



# CELEBRATE, INNOVATE & SUSTAIN

## Toward 2015 and Beyond

The United States' Strategy for Meeting the  
Millennium Development Goals

September 2010



# Overview

**The Millennium Development Goals (MDGs)** are a symbol of our common humanity. They are a declaration of the world's commitment to eradicating extreme poverty and hunger, achieving gender equality and environmental sustainability, and extending hope and opportunity to millions across the developing world. The eight goals, organized around internationally agreed targets, have provided a framework to translate our highest ideals into concrete action. They also have helped mobilize unprecedented political support and resources for development.

Enormous progress has been made toward meeting the MDGs, and we must recognize, celebrate, and support these achievements. Above all, credit belongs to the citizens and governments of countries that have prioritized development and invested in their people. These achievements are also testimony to the power of successful development partnerships, and the efforts of the United Nations and other multilateral agencies, donor governments, private business, and individuals from around the world.

But much more remains to be done. If we are to meet the ambitious objectives we have set, historic leaps in human development will be needed. For this reason, we must be even more determined, strategic, and focused on results as we chart the path to 2015.

The United States seeks a safer, more prosperous, more democratic, and more equitable world. We cannot reach that goal when one-third of humankind lives in conditions that offer them little chance of building better lives for themselves or their children. As recognized in the U.S. National Security Strategy, we believe that development is a moral, strategic, and economic imperative. The successful pursuit of development is essential to advancing our national security objectives: security, prosperity, respect for universal values, and a just and sustainable international order. Countries that achieve sustained development gains can be more capable partners, participate in and contribute to the global economy, and provide their people with the opportunity, means, and freedom to improve their lives. Therefore, we are elevating development as a key pillar of our foreign policy and making it central to our engagement with the world.

Our aggressive and affirmative development agenda is guided by the first-ever U.S. global development policy – a forthcoming directive from President Obama which sets out the strategic objectives and the core approach to development for this administration. The policy focuses the U.S. government on achieving sustainable development outcomes by making broad-based economic growth and democratic governance top priorities, investing in game-changing innovations that have the potential to solve long-standing development challenges, and building effective public sector capacity to provide basic services over the long term. The policy also puts a premium on selectivity, on leveraging the expertise and resources of others, on empowering governments that demonstrate high standards of transparency and accountability, and on driving our investments with evidence of impact. In tandem, in 2009 Secretary Clinton launched the first Quadrennial Diplomacy and Development Review (QDDR)

to help build more agile, responsive, and effective institutions for diplomacy and development. Together, the U.S. global development policy and the QDDR will help modernize and strengthen our capacity to support countries to achieve sustainable development outcomes and guide the U.S. approach to the Millennium Development Goals (MDGs).

## **Our Approach to the MDGs**

The United States fully embraces the MDGs, and as we move toward the UN High-Level Meeting to review the MDGs in September, it is critical that we take stock of what we have learned.

We know that historic rates of progress are possible, particularly when political leaders are committed to good governance, to pursuing economic growth, and to making investments in their citizens. We know that development assistance can yield impressive results in fighting disease, boosting agricultural productivity, educating citizens, and empowering civil society; yet while essential, aid cannot bring about development in the absence of domestic policies and international flows of trade, investment, skills, and ideas that create opportunities for lasting economic growth. We know that sustained development outcomes depend on partnership, with local institutions and communities in charge, supported with the tools they need to find solutions and transform their destinies. And we know that the road ahead is likely to be challenging, with poor governance, conflict, and social exclusion as major impediments to reaching those suffering from poverty and lacking access to basic services.

As we move forward, each of the MDGs highlights a critical priority for international action. But we must stay focused on the ultimate development outcome we seek: sustainable progress toward higher standards of living in the developing world. Only with sustained increases in income can households and communities overcome poverty and meet their basic needs. In partnership with the United Nations and others, we are committed to preserving and accelerating the momentum toward the MDGs and to helping ensure that development gains are environmentally, socially, and economically sustainable.

Consistent with the priorities in our U.S. global development policy and drawing on the experience of the last decade, we propose a strategy that focuses on learning from experience, maximizing development impact, and leveraging knowledge and human ingenuity. The strategy is based on four imperatives:

- **Leverage innovation**
- **Invest in sustainability**
- **Track development outcomes, not just dollars**
- **Enhance the principle and the practice of mutual accountability**

Innovation can be a powerful force multiplier when combined with other investments. Targeted investments in a few technologies and practices can generate large development

gains across borders and regions. Drawing on America's long tradition of development through innovation, we are increasing funding for applied research, expanding access to effective existing technologies and practices, building learning partnerships, stimulating innovation in partner countries, and expanding global access to knowledge. We are also embracing a new model for doing business to improve the way our development institutions work, and we will strive to find new and innovative ways to work with our multilateral partners.

Progress toward the MDGs will be of little consequence if development gains are not lasting. To help make them sustainable, the United States is promoting broad-based economic growth by helping countries formulate and implement pro-growth policies, promote trade, invest in infrastructure, and stimulate entrepreneurship. We also are supporting partner countries' efforts to nurture well-governed institutions, and we are working closely with a broad array of organizations to invest in and empower women and girls, build robust service-delivery systems, and help countries mitigate the impact of shocks.

Our commitment to sustainability and innovation will be underpinned by a relentless commitment to measuring results. To this end, we are upgrading our institutional capacity to monitor and measure development outcomes, as well as support and learn from centers of best practice in evaluation. We are ensuring that our major initiatives have strong monitoring and evaluation functions, and we will continue to call for the same in the multilateral organizations we support. We will help sponsor new methods and data collection initiatives to improve how we measure progress toward the MDGs.

Finally, we are renewing our efforts to live up to the principle and practice of mutual accountability and expect others to do so as well. For bilateral and multilateral donors and institutions, this means delivering on our development assistance commitments, improving the transparency of aid flows, and holding ourselves accountable for achieving results. It also means forging a new and deliberate division of labor, one in which donors make the most of their respective comparative advantage while minimizing gaps and duplication.

For partner countries, mutual accountability means mobilizing domestic resources for development and ensuring that all development resources are managed transparently and responsibly. And for all countries and donors, it means shared responsibility for working toward the day when foreign aid will no longer be necessary. The health and prosperity of the world's poor and vulnerable—and by extension, our own security and prosperity—will ultimately be determined not by the promises we make, but the results we generate together.

As key steps in accelerating progress towards the MDGs and other development outcomes, the United States has introduced major new initiatives: the Global Health Initiative (GHI) and Feed the Future (FTF). Through the GHI, the United States will invest \$63 billion to help countries build and strengthen their health systems and achieve significant improvements in health outcomes, with a particular focus on women, newborns, and children. Through FTF, we will invest \$3.5 billion over three years to sustainably reduce poverty and hunger through agricultural development and food security. Our initiative is just one part of a global effort,

launched at the G20 in London in March 2009, to reverse decades of declining support for agricultural development. These initiatives build on and complement our other efforts aimed at improving education, promoting gender equality, strengthening democracy and governance, protecting the environment, and supporting country efforts to accelerate development.

In addition, to respond to the profound threat that global climate change poses to development, the United States is launching a Global Climate Change Initiative (GCCCI) to spur global greenhouse gas emission reductions in the energy and land-use sectors, and to promote climate change adaptation in vulnerable countries and communities. As part of this effort, the United States has committed to contributing our share of a sum approaching \$30 billion over the 2010-2012 period, as called for in the Copenhagen Accord, for “fast-start” funding to assist developing countries in addressing climate change.

