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Thank you, Chairman Perdue, Ranking Member Kaine, and Members of the Subcommittee. I am very pleased to join you to discuss President Obama's Fiscal Year 2017 budget request for the United States Agency for International Development (USAID).

As the Committee is well aware, the world around us is increasingly complex, challenging and dangerous. It is also ripe with opportunities for development progress. Thanks to bipartisan support from Congress, including members of this Committee, and consistent with the 2015 Quadrennial Diplomacy and Development Review (QDDR) and the Presidential Policy Directive on Global Development, USAID is now better positioned and more capable of fulfilling our mandate of partnering to end extreme poverty and promote resilient, democratic societies while advancing our nation's security and prosperity.

As a core pillar of American leadership and power, global development works together with defense and diplomacy to advance our interests and values abroad, and to protect the American people at home. With less than one percent of the federal budget, USAID supports critical development activities and the courageous development professionals who carry them out in challenging, often dangerous, conditions every day.

In total, the President's funding request for accounts from which USAID administers assistance is \$22.7 billion. \$11.0 billion of this total is in core USAID-managed accounts: 1) Development Assistance; 2) Global Health Programs-USAID; 3) International Disaster Assistance; 4) Food for Peace Title II; 5) Transition Initiatives; 6) Complex Crises Fund and 7) USAID Administrative Expense accounts.

The President's budget request reinforces and expands U.S. global development leadership in several distinct, but interrelated ways. First, the budget request will help USAID foster and sustain development progress all over the world. Second, the request enables USAID to prevent, mitigate and respond to the man-made and natural humanitarian crises that are occurring at unprecedented scale and frequency. Third, the request supports our critical work to confront threats to national security and global stability, from countering Russian aggression to strengthening reforms in Afghanistan and addressing the underlying conditions driving migration from Central America. And, finally, this request represents an investment in the development professionals, technical expertise, institutional infrastructure, and monitoring and evaluation needed to position USAID to continue to lead as the world's premiere global development agency, making us more transparent, accountable and agile.

FOSTER AND SUSTAIN DEVELOPMENT PROGRESS

All over the world, USAID advances broad-scale human progress by fostering sustained and inclusive economic growth and strengthening democratic governance. This work is lifting millions out of extreme poverty and helping countries become open, peaceful and flourishing partners for the United States, and its success burnishes the image of our country globally.

The President's budget request will enable USAID to expand successful programs and continue to build the conditions that make progress possible.

With this budget request, we will continue to save lives and improve health worldwide. The request includes \$8.6 billion for life-saving global health programs— including \$2.9 billion requested for USAID specifically – which will contribute to global efforts to support three critical goals: 1) ending preventable child and maternal deaths; 2) creating an AIDS-free generation; and 3) protecting communities from infectious diseases.

USAID child survival and maternal health programs have already helped save the lives of 2.4 million children and almost 200,000 mothers, and forged partnerships with the twenty-four priority countries for Ending Preventable Child and Maternal Deaths. This budget includes robust support for these efforts, including \$275 million for Gavi, the Vaccine Alliance, which is a \$40 million increase over the FY 2016 enacted level, as part of the four-year, \$1 billion pledge announced last year to immunize 300 million additional children and save at least five million lives by 2020.

Additionally, PEPFAR is well on track to reach the bold HIV prevention and treatment targets set by President Obama last September. As the President stated in this year's State of the Union Address, additional opportunities exist with malaria. Ninety percent of all malaria deaths occur in sub-Saharan Africa, most of which are among children under five. In 17 of the 19 President's Malaria Initiative (PMI) countries, significant declines in mortality rates among children under five have been observed – ranging from 18% (in both Liberia and Nigeria) to 55 percent (in Zambia). The budget includes a total increase of \$200 million (30 percent) for PMI above the FY 2016 enacted level, of which \$71 million is requested as additional resources and \$129 million is requested to be made available from remaining Ebola emergency funds.

