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The Modernizing Foreign Assistance Network (MFAN)

Evaluation Report: 2008-2016

Executive Summary

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Acronyms

FAA	Foreign Assistance Act
FATAA	Foreign Aid Transparency and Accountability Act
GPA	Global Partnerships Act
IPR	Implementation and Procurement Reform
MFAN	Modernizing Foreign Assistance Network
NGO	Nongovernmental organization
PPD-6	Presidential Policy Directive on Global Development
USAID	U.S. Agency for International Development

Executive Summary

About the Modernizing Foreign Assistance Network

The Modernizing Foreign Assistance Network (MFAN)¹ is dedicated to bolstering the leadership role of the United States in promoting economic growth and reducing poverty and suffering around the world by improving the effectiveness, efficiency, and transparency of U.S. foreign assistance. MFAN is a bipartisan coalition of international development and foreign policy practitioners and experts representing think tanks, nongovernmental organizations, and private sector organizations, and also includes former government officials. Since its launch in 2008, MFAN has worked closely with the U.S. Congress, the executive branch, and the broader development community to advance a reform agenda to increase the impact of U.S. development assistance.²

About the Evaluation

The William and Flora Hewlett Foundation commissioned this evaluation, working in close collaboration with MFAN, to learn from MFAN's past: its relevance and effectiveness, and the sustainability of its impact. This evaluation studied MFAN's activities and results from just before its launch in mid-2008 through mid-2016. It was planned for a key moment: as the Hewlett Foundation completed its funding for MFAN, and MFAN prepared for its next phase. It also occurred during the 2016 U.S. elections and the early months of the Trump presidency, giving its findings greater importance, as MFAN positioned itself in a new and challenging political environment.

The evaluation used a variety of quantitative and qualitative methods including document and literature reviews, interviews, a survey, workshops, and a facilitated learning discussion. The evaluation team and evaluation advisory committee³ also met several times throughout the process.

The evaluation included four phases and was built around four areas of questioning: results, adaptability, coalition effectiveness, and member engagement. The team also assessed these questions as they related to four outcomes to which MFAN felt the network had made significant contributions: the Presidential Policy Directive on Global Development, the rewriting of the Foreign Assistance Act, the passage and enactment of the Foreign Aid Transparency and Accountability Act, and progress the U.S. Agency for International Development (USAID) made on its Local Solutions initiative.⁴ The resulting findings in this report are organized around the four areas of questioning and provide useful insights both for efforts to strengthen the effectiveness of MFAN and efforts to create and strengthen networks in other key public policy areas. Appendix 1 then provides a detailed narrative story for each of four contribution areas mentioned above. More details on the evaluation process are provided below and in the appendices.

¹ References to MFAN in this report include its fiscal sponsor, New Venture Fund. New Venture Fund serves as the official legal and fiscal entity for MFAN and exercises management oversight over the project.

² See Modernizing Foreign Assistance Network, About MFAN. Available at: <http://modernizeaid.net/about-us/>.

³ To guide this evaluation, Hewlett and MFAN created an evaluation advisory committee with two representatives from the Hewlett Foundation, two MFAN co-chairs, the executive director of the Hub (MFAN's secretariat), and a deputy. A few other MFAN members with leadership roles in MFAN or who represent key MFAN member organizations joined the committee for some meetings with the evaluation team.

⁴ These four outcomes were selected from among a list of outcomes that MFAN member interviewees and survey respondents identified as having been influenced by MFAN. MFAN members believed that these were among the most important outcomes on the list and had benefited the most from MFAN's involvement. They also represent changes in both legislation and executive branch policy, as well as changes that took place over the period covered by the evaluation (2008-2016). Appendix 1 provides a detailed narrative account of the efforts that led to each of the four outcomes.

Key Findings

MFAN members have achieved more together as a network than they could have achieved individually. This is evident in increased support for foreign assistance reform within the development community and Congress, as well as policy changes.

MFAN raised global development on the policy agenda, and made foreign assistance reform principles mainstream. MFAN's focus on reform principles strongly contributed to nongovernmental organizations (NGOs) looking beyond their silos to reach agreement on broader aid approaches.

MFAN has helped build a bipartisan constituency in Congress that supports foreign assistance reform. In July 2016, the Foreign Aid Transparency and Accountability Act, on which MFAN was a key external partner, passed the Senate and the House with broad bipartisan support. In 2010, MFAN was also instrumental in the creation of the bipartisan Congressional Caucus for Effective Foreign Assistance, which started in the House and has since expanded to the Senate.

MFAN played a critical role in advancing legislative and policy changes that reflect key foreign assistance reform principles.