## **CELEBRATE: Two Decades of Progress Toward Shared Goals**

Much has been achieved since 1990—the MDGs’ baseline year for assessing progress. Globally, the number of people living on less than \$1.25 a day has fallen by nearly 400 million, decreasing from 42 to 25 percent of the world’s population and putting the MDG poverty target within reach. In countries such as Mozambique, Ethiopia, Ghana, Rwanda, and Tanzania, per capita income has risen significantly since 1990.

Considerable progress has been made in other areas as well:

- Primary school enrollment and completion rates have increased substantially across the developing world. In 2007, the primary school completion rate reached 86 percent for all developing countries in the aggregate, which means that over 40 million more children were in school in 2007 than five years before.
- Almost two-thirds of developing countries have met the goal of eliminating gender disparity in primary education. The goal of doing so in secondary education by 2015 is within reach.
- Over 1.6 billion people gained access to improved sources of drinking water between 1990 and 2005. If current trends persist, the target of halving the proportion of people without access to sustainable sources of safe drinking water will be met by 2015.
- Due to successful HIV/AIDS prevention, treatment, and care programs, AIDS-related mortality has decreased, and more than 5.2 million people in low- and middle-income countries are receiving antiretroviral treatment.
- Thanks to malaria-prevention initiatives such as the widespread use of bed nets, a third of the 108 countries in which malaria is present reported a drop of at least 50 percent in the number of cases in the past decade.
- Tuberculosis incidence rates have declined in all nine epidemiological subregions, putting the world on track to achieving the MDG target of halving tuberculosis prevalence and mortality.
- Thanks in part to vaccines, global measles deaths have dropped by 85 percent from 1.1 million in 1990 to 164,000 in 2008, accounting for nearly a quarter of the total decline in child mortality over this period.

These achievements are significant, and they are testimony to the efforts of countries that have prioritized human development and have invested in their people. Though many countries have not yet “crossed the line” on certain MDGs and some are still “off track,” many have nevertheless achieved significant gains in human development, and those should be celebrated, encouraged, and supported. Progress must also be celebrated in light of historical experience, which shows that development gains on this scale—even in the best of circumstances—take decades rather than years. They also take leadership, vision, and commitment.

It is worth pointing to achievements in particular countries. Honduras, Vietnam, Laos, Cambodia, Nepal, Burkina Faso, Ethiopia, and Ghana have registered impressive gains across a wide range of MDG-related indicators since 1990. Thanks to investments in health systems and practices, the under-five child mortality rate has fallen by 40 percent or more since 1990 in Ethiopia, Malawi, and Niger. In Eritrea, Rwanda, and Zambia, the numbers of recorded cases and deaths due to malaria have fallen by 50 percent. Burkina Faso has seen access to safe water increase from 36 to 72 percent in the past two decades. Estonia and Latvia—which in the past decade had the highest prevalence of multidrug-resistant tuberculosis in the world—have seen the number of cases decrease steadily since 2002. Investments in agricultural research and extension have helped cut the prevalence of hunger in Vietnam by more than 50 percent since 1990. And through effective country-owned efforts, Mozambique and Tanzania have doubled primary school attendance rates to reach near-universal levels.

These achievements are also testimony to the impact of smart, targeted donor investments coupled with strategic partnerships. These partnerships—between developing-country governments, bilateral donors, the UN and other international organizations, the private sector, philanthropic organizations, and civil society—have allowed countries to make some of the historic strides envisioned in the MDGs. Underlying the most successful partnerships has been a strong spirit of mutual accountability.

## **The Road Ahead**

Though much has been achieved, much remains to be done. In Sub-Saharan Africa, while the proportion of people living on less than \$1.25 per day has fallen, the absolute number of people living in poverty has continued to rise to nearly 400 million. Middle-income countries have achieved important development gains, but pockets of poverty persist, reflecting high—and in some places, growing—inequality. Many countries remain mired in local or regional conflict, and without peace, development cannot flourish. In general, the countries that have registered the least progress across MDG-related indicators since 1990 are countries experiencing conflict or recovering from it.

Important obstacles remain to meeting the health-related MDGs. Infant mortality is still unacceptably high, especially in South Asia and Sub-Saharan Africa. Despite encouraging new data, reductions in maternal mortality and child under-nutrition rates have been much too slow. Far too many women still lack access to family planning. HIV continues to spread in many

countries, and a significant gap remains between those who need treatment and those who can access it. In many countries, the proportion of people without sustainable access to safe drinking water and basic sanitation remains unacceptably high.

We are still far from overcoming gender inequality, which hampers achievement of most MDGs. Women and girls are the majority of the world's poor, unschooled, unhealthy, and underfed. Women represent a growing share of wage employment in the non-agricultural sector, but they often remain trapped in insecure, relatively low-paid positions. They continue to do much of the work on the farm, but lack access to adequate inputs, extension support, training, and land rights. Women are increasingly playing a role in political decision-making in their communities, but progress has been slow and is marked by deep regional disparities. Gender-based violence persists in many countries.

Challenges to achieving environmental sustainability remain significant but are critical. Progress toward achieving low-carbon development paths has been slow, and global efforts to mitigate climate change are still in their infancy. Technologies and techniques for climate change adaptation have yet to be deployed on a scale necessary for vulnerable countries and regions to be adequately prepared for climate-related shocks.

The road ahead will likely be more difficult than the road already traveled. To meet the MDGs by 2015, historic leaps in human development will be required. Many of the remaining poor and undernourished will be harder to reach because they live in marginal areas or face ethnic, religious, and other kinds of deep-seated social exclusion. Some reside in conflict-affected or fragile states, where the prospects for development are least auspicious. And the complex interdependence that globalization has produced—combined with the growing threats posed by climate change and global resource constraints—means that shocks may become more frequent and severe in the coming years. The poorest will be least able to cope with these disruptions.

In the face of these challenges, we call for a determined, strategic, and results-focused strategy to achieve and sustain the MDGs. That approach should be guided by four imperatives: leverage innovation; invest in sustainability; track development outcomes, not just dollars; and enhance the principle and the practice of mutual accountability.

# INNOVATE: Leveraging Innovation to Meet the MDGs

If we are to meet the MDGs by 2015, we must make full use of innovation, which can be a powerful force multiplier. By “innovation” we mean three things:

- The development and application of new technologies, approaches, and methods to address human development needs
- The development of new ways to deliver existing solutions to more people, more cheaply, and more quickly
- The introduction of new business models to make aid agencies and the international development architecture more effective

Innovation can help in several ways. It can provide more effective ways to address human needs related directly to the MDGs. In global health, agricultural production, and energy generation and access, there is significant potential for generating large development gains with targeted investments in a few technologies and practices. This partly explains why many countries have registered disproportionate advances in health outcomes relative to gains in income. In addition, innovation leading to sustained gains in productivity has been closely associated with high rates of economic growth, which are ultimately needed to reduce poverty and to make development gains sustainable. And third, innovation can empower individuals, increasing their capacity to tap markets more effectively and hold their governments accountable.

To be sure, there are limits to innovation. Innovation alone will not put the MDGs within easy reach; it can only generate benefits in supportive environments. Computers cannot replace good teachers. Higher-yielding seeds, irrigation technologies, and more effective fertilizers will not raise incomes if there are no roads linking producers to markets. New vaccines will not produce healthier people if health systems cannot deliver them along with other basic services. But innovation can be a very powerful catalyst for development when complemented with other investments. Indeed, some of the greatest advances in human development—from the Green Revolution to the control or eradication of many debilitating diseases—have been the result of novel applications of human ingenuity.

