're great and I encourage you, I was an undergrad, that's undergrad scale and sometimes they have the most exciting idea and they go alone. They don't need a lot of structure. You'll be surprised. You put --

SUSAN REICHLE: As we saw with the Pratt Pouch, right? That was undergrad.

MEGAN SMITH: And when we were -- when I did this project, we were in Bolivia with the USAID office and found fabulous officers just to help coach us on our own. But the grads -- you could offer fellowships and I'm telling you, they're like 5K, 10K, gets you an airplane ticket and a little bit of funding for food, and a little bit of media resource and whatever you need. So I'd bet you have a slot like that and a slot that might be a little bit bigger, multiyear that's more embedded as a full thesis or like a post doc or something like that and I encourage you to really go for that. The second thing I thought of is that I think you should -- there should also be a two-way --

SUSAN REICHLE: Do you have faculty?

MEGAN SMITH: Your university had the place. They should be able to come to you, and cross-collaborate and it should be a way to mix up the higher education solutions that work. I would focus on the junior faculty because there's a more permanence to them, but you could also do master's and Ph.D.

And then, the last thing I would say is this a meta-fellowship I would create. How many people in this room have a background in computer science, have written an app or a webpage or something on the web, how many?

Okay, not good, so. It's my observation that in many sectors, the IT talent, computer sciences, in the private sector, are at the table together. Wal-Mart would never know what didn't happen like yesterday and they would have a dashboard and the CIO is sitting right there and they're working together and they're part of the core team. The division in development, in the government, you guys have both, so you've inherited those difficulties. There's these contractors that live in some other state that you send us back to and you talk to them sometimes and they make all this magical stuff, but nobody really knows and we talk about it but it's just like, you don't really make the right things in there and so, I think that

also you might, if you are creating a fellowship program, because it's the 21st century and development needs to use these resources, we need to know how to write mobile apps because having a thin layer of computer science, mathematical, whoever that coder is, that maker, you know, you see them in Code for America, wherever they are, and come in and be part of, you know, Code for the World, as one area [unintelligible] it would be great.

SUSAN REICHLE: Great, great idea.

MEGAN SMITH: Thanks you guys --

SUSAN REICHLE: I know you have to dash, so yeah, feel free. Any of our other ACVFA members have any comments?

MEGAN SMITH: Wonderful, wonderful.

SUSAN REICHLE: Great. So throw it open, questions, comments?

LUCIE PHILLIPS: Thank you. Lucie Phillips with IBI International. I have a question for the fellowship program. We talked about the importance of remittances in financing development, I mean, in developing roles, but the diasporas from developing countries also have a huge role to play and I wondered whether in the fellowship program, you might consider making that a factor? In Liberia where we're working, we're sponsoring a young professionals program, but we would very much like, and we constantly recruit for Diaspora professionals to go back and work in the programs there, thank you.

MICHELE SCHIMPP: No I think it's a tremendous idea. I mean one of the pieces you really want to be able to tap is the cultural diversity of the American student body and there will be a natural allegiance

between students, for second generation students, to their homes of origin and I had not -- I'd love to get your ideas on how we may be able to interest diaspora in sponsoring or empowering those students to actually go back and do something a little bit more on the grand scale.

SAM WORTHINGTON: One of the tensions I'm trying to capture in this area, I mean, I think the NGO community knew they hired 10,000 of students coming in to it, and the tension is between the local and the U.S. I mean, you have some members that I think -- and I've given you their -- about a million Americans who go out and visit church groups, come from U.S. and the developing world. And the contention is, do you go through the student from MIT or do you go through the local students in Kenya? And increasingly, we've become more and more, almost 95, 98 percent locally staffed. The value of that is of course, is local ownership. What we lose is the link with the United States. So, you know, how do we get this balance between the knowledge of wanting to have an engagement of our students in the world, and yet this tension with wanting to be, you know, the first thing is go to the local students? I know many of our members haven't solved that, and are wrestling with that, and welcome your thoughts on that.

SUSAN REICHLE: I think your offer is a good idea.

SAM WORTHINGTON: Thank you.

MICHELE SCHIMPP: I think that's an excellent point. I would not use these fellows for something that should or could be done locally. I would use this for something that really is lacking and [unintelligible] I think you suggested a wonderful possibility when you want to encourage parents of American students with specialized knowledge, with locals over a short period of time and some sort of a, you know, outward path. I think this is intended to be a more introductory and capacity that may be lacking within your own organization and within [unintelligible] country institution.

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NDIDI NWUNELI: I just want to make two points. The first one is the question about entrepreneurship and how local entrepreneurs can obtain business capacity. I know Megan made the plug for engineering, computer science and I'll make the plug for people with MBAs - or students enrolled in MBA programs. Taking the concept to the next logical stage and helping the entrepreneur's build their capacity.