- ***The Global Partnerships Act (GPA), a bill aimed at modernizing the Foreign Assistance Act of 1961 (FAA), was written and introduced.*** Congressman Howard Berman (D-CA), chair of the House Foreign Affairs Committee, and the committee rewrote the FAA, and Congressman Berman introduced the new bill in December 2012 largely because of MFAN's support, according to a key policymaker and his staff. It was at MFAN's urging that Congressman Berman decided to pursue rewriting the FAA. MFAN then played a critical role bringing together the development community to support this effort, and helping bridge sectoral divides. It continually encouraged the Obama administration to partner with Congress on legislation. It also kept pressing Congressman Berman's office to draft the new bill. Given the effort involved in the task, absent MFAN, Congressman Berman and his staff would not have attempted to rewrite the FAA, and the development community might not have found a similar opportunity to come together around a common reform agenda.
- ***The Foreign Aid Transparency and Accountability Act (FATAA) was enacted into law.*** FATAA "require[d] that detailed foreign assistance information be regularly updated on the ForeignAssistance.gov website, and that development and economic assistance be rigorously monitored and evaluated."⁵ FATAA's enactment in 2016 resulted from the long-term, concerted effort of many stakeholders, among whom MFAN played the most critical role, according to congressional staff members. MFAN provided much of FATAA's content. MFAN was in the most regular contact with congressional offices on the bill, and did most of the outsider legwork to keep the bill moving. Absent MFAN, the quality or focus of the bill might have changed; some congressional offices may have focused on competing priorities instead; or broad-based political support might not have coalesced.
- ***USAID advanced its reforms related to country ownership⁶ and accountability.*** MFAN members worked together to help USAID adjust its agency-wide program cycle⁷ guidance to support greater

⁵ George Ingram, Carolyn Miles, and Connie Veillette, July 6, 2016, "Foreign Aid Accountability Bill Unanimously Approved by Congress, Heads to the President for Signature," MFAN, <http://modernizeaid.net/2016/07/foreign-aid-accountability-bill-unanimously-approved-congress-heads-president-signature/>.

⁶ MFAN and the development community generally use the term "country ownership." The term "local ownership" is most favored by USAID reformers. USAID uses "local ownership" to refer not only to partner governments, but also civil society and the private sector.

⁷ USAID's "Program Cycle, codified in the Automated Directive Systems (ADS) 201, is USAID's operational model for planning, delivering, assessing, and adapting development programming." See <https://usaidearninglab.org/program-cycle-overview-page>.

country ownership and improve evaluations, according to USAID staff members. MFAN was a strong voice for country ownership within the executive branch and the development community, as well as on the Hill. During the contentious roll out of USAID's Implementation and Procurement Reform initiative (IPR) in 2011. MFAN successfully neutralized most opposition from international NGOs and private contractors. MFAN was an invaluable sounding board for USAID staff, helping them figure out how to implement the agency's Local Solutions initiative, through which USAID sought to increase its direct investment in partner governments and local organizations. MFAN also helped USAID staff overcome internal obstacles on measurement reforms related to Local Solutions goals. Absent MFAN, there would not have been such a strong external voice supporting country ownership and USAID's reforms, and USAID would have been hard pressed to overcome internal obstacles.

- *The first-ever Presidential Policy Directive on Global Development (PPD-6) was issued in September 2010.* MFAN's work among its members to agree on shared aid reform principles, and its advocacy prior to the 2008 elections and during the Obama transition appear to have provided content and political momentum for PPD-6. An MFAN founder entered the Obama administration, and was a key drafter of PPD-6. However, most interviewees agree that MFAN was not a key player in influencing the drafting of the directive. Absent MFAN, PPD-6 would likely still have been issued, given the administration's support for these concepts. Nonetheless, the global recession might have knocked the topic off the list of presidential priorities without the visible network of thought leaders advocating for the emerging consensus on how to reform foreign assistance.

A number of MFAN's characteristics contributed to its gains, including MFAN's membership, focus, strategy, tactics, and operations. MFAN serves as a platform where diverse groups – think tanks, NGOs, former policymakers, and other thought leaders – connect, build trust among themselves, and share information, with a concentrated focus on U.S. foreign assistance reform. Members offer complementary experience and expertise. To bring in a diverse membership and to appeal to a broad spectrum of policymakers, MFAN remains principles-focused and nonpartisan in its agenda. Its members, because of their seniority in the field, have many valuable relationships that facilitate sharing ideas with Congress and the administration. Over time, they have deepened those relationships and developed new ones, all of which have helped MFAN identify and address obstacles to policy change. MFAN's secretariat, referred to as the Hub, and select MFAN members have provided policymakers and their staff with constant engagement supporting their reform efforts. Finally, through its membership, publications, and advocacy, MFAN has developed a reputation as the go-to resource on aid reform for target audiences, such as congressional staff and other members of the development community.