**Fostering innovation to meet the MDGs will require the following:**

- **Fund applied research** by supporting local, national, and global research networks working on key problems related to the MDGs.

- **Expand access to existing technologies and practices** through partnerships among governments; international organizations; the private sector; philanthropic and other civil society organizations; and research, technical, and social networks.
- **Build learning partnerships** that facilitate the transfer of knowledge and skills to developing countries and nurture a local capacity for innovation in those countries.
- **Stimulate innovation in partner countries** through prizes, competitions, technical support, specialized funds, and tapping diaspora networks for capital and know-how.
- **Expand global access to knowledge** by harnessing modern information technology to narrow the “digital divide” and give developing-country innovators access to the knowledge they need to address development challenges.

## **SUSTAIN: Preserving and Protecting Development Gains**

Securing progress toward meeting the MDGs will be of little value if those development gains prove to be temporary, the product of large but ultimately unsustainable inflows of external resources. Sustainability cannot be an afterthought. The institutions and policies that sustain development evolve slowly, and therefore those seeds must be planted now if we wish to see the fruits of those efforts coincide with the achievement of the Goals themselves. Making development gains sustainable means that the policies and programs that produced them must be fully owned by the people they were designed to help. And they must be rooted in sound domestic institutions that can nurture and finance them over the long term.

Five elements are crucial to making development gains sustainable: promoting broad-based economic growth, nurturing well-governed institutions, investing in women and girls, developing sustainable service-delivery systems, and reducing vulnerability to shocks.

### **Promoting Broad-Based Economic Growth**

Economic growth is a powerful force for development and is central to sustained poverty reduction. Although changes in income are not neatly correlated with changes in education and health indicators in individual countries, it is clear that overall levels of human development are higher in countries that have experienced positive and sustained economic growth than in those where economic stagnation or reversal prevailed. In other words, sustained growth is key for achieving and preserving gains in human development. But growth must be broad-based. Economic growth in which the benefits accrue only to a privileged few is unlikely to have the kind of development impact needed to achieve and sustain the MDGs.

No single formula or model ensures sustained economic growth. But we do know that certain preconditions are essential. These include significant investments in infrastructure and policies that foster trade, attract private capital, build human capital, encourage entrepreneurship, and promote employment-oriented investment. Policies to ensure that growth is broad-based should be identified and supported, including those that increase productivity and employment in sectors with a high impact on poverty. Also, given demographic trends in the developing world, expanding youth access to education, finance, and employment is essential for capitalizing on demographic windows of opportunity.

Sustainable and inclusive growth also requires mobilizing diverse resources, including private capital flows and domestic sources of finance. That means fostering the development of well-governed local, national, and regional financial institutions (including regional development banks); crafting public-private partnerships to finance infrastructure; and promoting local bond

markets, fair and effective tax systems, sound government debt issuance and management, and financial instruments that support entrepreneurship. Finally, sustainable growth requires fostering policies that support environmental protection and low-carbon development.

## **Nurturing Well-Governed Institutions**

Sustaining economic growth and development gains depends crucially on capable, transparent, and responsive public institutions. These include institutions to establish and enforce property rights, prevent market failures, safeguard macroeconomic stability, improve environmental governance, and control corruption. There is no single pathway to attain high-quality institutions, but certain policies can help.

Transparency is a powerful instrument to foster good governance. When citizens have access to information, they have more capacity to hold their governments accountable and to reduce corruption, along with its growth-corroding effects. Transparency in the management of natural-resource wealth and of development assistance resources is especially important where commodity and aid flows are large. External actors can serve as catalysts by supporting country-owned efforts to nurture well-governed institutions, and international and regional standards and peer review exercises can also support national efforts to improve governance.

Democracy and the type of governance that supports high rates of economic growth are not necessarily the same thing. We are committed to liberal democracy because it has important advantages over its alternatives—it is best able to protect the rights of minorities, safeguard the human rights of all people, and keep governments accountable and responsive to their citizens. And while democratic institutions are not the only ones capable of generating high levels of economic growth, they produce growth that is more stable, sustainable, resilient, and equitable. Democracy cannot be imposed from the outside, and it must be rooted in the history and traditions of each country. But external actors can help by supporting efforts to nurture democratic institutions and strengthen civil society. Therefore, well-designed partnerships to strengthen democratic institutions are compatible with achieving and sustaining the MDGs.

## **Empowering Women and Girls**

Investing in and empowering women and girls is one of the smartest investments we can make and is central to promoting sustainable development and achieving many MDGs. In most of the developing world, women are directly responsible for the welfare of their families, tending to basic family needs, managing natural resources and at least some of the household finances, and in many places, doing most of the farming. What resources women have at their disposal and how they use them has a direct impact on household income, health, education, and nutritional outcomes. Women also can play an important role as political leaders. Research suggests that women leaders are more likely to invest in certain public goods than their male counterparts. Gender equality is a critical foundation for achieving and sustaining development

gains, as investments in women and girls strengthen countries' ability to grow, reduce poverty, and govern effectively.

Empowering women and girls requires strengthening rules and institutions that protect their human and economic rights, as well as providing opportunities for them to access education and finance and to be included in the political sphere. Also, better tools are needed to measure how human development indicators vary across gender lines, and what formal and informal barriers women face in different sectors. Finally, an understanding of how development interventions may have a distinctive impact on women and girls should be mainstreamed into the design, implementation, and evaluation of programs and projects.

## **Building Sustainable Service Delivery Systems**

Sustainable systems that deliver health, education, nutrition, water management and other services are essential if MDG development gains are to prove lasting. They are also essential for preserving the legitimacy of the state and reducing tensions among competing social groups. But to ensure that these systems are sustainable, we must go beyond simply filling the service gaps left when local governments cannot deliver.

Investments are needed to build infrastructure, skills, and human capital; establish recruitment and training mechanisms; link service-delivery systems to sustainable financing models; and ensure that the systems can monitor results effectively. Finding the best ways to build the capacity and institutions needed to meet and sustain the MDGs will require experimentation, innovation, and strong partnerships with developing countries.

## **Reducing Vulnerability to Shocks**

Shocks can have a devastating and long-lasting effect on economic and human development. Development gains lost during shocks can take years to recover, even when positive growth returns. The poorest countries—including many of those that have made little progress toward meeting the MDGs—suffer disproportionately from shocks, including natural disasters, economic downturns, and fluctuations in the prices of energy and food.

The impact of climate change is likely to exacerbate the frequency and severity of shocks. The world is experiencing significant climate change as a result of global average temperature increases of about 0.75 degrees Celsius in the last century, and absent prompt and dramatic action by all countries that contribute significantly to global emissions, scientists project increases over the coming century substantially higher than two degrees Celsius, with unpredictable and potentially devastating consequences for natural systems and societies. In Copenhagen, the United States and other major economies committed to embark on a major effort to mitigate emissions that contribute to climate change and help developing countries reduce vulnerability and build resilience to the impact of climate change.

Conflict typically creates major shocks as well. Aside from the untold human suffering it generates, civil war reduces a country's growth by around 2.3 percent per year, on average. Over time, the accumulated loss in income can be very large, along with its cost in forgone human development. While the incidence of conflict has declined significantly since the end of the Cold War, ethnic, civil, and communal conflict continues to afflict societies in many regions of the world. The prospect that climate change, resource shortages, and other ecological shocks could spark or exacerbate conflict remains a potential dark cloud on the development horizon.

