

**U.S. Senate Committee on Foreign Relations**  
**Chairman John F. Kerry**  
**Opening Statement for Reforming U.S. Foreign Aid Policies**  
**July 22, 2009**

## **Kerry Opening Statement At Hearing On Reforming U.S. Foreign Aid Policies**

WASHINGTON, D.C. – Senate Foreign Relations Committee Chairman John Kerry (D-MA) today chaired a hearing titled, “The Case for Reform: Foreign Aid and Development in a New Era” to address foreign aid reform, the Administration’s new development agenda and pending legislation to initiate the foreign aid reform process.

*Chairman Kerry’s opening statement as prepared is below:*

We are here today to continue an ongoing conversation on foreign aid reform.

For the past six months, the administration has been busy laying the groundwork for a new development agenda.

First, the President issued a bold 2010 international affairs budget that significantly increases funding for vital programs in Pakistan and Afghanistan, begins to rebuild our diplomatic and development capacity, and renews our commitment to essential programs from education to HIV/AIDS and hunger.

Then, earlier this month, President Obama and other G8 leaders announced a \$20 billion food security partnership to provide small farmers in poor countries with the seeds, fertilizers, and equipment they need to break a decades-long cycle of hunger, malnutrition and dependency.

Finally, the State Department unveiled plans for a “Quadrennial Diplomacy and Development Review,” a comprehensive assessment designed to improve policy, strategy, and planning at the State Department.

And while we are still awaiting a nominee to head the U.S. Agency for International Development I am confident that a name will soon be forthcoming.

These are welcome changes that demonstrate this Administration’s commitment to a vigorous reform process and a bold development plan. Congress will be a strong partner in those efforts—providing the resources, legislation, and authorities to ensure that our development programs are funded and designed to meet our priorities. We look forward to actively working with the administration to shape the Quadrennial Diplomacy and Development Review and other important priorities. While there is some debate on what form foreign aid reform should take, there is a broad consensus in the development community about why reform matters.

Experts agree that the strength of our development programs is directly linked to success or failure in front-line states like Afghanistan and Pakistan.

They agree that USAID is more critical to achieving our foreign policy objectives than ever before – yet it lacks the tools, capacity and expertise to fulfill its mission.

They agree that too often decision-makers lack basic information about the actual impact of our development programs.

They also agree that excessive bureaucracy and regulations and fragmented coordination are hampering our efforts to swiftly and effectively deliver assistance.

And they agree that even as we plan for broad, fundamental reform, there are many steps we can take in the interim to dramatically improve the effectiveness of our foreign aid efforts.

We assembled a small bipartisan Senate working group to formulate legislation that makes short-term improvements while setting the stage for longer-term reform. Senators Lugar, Menendez and Corker and I have been developing initial reform legislation that we believe goes a long way towards improving our short-term capacity to deliver foreign aid in a more accountable, thoughtful and strategic manner.

One provision in the bill that we believe is particularly important establishes an independent evaluation group, based in the executive branch, to measure and evaluate the impact and results of all U.S. foreign aid programs, across all departments and agencies. This new institution can address a fundamental knowledge gap in our foreign aid programs – quite simply, it will help us understand which programs work, which do not, and why.

I want to emphasize, this legislation only represents the first step in a longer reform process. But we believe it sends an important bipartisan signal that foreign aid reform will be a priority for this committee in the years ahead.

# # #