

RELEASE IN PART B5

From: Mills, Cheryl D <MillsCD@state.gov>
Sent: Monday, October 29, 2012 12:14 PM
To: H
Cc: Sullivan, Jacob J
Subject: FW: Possible Changes in USAID Global Footprint

FYI

From: Goldberg, Robert H
Sent: Monday, October 29, 2012 11:31 AM
To: Mills, Cheryl D; Nides, Thomas R
Cc: Ballou-Aares, Daniella; Sullivan, Steph - D(N)
Subject: Possible Changes in USAID Global Footprint

This email is a heads up more than anything. I was briefed last week on USAID's plans to become more selective and focused in where it deploys its development resources. This will manifest in several ways that will require engagement with bureaus in the Department.

- In the near term, USAID plans to downsize or eliminate existing missions in several regions. Raj may want to publicly announce these plans early next year.
- Over a longer term – linked to the annual budget formulation process – USAID will propose to reduce or eliminate its work in various sectors and countries based on specific criteria.

In and of themselves, these actions are consistent with the PPD on Development and the QDDR. However, we need to make sure that the Department of State is fully engaged in these discussions as regional bureaus and Chiefs of Mission have strong policy equities in USAID's presence and its programs. I made the point to USAID that involvement with State is critical and I suggested that Raj raise his plans with you soon. Raj may raise this with the Secretary at his next available opportunity.

USAID is proposing to change the nature of its presence in several countries – moving from a full-blown mission to a smaller "office" indicating a smaller bilateral program to having just one Senior Development Advisor where the focus will be on multilateral development and to interact with the regional mission for any program work that will be conducted.

In Africa:

- Namibia and Benin will change from a full mission to an "office" to reflect development progress (Namibia and Benin)

In Asia:

- Mongolia will change from a presence to a non-presence
- Sri Lanka will change from a full mission to an office

In Europe/Eurasia

- Albania and Macedonia will change from a full mission to an office

In Latin America

- Paraguay and Jamaica will change from a full mission to an office (Paraguay may be revisited depending on the political situation there)

- Brazil will convert from a mission to a Senior Development Advisor
- Guyana and Venezuela will be non-presence countries.

Those countries where USAID's presence will downgrade will be supported from regional missions (eg., South Africa, Ghana, Bangkok, India,). At the same time USAID is downsizing its presence in these places, USAID will establish a footprint in several new places. USAID will establish Senior Development Advisors in countries that do not now have a USAID presence: Burkina Faso, Burundi, Cameroon, Cote D'Ivoire, Niger. USAID recently established a new mission in Burma and will set up new offices in Libya and Tunisia. The changes in USAID's footprint is not likely to yield much in the way of budget savings, but USAID is looking at this now.

USAID acknowledges that their interactions with State regional bureaus have been spotty and inconsistent – better with WHA, not so much with EUR/ACE. **I do think that USAID is doing the right thing and assessing its footprint overseas and looking at ways to provide regional support to countries with small bilateral programs. But I do not believe that USAID is an independent actor here.** While the distinctions between a "mission" and an "office" may be lost on many not steeped in the USAID bureaucracy, Chiefs of mission and other State Department officials need to be a part of these decisions given the growing linkages between development and diplomacy and the potential optics of changing USAID's presence and the potential reduction in our programs.

ON the program side, USAID is looking at ways to better focus its development funding and is reviewing criteria to govern such decisions – such as the size of a program, setting limits on the number of sectors in a given country/region we work in, etc. Changes in USAID's program and funding will manifest in next budget cycle.

If Raj raises this with you or the Secretary, I think the best approach is to develop a process where State regional Assistant Secretaries and affected Chiefs of Mission can be brought into the discussion so we have a comprehensive approach to USAID's presence and its work overseas.