Therefore, helping countries develop mechanisms for shock mitigation is critical for protecting development gains. These mechanisms include conditional cash transfer and other social safety net programs, as well as insurance products such as catastrophe bonds. Also important are technologies to improve forecasting of climate events, basic and applied research on climate change adaptation, and capacity-building for disaster preparedness and planning. Mechanisms to prevent, manage, and resolve conflict must also be part of the shock-mitigation agenda.

## MAKING IT WORK: Building an Enabling Environment

Promoting innovation and sustainability cannot be done in a vacuum. We must also build an enabling environment, which requires improving the rules and institutions through which effective development assistance is delivered and development partnerships are forged. We need better tools for measuring impact, evaluating our collective efforts, and learning from experience. We need changes to the way aid agencies do business with each other and with partner countries. And we need to enhance the principle as well as the practice of mutual accountability.

### Strengthening Monitoring, Measurement and Evaluation

A relentless commitment to impact calls for a relentless commitment to measuring results. By assessing what works and what does not through careful monitoring and evaluation, we will be better placed to identify innovations that can be replicated and scaled up. Several measures will be needed:

- **Among donors, promote a culture of impact evaluation, high-quality process evaluation, and evidence-based policy.** Bilateral and multilateral donor organizations must have the technical and financial resources to undertake rigorous evaluations, and they should support independent evaluations of their strategies, programs, and projects. Groups such as the OECD DAC Network on Development Evaluation and the International Initiative for Impact Evaluation (3ie) should be actively supported.
- **Support indigenous monitoring and evaluation capacity in developing countries.** Partner countries must themselves be able to conduct impact evaluations of development interventions, as well as a broad array of high-quality and policy-relevant evaluations.
- **Improve the quality of data available to measure progress toward the MDGs.** Data shortages, comparability problems, and large lag times weaken our ability to measure progress toward the Goals. Investments in sustainable data-collection systems are urgently needed.
- **Rationalize and harmonize reporting requirements to reduce the burden on developing countries.** The amount of scarce human, financial, and institutional resources in partner countries consumed by donors' reporting requirements should be minimized while preserving adequate accountability.

## **Strengthening Mutual Accountability**

Partner countries and donors each have responsibilities, recognized in the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. Donors committed to making aid flows more transparent, reducing the fragmentation of aid and the proportion of tied aid, respecting the principle of country ownership, and coordinating and harmonizing development activities. Although central to aid effectiveness, these commitments are not just about aid. They are commitments to exercise leadership in elevating development as a priority and doing all that it takes to drive progress. Partner countries committed to taking stronger leadership of their own development policies, formulating and implementing those policies in an inclusive manner, strengthening the quality of policy design and implementation, and making public financial management more transparent. Partner countries and donors pledged to undertake regular, joint assessments of compliance with these commitments.

Yet, significant gaps remain between rhetoric and action on mutual accountability. Donor disbursements lag significantly behind commitments, and partner countries can do much more to set in place inclusive pro-growth policies, engage citizens, and ensure the transparent and effective use of development assistance. Multilateral and bilateral development organizations can improve their accountability by providing a transparent account of how development dollars are spent and development outcomes achieved. Mechanisms to track commitments and evaluate compliance remain weak. As we approach the Fourth High Level Forum on Aid Effectiveness (HLF-4) in Seoul in 2011, it is critical that we fashion an aid effectiveness agenda that is grounded in evidence, transparency, cost effectiveness, and results.

## **A Better International Development Architecture**

If we are to achieve the MDGs, we need to strengthen the international forums and institutions that shape development policy and provide and coordinate development assistance. The G8—a champion of the MDGs with its historic, Gleneagles commitments—has pledged to make accountability a guiding principle of its work going forward. The 2010 G8 Accountability Report was a comprehensive listing of major G8 commitments and an honest assessment of where individual countries and the G8 collectively have met their pledges and where they have fallen short. A focus on accountability is critical to the G8's legitimacy in the years ahead.

In its response to the global financial crisis, the G20 paid close attention to the plight of the most vulnerable, with important pledges of increased support to the IMF and the multilateral development banks to help countries cushion the impact of the crisis. With the G20 now designated as the premier forum for international economic cooperation, it is essential that the G20 show leadership on global development. Improving the prospects for economic growth in low-income countries must become a central element of the G20's agenda in support of balanced and sustainable growth.

We must also be concerned with the long-term relevance, effectiveness, and legitimacy of our multilateral development institutions, especially the IMF and the World Bank. We are making important progress to reform their mandates, scope, and governance to reflect changes in the global economy, to improve operational effectiveness, and to ensure greater voice and representation for emerging and developing economies. Additional resources for these institutions must be linked to a reform agenda that improves their effectiveness. We must strengthen the capabilities of the United Nations development agencies as well, with a similar commitment to clear and coherent mandates and improved operational effectiveness.

We also need to work toward a more coherent division of labor among donor agencies, international organizations, and other actors that is based on their respective comparative advantage. The most promising place to start making this principle meaningful is in the field, where efforts can be coordinated around concrete country plans and specific sectors and activities. Efforts to improve food security announced at L'Aquila will be a key test of our resolve to work together more effectively and efficiently.

# The Role of the United States in Meeting the Millennium Development Goals



The United States will elevate development as a central pillar of our engagement with the world and is committed to supporting efforts to accelerate the pace of development around the globe. Our new U.S. global development policy guides our objectives and approach. Consistent with that policy, we will put innovation, sustainability, development outcomes, and mutual accountability at the heart of our approach to the MDGs. We will make these imperatives central to our engagement on the MDGs with the United Nations and in the G8 and the G20. And we will use our voice in the governance of the international financial institutions to further these imperatives.

To support countries' efforts to meet the MDGs, we will marshal the full range of our development policy instruments. These include our bilateral aid programs and efforts to promote policy reform, as well as our contributions to and participation in the United Nations, other multilateral organizations and multi-donor trust funds. We will raise the profile of development in our diplomatic engagement with strategic allies and leverage the resources and know-how of the U.S. private sector, non-governmental organizations, philanthropies, and diaspora networks.

The Global Health Initiative and Feed the Future, as well as the Global Climate Change Initiative embody the principles of our new approach to development and are key vehicles for helping countries to achieve the MDGs. The GHI is a \$63 billion initiative that builds on our country's long-standing commitment to global health by focusing on strengthening health systems so developing countries are better able to deliver essential services sustainably. It has a particular focus on women, newborns, and children. Through the GHI, we will continue and expand our HIV/AIDS programming and bolster programs aimed at addressing infectious disease, nutrition, maternal and child health, family planning, safe water, sanitation and hygiene.

The paramount objectives of GHI are to achieve major improvements in health outcomes, including those articulated in the MDGs. To do so, we are moving from attacking one disease at a time to tying individual health programs together in an integrated, coordinated, sustainable system of care, with our partner countries in the lead. We are working across our own government and with multilateral organizations and agencies to improve the overall environment in which health services are delivered. By doing so, our investments can have a bigger impact. Patients can gain access to more and better care, and as a result, lead healthier lives.

The Feed the Future Initiative grew out of the G20 summit in London, in March 2009, where global leaders responded to the combined effects of underinvestment in agriculture and food security, the steep rise in global food prices, and the economic crisis by committing to "act with the scale and urgency needed to achieve sustainable global food security."

This collaborative global effort centers on country-owned processes and plans to improve food security, agricultural production, and nutrition. President Obama pledged support of at least \$3.5 billion over three years as part of an overall, global commitment of \$22 billion to implement a common approach to address these challenges. FTF invests in food security and

agriculture development priorities that are identified by the partner country through country-led investment plans. We are working with a range of partners to invest in these country-owned plans and sustainably reduce global hunger, poverty, and the prevalence of underweight children. We will help countries accelerate inclusive agriculture sector growth through improved agricultural productivity, expanded markets and trade, and increased economic resilience in vulnerable rural communities. Also, we will aim to improve nutritional status by increasing access to diverse and quality foods and by strengthening the prevention, identification, and treatment of undernutrition.

