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Deutsches Institut für  
Entwicklungspolitik



German Development  
Institute



**SID**

Society for International Development

**Bonn Chapter**

## Programme

1. Organizational and policy changes in the US aid system.  
What is necessary, what is possible, and what is likely to happen?

20 minute introductory presentation by Dean Atwood

1h 20 minute moderated discussion (moderator Dr. Erik Lundsgaarde, DIE)

- The new administration in Washington has promised to offer new directions for public policy in a host of domains. During his electoral campaign, President Obama suggested that his change agenda would also extend to US foreign assistance programs, with expanded aid funding and a revitalized civilian aid agency (USAID) within a reorganized aid system representing key elements of a pledge to increase America's commitment to global development. Since the inauguration, however, there have been few outward indications of how the Obama administration will move forward with an agenda to change the US aid system, which many observers believe is overdue for wide-ranging reform. Will aid reform be a casualty of the economic and domestic policy pressures the United States currently faces, or will the Obama administration fulfil its promise to strengthen America's global development programs? If the administration does move in this direction, what are the most important changes in the substance and organization of US development assistance that can be expected? US Secretary of State Clinton has indicated her intention to use "smart power diplomacy", using aid as an important tool. What does this mean in practice for USAID and US foreign aid? And how can the role of AID itself be expected to evolve in the Obama administration more generally? Finally, US development assistance is often viewed as being more driven by security and other foreign policy interests than poverty reduction goals. How might the poverty reduction orientation of US aid change in the Obama administration? What types of programming shifts might be forthcoming in this regard?

20 minutes break

2. Opportunities for closer engagement with European donors

10 minute introductory presentation by Dean Atwood

50 minute moderated discussion (moderator Dr. Annette Windmeisser, SID)

- Over the last 10 years donors and partner governments have promoted and implemented numerous changes in order to improve aid effectiveness. These efforts culminated in the Paris Declaration and were re-visited in Accra in September 2008, where existing commitments to the principles of ownership and alignment, and the new culture of cooperation they represent, were reinforced. As part of this process, donors have promised to make more systematic use of partner country structures and procedures in various areas such as public financial management and procurement, as well as in monitoring and evaluation in order to improve aid results. At the same time, the aid effectiveness agenda has called for reducing the transaction costs of development cooperation and improving efficiency and effectiveness through partner-led division of labour and complementarity among donors. Partner governments repeatedly insist on enhanced predictability and transparency as key features of a cooperation based on partnership commitments. This includes in particular timely and reliable information on the scope and forms of its development cooperation.

The OECD/DAC peer review of 2006 had these principles in mind when recommending that US aid should better balance its own priorities of funding (large share of ODA being delivered to Iraq and Afghanistan) with long term and significantly increased requirements elsewhere. In addition, the peer review encouraged the US to use different instruments, especially making use of the partners' own systems and institutions. A more multilateral approach could strengthen donor coherence, predictability and transparency. Can the US government action plan to implement the Accra Agenda for Action be viewed as a sign that the Obama administration will take significant steps toward implementing Accra commitments? Will the new administration work more closely with European partners (in partner countries and globally) on moving this agenda forward? What issues present the best opportunities for intensified US- European cooperation in the global development arena?

Vin d'honneur