This budget request also continues our important work to foster sustainable development that reflects the realities of a changing climate. By furthering our work overseas to promote low-emissions development, we're helping our partner nations to lighten their carbon footprint, adapt to climate-driven risks, and promote public health. It also means doing the footwork to make sure that all USAID partnerships recognize the challenges posed by climate change. Ensuring that our investments account for the risks posed by climate change is not only good policy, its prudent policy as well. Failing to account for growing storm surges, or shifting precipitation patterns, can mean that years of work on an USAID project can be wiped away in a matter of hours.

Our work is also ensuring food security and progress toward ending hunger, with \$978 million requested for USAID for the Feed the Future (FtF) initiative. Feed the Future is a whole-of-U.S. government initiative that focuses on increasing food security and economic growth – with an emphasis on empowering women – by promoting growth in the agriculture sector and reducing hunger, poverty and malnutrition. The request will also help vulnerable populations become more resilient to shocks that can limit access to food.

FtF is working. FtF has helped reduce stunting by 14.4 percent in areas of Bangladesh from 2011–2014; by 21 percent in areas of Cambodia from 2010–2014; by 25 percent in areas of Kenya from 2008–2014; and by 33 percent in Ghana from 2008–2014. In Honduras, average incomes of FtF beneficiaries increased 55 percent between 2012 and 2014, helping nearly 36,450 beneficiaries rise out of extreme poverty and reducing one of the underlying factors of outbound migration. United States support for FtF has helped leverage an additional \$18.5 billion in support from G-8 members and other donors. We are

pleased that Members of this Committee, including Senator Isakson, are sponsoring legislation to institutionalize this innovative, effective approach to reducing hunger, childhood malnutrition, and poverty.

Through Power Africa, a whole-of-government initiative, the U.S. is increasing access to reliable, cleaner power to drive economic growth across the continent. Power Africa's recently released Roadmap outlines a concrete plan to achieve the ambitious goal of adding 30,000 megawatts (MW) of electricity generation and 60 million connections by 2030, thereby doubling access to electricity across the continent. Power Africa has already helped transactions expected to generate 4,300 MWs reach financial close. The FY 2017 USAID request for \$291.3 million for Power Africa is part of President Obama's \$300 million annual commitment. Power Africa will continue to build on our ongoing work to strengthen the investment climate across sub-Saharan Africa and to increase the capacity of African governments and utilities to develop and manage their domestic energy sectors, and in doing so, help to catalyze private sector investment to sustain Africa's impressive economic growth rates where political will exists. Due to U.S. leadership to garner support for Power Africa goals, we now have over 120 private and public sector partners that have committed over \$43 billion to date.

The budget request also includes \$75 million for Trade Investment Capacity Building, which will align, focus and expand current U.S. Government bilateral and regional trade programs in sub-Saharan Africa. An additional \$10 million is requested for the Young African Leaders Initiative to support young African leaders returning to Africa following their fellowship training and professional development activities in the United States.

The budget requests \$2.3 billion to strengthen democracy and governance around the world. This support is essential at a time when we're seeing troubling trends like democratic backsliding and closing space for civil society, independent voices and aid workers alike. Particular focus regions include Africa, Asia, Eurasia, and Central America.

This assistance will help USAID support and strengthen inclusive and accountable democracies to advance freedom, dignity and development. And, these advances will help ensure sustainable, transparent, and effective development investments in areas such as health, agriculture and power. Vibrant democracies foster stable societies, advancing the U.S. interest in a peaceful and democratic world.

This budget request also continues support for the rebalance in the Asia-Pacific region, with a particular emphasis on development objectives. The \$694.4 million requested will strengthen democratic governance and processes, foster engagement with civil society, and promote rule of law and respect for human rights in this region. Other activities will support economic growth by improving the conditions for competition in the private sector; improve health through an emphasis on preventing and containing pandemic threats; and enhance critical trade efforts through increased investment, economic inclusion and innovation, including activities related to the Trans-Pacific Partnership trade agreement.