Through the Global Climate Change Initiative, the United States will integrate climate change considerations into all relevant foreign assistance work to foster low-carbon economic development and promote sustainable and resilient societies in coming decades. Recent floods in Asia, fires in Eastern Europe, and droughts and heat waves in Africa and elsewhere are consistent with the increased numbers of extreme weather events projected in a changing climate, and they provide an early illustration of the grave threat that unchecked climate change poses to achieving the MDGs.

As part of the President's commitments in Copenhagen, we are working together with our partners to provide "fast start" climate finance approaching \$30 billion during the period 2010-2012 to help meet the adaptation and mitigation needs of developing countries, including deploying clean energy technologies to the developing world. These investments will support development priorities by fostering cleaner and more efficient energy and industrial infrastructure, with a range of economic, environmental, and social co-benefits. Our investments will also promote approaches in the land-use sector that will conserve resources, reduce emissions, and promote sequestration through more sustainable land-use policies, and by supporting activities that increase developing countries' capacity to adapt to a changing climate.

These initiatives build on and complement many other programs that support development and progress towards the MDGs. The rest of this section describes some of the key components of the U.S. approach to development, and by extension, to the MDGs. This is not a comprehensive list, but a selection of some of the most representative efforts reflecting each dimension of the strategy. By design, we do not treat the MDGs as if they were separate baskets but focus on the cross-cutting nature of the four imperatives. The purpose is to emphasize that the Goals are all connected, that they are critical indicators of our progress toward development more broadly, and that we must leverage cross-cutting synergies if they are to be achieved and sustained.

## **Leveraging Innovation**

Consistent with the strategy, we will increase support for innovation to address the development challenges that lie at the heart of the MDGs. We will do this by funding applied research, expanding access to existing technologies and practices, supporting academic

partnerships, stimulating innovation in partner countries, and widening global access to knowledge and information.

### *Funding Applied Research*

Innovation begins with basic and applied research. We will therefore expand our support for research networks and centers, starting with agriculture and health. Through FTF, the U.S. government will more than double its support for agricultural research, finance national research institutes, and build local research capacity, including training local researchers and technicians. For years, the United States has been funding the **Consultative Group on International Agricultural Research (CGIAR)**, a partnership of 15 centers across the world that apply cutting-edge science to foster sustainable agricultural growth that benefits the poor. This includes core support for long-term CGIAR research, as well as support to specific CGIAR centers for targeted research and technology-dissemination efforts.

At the same time, an important component of the GHI is to support research to build and maintain high-quality health service delivery and to reach marginalized populations. The GHI will also fund research to help countries improve health service delivery models and replicate best practices from successful GHI programs, including the **President's Emergency Plan for AIDS Relief (PEPFAR)** and the **President's Malaria Initiative (PMI)**. An important aspect of the GHI is leveraging key multilateral organizations, like the UN, the World Bank, and the Global Fund to Fight AIDS, Tuberculosis, and Malaria, to make progress on the health MDGs and enhance coordination among funders.

Working together with a wide range of partners, we will pursue breakthroughs in public health across the developing world. Through the **International AIDS Vaccine Initiative (IAVI)**, we will continue to invest in research and clinical assessment of candidate vaccines against strains of HIV prevalent in the developing world, where some 95 percent of new infections occur. By supporting the **Global Alliance for TB Drug Development**, we will continue to accelerate the discovery and development of new tuberculosis drugs that will shorten treatment, be more effective against resistant strains, prove more compatible with the antiretroviral therapies of HIV-TB patients, and improve treatment of latent infection. In partnership with the Bill and Melinda Gates Foundation and its **Saving Newborn Lives (SNL)** project, we are co-funding, designing, and implementing newborn health research in South Asia, along with plans for designing new studies in Africa. And we will continue efforts such as our partnership with the **Center for the AIDS Program of Research in South Africa (CAPRISA)**, which has developed a microbicide for women that significantly reduces a woman's risk of HIV infection.

We are also supporting cutting-edge research and development on clean energy technologies through the Global Climate Change Initiative. We are establishing joint **Clean Energy Research Centers** with both India and China to facilitate research and development on clean energy by teams of scientists and engineers from the United States and both countries. And, through

initiatives like the **International Smart Grid Action Network**, we are providing international platforms for research and development on key elements of our clean energy future.

### *Expanding Access to Existing Technologies and Practices*

Meanwhile, we will sponsor efforts to deliver the best existing technologies to more people, more quickly, and at lower cost. We are continuing to **invest in supply chain management** to ensure that life-saving antiretrovirals reach the people who need them more efficiently. Through PEPFAR, the U.S. government is a founding partner of the **mHealth Alliance**, a public-private partnership to use mobile technology to bring enhanced health data, information, and eventually outcomes to previously inaccessible corners of the developing world. We are also supporting 14 countries in Southern Africa in the rapid implementation of **male circumcision as an HIV prevention strategy**, which if successful, will avert up to four million HIV infections by 2025.

Through the multilateral **Climate Investment Funds**, the United States is expanding access to clean energy technologies, piloting comprehensive climate resilience programs in key vulnerable countries, and promoting investments in forest protection. And through the **Solar and LED Access Program (SLED)**, we are working to transform the global market for affordable, clean, and quality, off-grid energy devices by addressing fundamental barriers to market development. With an initial focus on replacing dirty, fossil-fuel-based light sources like kerosene lanterns with solar-powered LED lights, the program will facilitate access to improved lighting services for 10 million people within five years by building on existing programs like World Bank Group's Lighting Africa project.

In the area of food security, we will expand access to proven technologies in the agricultural sector through **Feed the Future**. FTF will finance investments to increase access to affordable agricultural inputs and improved techniques and technology, including agricultural biotechnology, high-quality seed, livestock feed, fertilizer, and water resources management practices. It will also expand access to knowledge through agricultural extension services tailored to meet local needs.

### *Building Learning Partnerships*

Through several means, we will strive to build innovation capacity in developing countries. Through our **Collaborative Research Support Programs (CRSPs)**, we will continue to support long-term research collaborations between U.S. and developing-country universities to address development challenges. Eight active CRSP programs are currently in place, involving 60 U.S. universities and research institutions in more than 60 developing countries.

Another example is the **Higher Education for Development Program**, a competitive grant program that promotes partnerships between U.S.-based institutions of higher learning and counterparts in partner countries to target development challenges. In the field of global

health, we will work with partners to strengthen **medical and nursing education and research** in Sub-Saharan Africa. African and U.S. universities will collaborate to develop better education models to train local health technicians, and awards will be granted to help local scientists and health care workers to conduct multidisciplinary research.

Through an **international Adaptation Partnership**, we will be fostering the development of communities of adaptation practice. These communities will connect practitioners and planners undertaking similar types of climate-adaptation activity in different parts of the world to share knowledge about good practices and lessons learned.

### *Stimulating Innovation in Developing Countries*

Already, we are helping partner countries promote innovation. We are supporting the development of **Regional Centers for Scientific Excellence on Water in the Middle East** and taking steps on climate change to support technology transfer, capacity development, scientific exchanges, and the application of science to address resource challenges. The U.S. Agency for International Development (USAID) is preparing to launch a **Development Innovations Lab**, which will bring leading development researchers and social entrepreneurs to work with Agency staff and create new approaches to development. The Lab will provide funding to pilot new innovations, rigorously test their impact on beneficiaries, and transition the most promising innovations to scale. To leverage the United States' unique capabilities in science, technology, and innovation around a shared set of development challenges, we held a conference on **Transformational Development through Science and Technology** in July 2010, bringing together the Federal Science Cabinet of the United States and globally-recognized innovative thinkers.