And the second point around fellowship programs, I have tried to start a couple in Nigeria, bringing students to Nigeria and vice versa, and just as much as you're placing emphasis on the right student, you have to place a lot of emphasis on the right institution and the right experience and orientation for that institution, orientation on the ground, because, you know, it can kill the experience if you have one bad story. So I think I love the aspect of competition -, let the initiatives on the ground compete for the fellows and let the fellows compete for those opportunities so you make it transparent, and you make it demand driven.

SUSAN REICHLE: Great.

NDIDI NWUNELI: And that will ensure who goes.

SUSAN REICHLE: Excellent point.

PATRICK AWUAH: Well, I think that a key word you used was balance. You know, at Ashesi we had many projects that have involved U.S. MBA students coming to campus to do projects for us, and then we've had a few where we've had those MBA students work with our students, so assigned students from Ashesi to work on a team. What we found was those projects were absolutely incredible for both sides. Right, they got a lot more done, they had local students who knew the ground, who could get certain things done more quickly than they could, you know, coming in from UC Berkeley, and they learned a lot

from each other, you know. And I would say that, you know, your fellowship program, if it had a component where U.S. students going to developing countries were working with local students as well on the same project, that would be a very positive experience for everyone involved and you would be setting the ground for, you know, you'd be building a network of people who are going to work with each other in the future as well.

SUSAN REICHLE: No, those are excellent points, because again, I think the theme of today is a partnership and the network and how do you build them so it's not just the fellowship, and Sam raising that question about the tension that exists and yet, Patrick and as you eloquently said, it's really about how you create that partnership for the future.

Are there any other questions or thoughts out there before I turn to our administrator and Jack, maybe? Please, yeah.

KATIE TAYLOR: There's one good that's been subtly present that we haven't explicitly addressed, which is faith actors, I guess. Certainly we have faith inspired development organizations who are present, be it the Aga Khan or Bread for the World, Catholic Relief Services and others, but how do we build -- so faith actors, by definition are faith-inspired, passionate driven, often selfless, if you can find the professional ethos, you know, non-proselytizing way, to build their capacity and engage them more effectively, it's a huge opportunity.

SUSAN REICHLE: Absolutely.

KATIE TAYLOR: I just wanted to point that out.

SUSAN REICHLE: Absolutely, absolutely a critical actor in this space and not just in their space, but, again, to partner and to really, really be part of the network, so, no, thank you for making that --

MICHELE SCHIMPP: I wanted to add a point on the whole question of scaling in our work and you've got some very preliminary work going on under the Higher Education Solutions Network, but we found that a couple of the winning universities came through with [unintelligible] running the accelerator program for global health technologies, partnering with the investor circle and this -- we're going to examine it really, really closely and see what it suggests for a model for other sectors. An accelerator actually takes the innovation through the scaling process, either to commercialization or to scaling the other public sector and other channels. And so -- and then a number of incubator efforts also happening through universities upon which we hope to build. So I think it's a growing area of interest that's sort of talking -- it could be a model.

You know, so this is a -- but I think an emerging body and I think we'll be looking forward to sharing our experiences.

SUSAN REICHLE: Excellent. Any other thoughts from all of you? Okay if I can turn to our administrator for a couple of closing thoughts and then Jack to actually close the meeting.

DR. SHAH: Okay. Oh okay. I just want to say thank you, first and foremost, to our board members, you know, this is a unique opportunity for us to do some preparation and then to hear from you and these comments are very, very useful and helpful. It's sometimes just, I'll be very open here, it's sometimes difficult in a public, open setting to share all of the difficulties underpinning our efforts, but, you know, but, nevertheless, the teams that you heard from today and the leaders you heard from, this discussion has been very, very successful and have really inspired little mini-movements within USAID people who are excited about the vision and want to contribute to it, so, as we go forward this year, we'll spend a lot of

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time on these initiatives in particular and so we'll look forward to more engagement and support from our ACVFA board, wonderful ACVFA board.

SUSAN REICHLE: On a quarterly basis.

RAJIV SHAH: On a quarterly basis, so thank you. And to folks who came today from AID, from our partners elsewhere, I just thank you for being a part of this. This is -- we've been very fortunate to have an excellent board with a really talented and diverse group of partners from different sectors, which I think is representative of where development already is, and will continue to go, so, thank you for your participation and then a special thank you to Sandy Stonesifer again for --

[applause]

JACK LESLIE: That's a great way to close it. I mean I have to thank you Raj and all of those who are here from AID and all of those who are not here and working for AID. As we mentioned out there in the field doing the real heavy lifting day in and day out. We want to thank them. I know I speak for all of the members of the ACVFA board. You know, this has been -- this is everything I'd hoped it would be. We covered an awful lot of territory. I think we heard some terrific things. I hope you got some useful counsel from all of us, but most importantly, I think you know you have our support and that's going to become even more important in these critical days ahead as resources are so limited. So thank you again for all your good work and thank you all for being here. We're adjourned.

[end of transcript]

This is to certify that the attached proceedings of the Advisory Committee on Voluntary Foreign Aid at the

Ronald Reagan Building, 1300 Pennsylvania Avenue, NW, Washington, D.C., on March 14, 2013 were held as

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