PREVENT, MITIGATE AND RESPOND TO GLOBAL AND HUMANITARIAN CRISES

USAID's response to crises around the globe is intrinsically linked to our development mission. This request will help the United States maintain the agility and flexibility that is so desperately needed in preventing, mitigating, and responding to global and humanitarian crises.

All over the world, countries are dealing with crises that are more complex and lasting longer than ever before. And, as we have seen with Ebola, and now the Zika outbreak, new urgent challenges can emerge at any time. This budget enables USAID to assist the people facing these challenges while helping countries prepare for and withstand future disasters.

On Zika, last week the President asked Congress for approximately \$1.9 billion in FY 2016 emergency supplemental funding to enhance our ongoing efforts to prepare for and respond to the Zika virus. The supplemental request includes \$335 million for USAID, which will be used to help affected countries through health programming, public education, and efforts to control mosquitoes and combat transmission of the virus. We will also work with our partners at the Centers for Disease Control and Prevention (CDC) and National Institutes of Health (NIH) to accelerate vaccine research and diagnostic development.

We are also showing humanitarian leadership in response to the crisis in Syria. The United States is the single largest donor of humanitarian aid to the Syrian people, having contributed more than \$5.1 billion since the crisis began. USAID is providing emergency assistance to 5 million Syrians every month, including 4 million people inside Syria and Syrian refugees in neighboring countries.

Although the United States leads the world in international disaster assistance, responding to crises after the fact is not enough, and taxes U.S. resources. USAID also works to build the capacity of countries to withstand future crises and meet humanitarian needs on their own through enhanced service delivery, public administration, and governance.

This budget will enable USAID to provide life-saving responses to areas with the most vulnerable populations, with \$3.3 billion in USAID-managed humanitarian assistance to provide emergency food supplies and address the underlying causes of food insecurity, and to assist internally displaced persons and the victims of conflict and natural disasters.

An additional \$107.6 million is requested to prevent conflict and stabilize emerging democratic processes in critical transition environments, and for quick response to urgent, unanticipated civilian contingencies.

Through the Global Climate Change Initiative, USAID will invest \$352.2 million to work with countries that are particularly well-suited to transition to climate-resilient, low-emission economic growth, including the development and implementation of 25 countries' low-emissions development strategies.

In 2015, partner countries achieved 30 major milestones as a result of U.S. assistance, each reflecting measurable improvement in national frameworks for low emission development. Climate adaptation programs – for which the United States broadly pledged to double grant-based public financing by 2020 – help countries become more resilient and contribute to stability and economic growth. Through these types of initiatives, we also help build our partner countries' resilience to recurrent crises related to climate change.

CONFRONT THREATS TO NATIONAL SECURITY AND GLOBAL STABILITY

Complementary to the development and humanitarian missions, USAID plays a key role in addressing threats to our nation's security.

In regions of strategic national security importance, USAID works side-by-side with our counterparts in the U.S. Military and Department of State to confront emerging threats and other global security challenges. On the ground in strategic countries, here in Washington, and in key commands, USAID leaders engage side-by-side with our colleagues in the military to ensure the proper balance between military and civilian efforts.

Our efforts to achieve development progress in countries facing conflict and crisis helps enhance global stability and fosters good will toward the United States.

One example of our close, collaborative work with the Department of Defense and other US Government Agencies is the Sahel Development Initiative. The initiative addresses new challenges presented by extremists and was developed as part of a joint interagency planning effort. USAID's unique expertise in addressing governance challenges, corruption, and impediments to economic growth are being leveraged to limit the space for extremists whose use of violence impede and set back development gains.