Increasing the availability of risk capital is essential to give innovators in partner countries a chance to put their ideas to work. Through the Overseas Private Investment Corporation, we launched in October 2009 a **global technology and innovation call** for privately managed investment funds. The funds will make investments in start-up and growth-oriented companies in the telecommunications, media, and technology sectors in developing countries, starting in the Middle East and North Africa. The funds represent over \$800 million in potential commitments by the Overseas Private Investment Corporation (OPIC), and together with additional private sector capital, catalyzed by OPIC, they may provide over \$3.2 billion in private equity capital for Muslim-majority countries in the Middle East and North Africa. In addition, USAID, in partnership with others, is planning to establish a **revolving angel fund** for early-stage investments in technology and media firms in Africa. The fund will invest in promising projects and enterprises focusing on tech hubs in Uganda, Kenya, Cameroon, South Africa, and Senegal.

In addition, we will support innovation in partner countries through the UN and other multilateral channels. With the support of the United States, the World Bank Institute recently established an **Innovation Practice**, which will serve as a catalyst for innovation in developing

countries through a combination of partnerships, networks, innovation labs, and both live and virtual spaces for interaction.

### *Expanding Global Access to Knowledge*

Access to scientific and technical knowledge is essential for innovation. In Iraq, the U.S. government spearheaded the creation of the **Iraqi Virtual Science Library**, a digital platform combining social networking with scientific databases to encourage collaboration around key development challenges. Recently transferred fully to Iraqi hands, the Library now provides 7,000 users with free access to world-class technical and scientific journals and courses. Currently, its users download 30,000 articles per month. We are now exploring ways to develop a global virtual science library based on the Iraqi experience. In a similar vein, the World Bank launched last April, with U.S. support, its **Open Data Initiative**, which makes one of the world's largest collections of data on development and global economics freely available.

Meanwhile, we will work to ensure that data generated from our own studies and evaluations are as widely disseminated as possible. Findings from research supported by the **Global Health Initiative** will be shared within and across countries and with all GHI partners. And our efforts to upgrade monitoring and evaluation at USAID and other agencies include proposals to make project data publicly available with minimal lag times.

Through our **SERVIR Initiative**, we are delivering user-friendly environmental information to developing-country decision makers, integrating satellite observations, ground-based data, mapping information, and forecast models to monitor environmental changes and improve response to natural disasters. As part of the Global Climate Change Initiative, we are developing **Clean Energy Solution Centers**—virtual networks of experts and online tools to drive best practices and policy cooperation on transformational, low-carbon technologies.

Widening access to knowledge also means finding new ways to expand access to education. Through a large portfolio of activities, the U.S. government supports a wide variety of **training, workforce development, and higher-education programs** that strengthen faculties and administrations in developing countries. USAID alone devotes over \$1 billion to education programming annually—a 700 percent increase since 2000. In addition, the United States provides both long and short-term training opportunities to hundreds of thousands of individuals in developing and transition countries each year.

The United States also is an active participant in **Education for All (EFA)**—a multi-donor trust fund to provide quality universal education—and in the **EFA Fast Track Initiative**, a global partnership between donor and developing countries to ensure accelerated progress towards achieving quality universal primary education. The United States remains committed to making the FTI a more effective vehicle for international cooperation to advance global education. To that end, we intend to increase funding for the FTI and to help advance a reform agenda to strengthen the governance of the initiative.

## Investing in Sustainability

Innovation will increase the probability of development breakthroughs, but it cannot guarantee that development gains will be sustainable. For that, a different set of tools is required. These include efforts to promote sustainable and inclusive growth, nurture well-governed institutions, build sustainable service-delivery systems, and reduce vulnerability to shocks.

### *Promoting Broad-Based Economic Growth*

We will work with partner countries to secure key preconditions for sustained and inclusive growth. These include expanding agricultural productivity, investing in infrastructure, promoting trade, stimulating entrepreneurship, facilitating access to finance, and supporting inclusive employment and labor market policies.

Through the **Millennium Challenge Corporation** (MCC), we are supporting major investments targeted at achieving inclusive economic growth. The MCC has now entered into Poverty Reduction Compacts with 20 countries and has provided over \$7 billion in grants. The MCC's model—providing large-scale grants to finance locally-owned solutions in countries committed to policy performance—has much promise to advance economic growth and reduce poverty. Combined with the MCC's strong culture of impact evaluation and benefit-cost analysis, the MCC is well equipped to identify effective interventions and how they can be replicated.

The President's **Feed the Future Initiative** will also contribute to inclusive, sustainable growth by financing a wide range of investments in the agriculture sectors of countries that demonstrate a commitment to fighting hunger and strengthening food security. We are also supporting investments in agriculture through the **Global Agricultural and Food Security Program**, a World Bank-administered fund that will allow us to leverage financing with traditional and non-traditional donors in support of country-led investment plans. The United States has pledged \$475 million to the Program and has been joined so far by the Bill and Melinda Gates Foundation and the governments of Canada, Spain, and Korea. We have already provided \$67 million of the total pledged.

At the same time, we will continue to look to the **multilateral development banks** to help partner countries design and implement pro-growth policies, strengthen financial sector development and domestic resource mobilization, and serve as key sources of long-term finance. Because infrastructure is a critical prerequisite for economic growth, we work closely with our partners in the MDBs, which have a wealth of experience in the design, financing, and implementation of infrastructure projects, to support a wide variety of projects across the developing world. To enhance the work of these institutions, the U.S. government supports a strong capital base for the World Bank and regional development banks.

We will continue the efforts to strengthen the rules-based **multilateral trading system**. The United States is committed to generating new trade flows for all countries through its leadership role in the WTO and the **Doha Round** of trade negotiations. In addition, the **African Growth and Opportunity Act (AGOA)**, which provides trade preferences for quota and duty-free entry of goods from Sub-Saharan Africa into the United States, continues to stimulate exports from that region. AGOA has been extended to 2015, and the Act's apparel special provision has been extended through 2012.

In addition, our extensive portfolio of **trade-capacity building** activities will help countries take advantage of open markets and economic opportunities. For example, the USAID "Trade Hub" programs are designed to help African businesses take advantage of AGOA. Four Trade Hubs—in Botswana, Senegal, Ghana, and Kenya—are helping African entrepreneurs navigate U.S. customs laws, identify export financing, find buyers, and get assistance with pricing and marketing.

Our Global Climate Change Initiative seeks to advance robust economic growth while reducing the long-term risks of dangerous climate change through broad-based support for low emissions growth, including through investments in clean energy infrastructure through **the Climate Investment Funds**, USAID clean energy initiatives in all regions of the world, and through a portfolio of clean investment investments supported by OPIC and the Export-Import Bank of the United States. Through a new initiative, **Enhancing Capacity for Low Emission Development Strategies (LEDS)**, we aim to support at least 20 countries in developing strategic, economy-wide plans that will foster economic growth while reducing greenhouse gas emissions.

We recognize that inclusive employment and labor market policies help foster broad distribution of opportunities for decent livelihoods, which in turn helps to ensure the sustainability of growth. Through the Department of Labor's Bureau of International Labor Affairs, we provide funding to improve labor standards and competitiveness in global supply chains through the joint International Labor Organization-International Finance Corporation **Better Work program**, which focuses on labor-intensive industries in developing countries with large numbers of vulnerable workers.

We will also help stimulate entrepreneurship in developing countries. USAID helped launch and has long supported the International Finance Corporation's **Doing Business Index** to measure the quality of the regulatory and business environment across countries. More recently, President Obama hosted the **Presidential Summit on Entrepreneurship**, which brought together 250 successful entrepreneurs from more than fifty countries to identify ways to advance economic and social entrepreneurship, build networks, and establish partnerships. To harness the power of diaspora networks, we have created the **African Diaspora Marketplace (ADM)**. This is a business plan competition designed to promote economic development in Sub-Saharan Africa by supporting the entrepreneurial spirit and resources of the U.S.-based African diaspora community. It does so by facilitating diaspora direct investment in viable small- and medium-sized enterprises.

Finally, sustainable and inclusive economic growth cannot take place without stable access to finance. Through programs and projects conducted by USAID and the Treasury Department, the U.S. government will continue to support governments in their **efforts to raise and mobilize domestic revenue** more effectively. This means sustained technical assistance; investments in information technology; and analytical and policy work on banking regulation, legal regimes, and tax policy.

Other efforts focus on extending access to financial services by small- and medium-sized enterprises and the poor. We are participating in the **Access through Innovation Sub-Group of the G20 Financial Inclusion Experts Group**, which has developed principles for innovative financial inclusion and is working to develop concrete actions to implement the principles. The G20 has also launched the **SME Finance Challenge**, a call to the private sector to put forward its best proposals for how public finance can maximize the deployment of private finance on a sustainable and scalable basis.

Through the Treasury Department's Office of Technical Assistance, we will continue to provide technical assistance to expand access to finance. For instance, the **Latin America and Caribbean Financial Inclusion Initiative** promotes lending to small and medium-sized enterprises from banks and other financial entities that have long focused on large customers. And the Overseas Private Investment Corporation will provide support to an \$80 million **SME Finance Company** that provides long-term debt to small and medium enterprises in the Middle East and North Africa.

We are continuing our efforts to support debt sustainability and provide debt relief where needed. Significant success has been achieved over the last decade on our commitments related to debt relief. The **Enhanced HIPC Initiative** and the **Multilateral Debt Relief Initiative** (MDRI) have freed up substantial resources for poverty reduction. Sub-Saharan countries have received debt cancellation of over \$100 billion. Due to HIPC and MDRI relief, sub-Saharan African countries paid \$1.5 billion less in debt service to the World Bank Group and African Development Bank Group in 2009 than they would have without this debt relief.

The economic and financial crisis of 2008-2009 increased deficit spending by low income countries and has resulted in some increase in their debt vulnerabilities. However, these vulnerabilities are manageable, particularly with international adherence to the World Bank/IMF Debt Sustainability Framework and continued improvements in public financial management. We will continue to work with the IMF and the multilateral development banks to ensure that countries that have received debt relief will remain on a sustainable path.

## *Nurturing Well-Governed Institutions*

Globally, the U.S. government currently spends over \$2.5 billion per year in 90 countries to **strengthen governance and democratic institutions**. This includes a wide-ranging portfolio of bilateral investments to help strengthen electoral institutions and processes, develop vibrant civil societies, nurture an active media, and promote the rule of law. We also work with a broader range of multilateral institutions not traditionally associated with development to infuse development ideas into their work with a goal of widening their reach into areas that complement development initiatives.

Through multilateral forums, we will continue to support voluntary standards, legal instruments, networks, and enforcement mechanisms to battle corruption. The United States supports the **Extractive Industries Transparency Initiative (EITI)**, which sets global standards for transparency in the management of natural resources. President Obama recently signed into law a new disclosure requirement that shines a sustained light on payments by oil, gas, and mining companies to governments.

The United States was a leader in the creation of the **UN Convention Against Corruption (UNCAC)**, which entered into force in 2005 and remains one of the most powerful global instruments against corruption. In cooperation with the Convention signatories and civil society, we will support efforts to enforce and verify compliance with the UNCAC. The United States continues to lead in the fight against foreign bribery through our support of the **Anti-Bribery Convention** and robust enforcement of the **Foreign and Corrupt Practices Act**. To combat money laundering and terrorist financing globally, we will maintain our long-standing support for the **Financial Action Task Force (FATF)** and work with global law-enforcement networks to close financial systems to corrupt leaders, terrorists, and organized crime. We will also bring high-level political attention to the fight against corruption through the G8 and G20.

Our efforts at the global level have been complemented by regional initiatives. In the Middle East, we have sponsored the creation of the first-ever **network of anticorruption officials** in the region. In the Americas, the United States continues to participate in the follow-up mechanism to the **Inter-American Convention Against Corruption**. And through the regional development banks, we will continue to support efforts such as the Inter-American Development Bank's **Institutional Capacity of the State Fund** and its **Anticorruption Activities Trust Fund** to enhance social control of public management.

## *Empowering Women and Girls*

To expand access for women and girls to political and economic opportunity, we will help identify and benchmark barriers to progress. USAID has developed a methodology, known as the **Gender Business Climate Legal and Institutional Reform Tool** (or GenderCLIR) to measure barriers faced by women entrepreneurs in seven areas: social customs and women's role in society, the private sector, labor, credit, property, trade, and commercial justice. In the same

vein, the U.S. government is supporting the **Greater Access to Trade Expansion Project** to enhance development practitioners' understanding of how gender roles and relations impact value chains and program outcomes.

We are accelerating efforts to **mainstream gender** into core development efforts. The Millennium Challenge Corporation has spearheaded efforts to incorporate gender perspectives and considerations into its compacts with developing countries. Meeting the needs of women and girls is at the core of our presidential initiatives. The **Global Health Initiative** will strengthen programs that serve women and girls, including maternal health, family planning, and nutrition programs, and it will address barriers that prevent women and girls from accessing health care services and participating in health care decision-making. **Feed the Future** will focus on crops that disproportionately enhance women's standing, production, and incomes, and women will receive targeted access to financial services and extension services delivered by female extension workers. Through the **Global Climate Change Initiative**, we are working to empower women to employ appropriate clean technologies, and we will support aspiring women leaders in climate change policy through a range of educational and training opportunities.

Central to these efforts is a commitment to protect the rights of women across the world. Already, we are working to enhance the capacity of the justice sectors in 10 countries to enforce **women's legal rights**. We are supporting the drafting and adoption of legislation to combat sexual harassment, domestic violence, and trafficking in persons in several countries, as well as training public magistrates and defenders on issues of gender-based violence and women's rights. Women have also received training on the management and operations of political parties. Through PEPFAR, we have committed \$30 million to support gender initiatives in Africa to **assist victims of gender-based violence**, and through the Department of Labor, we will be providing \$60 million in new programs to **address the worst forms of child labor**. These programs will help keep girls out of harmful work and help provide them with educational opportunities.

### *Building Sustainable Service-Delivery Systems*

We will make significant investments in sustainable service delivery, both through bilateral programs and projects and through multilateral channels. The largest investments will take place in the health sector. Through the **Global Health Initiative**, we will identify and implement strategies to address health-system bottlenecks that constrain improved health for women and children and their communities. We will work with partner countries, including through community-based organizations and approaches, to build local capacity to manage, oversee, and operate national health systems, as well as develop human resources by training and mentoring health workers. To monitor health service provision and outcomes, the GHI will strengthen existing data-collection systems and contribute to joint assessments of national health programs, reviews of financing gaps and absorptive capacity, and auditing and reporting

tools. We will continue to invest in supply chain management, including forecasting and quantification, procurement, warehousing, and management of information systems.