In Europe, Eurasia, and Central Asia, as part of the broader effort to counter Russian aggression, we are requesting \$698.1 million through the Economic Support Fund (ESF) and Global Health Programs (GHP) accounts to strengthen market economies and trade opportunities; bolster independent media and democratic institutions; empower anti-corruption efforts; increase energy independence in Eastern Europe and Central Asia, and sustain enduring commitments including in core development sectors such as health. These efforts, complemented by robust funding requested by the State Department under the security and law enforcement accounts, will help Ukraine, Georgia, Moldova and their neighbors stand strong against debilitating Russian pressure.

We are requesting \$77.6 million to seize emerging opportunities to promote lasting stability, peace and democracy through Transition Initiatives in countries plagued by conflict and crisis. The budget will provide flexible funding to catalyze positive change in countries all over the world, from Nigeria to Syria to Colombia.

Finally, closer to home, the request will continue to address the underlying conditions driving migration from Central America, with \$470.3 million to improve prosperity, governance, and economic growth, and regional economic integration. This bilateral and regional assistance for Central America is part of the Administration's \$1 billion whole-of-government request for appropriations and financing assistance to support the U.S. Strategy for Engagement in Central America. Building upon prior appropriations, funding will provide expertise to host governments as they make necessary reforms, scale up proven community-based interventions, and train youth for a 21st century workforce while helping businesses gain the financial and market access to invest and generate economic growth and jobs.

POSITION USAID AS A LEADER IN DEVELOPMENT

USAID is modernizing development and driving smart policy approaches by promoting new partnerships; science, technology and innovation; evidence-based decision making and host country ownership with a relentless focus on measuring and delivering results. As a global leader in development, USAID is mobilizing the rest of the world around shared challenges, and leveraging investments through partnerships with other donors, country governments, the private sector and local organizations. USAID's successes are U.S. successes, and show the world the United States' continuing commitment to a more peaceful, prosperous future.

USAID leverages other resources to use development assistance more efficiently. Since FY 2010, the global average of Mission funds programmed through local systems increased from 9.6 percent to 16.9 percent in FY 2014. In addition to the billions of dollars we are leveraging on specific efforts to galvanize the world on energy, food security, global health and humanitarian emergencies, we work to leverage the private sector across all of our work. USAID has also shifted towards a broader range of private sector engagement approaches including large multi-stakeholder alliances such as Power Africa and the New Alliance for Food Security and Nutrition, for which USAID serves as a catalyst and convener for private sector investment.

This budget request will position USAID to continue to lead and meet the needs of a changing world by investing in approaches that work, emphasizing knowledge and evidence-based learning, supporting the men and women of USAID as they bravely serve the American people in increasingly challenging environments, and strengthening USAID as an institution.

The President's budget will enhance science, technology, innovation, evaluation and learning, and partnerships with \$195.5 million in funding for the Global Development Lab and the Policy, Planning, and Learning (PPL) Bureau. Funding for PPL will enhance USAID's evaluation programs and policy development. Lab resources will also enable USAID to source, develop, and scale breakthrough solutions; accelerate the transformation of the U.S. development enterprise by leveraging additional outside funding; and improve the sustainability of development interventions by attracting private-sector, market-driven resources.

The request continues the required investment in USAID by seeking \$1.7 billion across multiple USAID Administrative Expense accounts to sustain ongoing operations and build on recent reforms, including through continued improvements in procurement, local-capacity building, innovation, and accountability.

This budget also reflects the most recent QDDR through this sustained investment in our workforce and building USAID as a dynamic organization. The budget also directly responds to the QDDR's strategic priorities, including preventing and combating violent extremism; promoting open and democratic societies through democracy, rights and governance programming; advancing economic growth through initiatives like Power Africa, Feed the Future, and others; and mitigating and adapting to climate change.

CONCLUSION

USAID is fundamentally changing the way we do business: integrating innovation into all of our work; leveraging our resources for greater impact through partnership; and focusing like never before on measuring and delivering results. We envision a world where the most vulnerable are emerging from extreme poverty and contributing to stable, democratic societies. Building a better, safer world promotes the dignity and freedom of people everywhere and advances our security and prosperity.