The U.S. government is the first and largest donor to the **Global Fund to Fight AIDS, Tuberculosis and Malaria**, having contributed more than \$4.3 billion to date. We intend to keep investing in the Fund, which devotes an important share of its resources to strengthening health systems. We will proactively engage as a member of the Board.

We will also help build sustainable service-delivery systems through **procurement reform**. Consistent with the principles of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, USAID is designing a major package of procurement reforms that will cut contract costs, support local institutions, and build local capacity. The reforms will help ensure that the Agency's development efforts work through local systems rather than around them, helping strengthen their ability to perform key functions and deliver essential services.

### *Reducing Vulnerability to Shocks*

Consistent with our MDG strategy, we will support countries seeking to protect themselves from unanticipated economic, climatic and ecological events that can reverse hard-won development gains. We will continue to support the **multilateral development banks** in their role as providers of emergency financing to help developing countries cope with global downturns, energy and food-price shocks, and disruptions in global trade finance. These efforts complement the United States' leadership in the G20, which in 2009 helped mobilize over \$1 trillion to help stabilize the world economy.

Through **Feed the Future**, we will help farmers in developing countries prepare for and respond to unforeseen events more effectively by providing them with better risk-management tools and practices. As part of larger packages of country-led investments, we will provide improved weather and climate forecasting, monitoring, and modeling systems; increase access to sound and affordable financial and risk management services, such as insurance instruments, savings accounts, loans, and other financial tools; and invest in disaster early-warning systems and response planning.

We are working to help developing countries reduce the vulnerability of human and natural systems to the impacts of **climate change**. In collaboration with others, we are developing strategic approaches, data- and decision-support tools, methodologies, and institutional capacity building to strengthen the resilience of communities to anticipated climate change impacts. In Indonesia, we are working with local governments and civil society to strengthen disaster management plans, which could include the promotion of alternative climate-resilient livelihoods. We are working to build the capacity of the government of Ethiopia to measure and reduce the impact of climate change on households; in Tanzania, we are supporting policy reforms and adaptive measures that improve watershed management. And we are working with private sector interest groups, NGOs, and government ministry representatives in

Barbados and the Eastern Caribbean to strengthen the region's policy, legislative, and institutional frameworks as a foundation for climate-adaptation activities.

## Monitoring, Measurement and Evaluation

Our commitment to measuring results will take several forms. We will support and learn from institutions within and outside the U.S. government embracing **best practice in monitoring and evaluation**. The Millennium Challenge Corporation, in particular, has a rigorous monitoring and evaluation approach, including a strong commitment to conducting impact evaluations, which can serve as a useful source of lessons learned for the rest of government. We will also join the **International Initiative for Impact Evaluation** (3ie) to learn about and contribute to best practices in this area.

We will ensure that major presidential initiatives embrace and operationalize high-quality monitoring and evaluation as a core principle. This implies a strong commitment to collecting baseline data, improving indicators, conducting high-quality process evaluations, and where appropriate, undertaking impact evaluations. Timely evaluations are also important, so that learning can be fed quickly back to the field for mid-course corrections. Technical assistance will be provided to allow partner countries to develop their own monitoring and evaluation capacity.

To achieve results, we are strengthening our institutional capacity to monitor and evaluate development outcomes. An **Office of Learning, Evaluation, and Research** was recently created at USAID to support and guide the Agency's evaluation activities, extract lessons from evaluations, and ensure that they are fed back into planning and operations.

We will continue to encourage strong monitoring and evaluation functions in the **multilateral organizations** we support. We actively promote high-quality, independent evaluation and audit departments, the use of external evaluations where appropriate, and the public dissemination of data and results in a format that is intelligible to a wide range of stakeholders.

Finally, we will support efforts to improve our ability to track progress on the MDGs, including the World Bank's **Mapping for Results** effort to develop interactive mapping of the Goals. The initiative will provide information at the sub-national level to allow tracking of the relationships between aid flows, public expenditures, and poverty and other development indicators such as infant mortality and life expectancy.

## Enhancing Mutual Accountability

We will support principles to strengthen the ability to **track, monitor, and report** on progress by making donor commitments clearly defined, results-oriented, and time bound. These principles are central to the credibility of multilateral forums, just as commitments to good governance are

essential for the credibility of partner governments. The G8 Accountability Report in 2010 was a critical step forward, and one on which we intend to build.

Meanwhile, we will put in place a new framework on aid effectiveness to guide our efforts. We will start by launching a major **aid transparency initiative**. In collaboration with U.S. agencies, other donors, and partner governments, we will identify the most appropriate timelines and channels to disseminate country-level information about aid flows. After undertaking country pilots, the approach may then be scaled up. We will also seek to establish common reporting frameworks and develop an **Aid Dashboard** that allows stakeholders to visualize U.S. foreign assistance investments by geographic area or sector, see the details of specific projects, and track trends over time.

Finally, we will make the accountability of our partners for their commitments central to our approach. This will require a greater focus on encouraging the policy reforms that are key to development and essential to securing sustained development progress in countries that receive U.S. assistance.

## **A Better International Development Architecture**

To build a facilitating environment, we will work to strengthen the international institutions that provide and coordinate development assistance. We will work with our partners to ensure that the multilateral development banks and key United Nations agencies, funds, and programs are more effective, more transparent, more strategic, and better equipped to cope with the challenges of the 21<sup>st</sup> century.

At the G20, the United States will play a leadership role to ensure that development is at the heart of the Group's agenda, and at the G8, we will continue to insist on donor transparency and accountability and on meaningful mechanisms to make them effective. And as we approach the High-Level Forum on Aid Effectiveness in November 2011, we will work with our partners to take the agenda that began in Paris and Accra in a new direction, one that is squarely focused on development outcomes, not just process.

## A Call to Action

The drive to achieve the MDGs by 2015 is a valuable opportunity to leverage human ingenuity, leadership, and resources to generate historic development leaps. Innovation can help us accelerate development, but if these gains are to prove enduring, we must start taking serious steps now to make them sustainable. While strengthening our commitment to country-owned solutions, we must embrace a disciplined focus on measuring results, learning from experience, and ensuring that mutual accountability is meaningful in practice.

But these efforts cannot fall exclusively on the shoulders of governments. The Goals cannot be achieved unless the private sector and diverse elements of civil society also contribute to this global effort. We therefore call on the private sector in developed and developing countries alike to leverage its financial resources, technology, expertise, networks, and global reach in partnership with governments to help deliver basic services, generate employment, and foster innovation in areas covered by the MDGs. We encourage the business community to pursue ventures that are both commercially viable and help advance progress toward the MDGs, in addition to corporate social responsibility initiatives.

We call on civil society around the world to keep governments, the private sector, and international organizations focused on the Goals and transparent about their efforts to achieve them. Civil society should continue to help citizens hold their leaders accountable for delivering on their promises as donors or as stewards of development resources. And we call on international non-governmental organizations to continue their valuable work delivering food, medicine, and services around the world while helping to plant the seeds for sustainable, indigenous capacity to deliver these things.

Finally, we ask the American people to recognize that in our integrated, interconnected world, our prosperity and security are closely connected to those of other nations and peoples. If we are to secure a prosperous and peaceful future for our children, we must limit the worst human suffering and help people around the world unlock their potential to improve their communities and societies. As part of that effort, we thank the American people for their generosity. Every day, millions of Americans put their enormous creativity, entrepreneurship, resources, and volunteerism to the service of this cause, secure in the knowledge that it serves both our foreign policy interest as well as our highest aspirations.