Yet, MFAN has also missed some opportunities. According to some MFAN leaders and members, a prime area is related to earmarks and presidential initiatives, which are significant obstacles to increased aid effectiveness. In their view, MFAN did not make strong enough statements or take effective action about these, in deference to its members.

“There was no support in the administration for getting rid of earmarks. We should have publicized more about the effects of earmarks, exposed the absurdity of them. This would potentially have teed it up for the next administration, and given more strength to people inside the agencies.”

Former MFAN member

In addition, many interviewees said MFAN has had difficulty navigating relationships with friends in the administration, and knowing when to push or critique. Some believe MFAN could have been more engaged on sectoral legislation and strategies, although there is evidence of MFAN exerting its influence in both areas. Others believe MFAN could have been more influential if it had stronger relationships with more agencies.

Finally, many MFAN members noted that MFAN lost momentum and effectiveness, while it underwent internal transitions in 2013 and 2014. For example, most members felt MFAN missed opportunities to weigh in on legislation and policy decisions related to country ownership during that period.

MFAN’s missed opportunities have been attributed to a number of causes.

Many interviewees noted MFAN’s efforts to balance its membership size with its strength of message. More weight on the former at times led to watered-down messaging, while emphasizing the latter at times led to less reach. When working to enhance its political strength – achieved through a combination of strong messages and membership size, MFAN has faced challenges getting some members on board with its agenda. This was true in its early days, when some members feared a message focused on aid effectiveness might undermine calls for greater aid funding. When emphasizing strength of message, having sufficient bandwidth to access the full range of key actors has been challenging. Members have also hesitated to critique the administration in power for fear of losing access to certain circles and conversations.

Internally, MFAN undertook too many simultaneous changes during its 2013-2014 transition (details below), leading to decreased network effectiveness for six to twelve months. For a time, MFAN lacked clarity about its governance and decision-making processes for the new structure, and some MFAN members also felt that their roles were unclear.

Conclusion

Based on this evaluation’s findings, MFAN plays an essential role in advancing U.S. foreign assistance reform, due to its singular focus on the topic, its nonpartisan approach, and the quality and engagement of its membership.

Recommendations

To increase its influence even further, the evaluation team identified the following recommendations, based on the findings. Recommendations specific to the 2017 presidential transition are presented in a separate policy memo.

MFAN and its members should:

- **Focus** | Maintain focus on the importance of U.S. foreign assistance and making it more effective. MFAN's singular focus on and nonpartisan framing of this issue appeal to a broad spectrum of policymakers.
- **Strategic priorities** | Continue to regularly and systematically assess the policy landscape (including Congress, the administration, and the development community), and adjust priorities accordingly.
- **Membership** | Continue to identify and work closely with members who share MFAN's priorities, have committed to work on foreign aid reform through MFAN – even with uncertain funding, and have convening power, access, influence, knowledge, and expertise about congressional and administration policymaking and technical content. Also identify additional actors to bring in, depending on MFAN's agenda and the gaps it needs to fill. Maintaining a membership that includes think tanks, NGOs, and former policymakers gives MFAN the breadth of perspectives, experience, and expertise needed to generate innovative ideas and grounded policy proposals.
- **Dedicated resources** | Encourage MFAN funders to require that grantees focused on sectors, such as health or education, also adhere to aid reform principles. Also, encourage MFAN funders to coordinate with each other to maximize the impact of their investments. Members need to identify funding sources or other mechanisms that can support their aid reform work and participation in MFAN.
- **Structure** | Establish a streamlined structure that: represents the minimum required for MFAN to advance its agenda, in order to facilitate decision making; reflects members' skills and resources; and ensures the easy flow of information among members. When MFAN's agenda is broad and focused on agenda setting, a core group of highly committed principals and deputies meeting regularly can achieve that purpose. Thematic working groups are effective at addressing narrower issues focused on policy adoption and implementation.
- **Decision-making process** | Develop more explicit guidelines for how decisions are made in order to increase coalition effectiveness within a larger and more diverse MFAN that has a more complex structure than in its earlier years. For example, MFAN should clarify the authority working groups have to make decisions, and when they need to consult with the Executive Committee and co-chairs. The near-consensus decision-making model and absence of clear governance rules worked best when MFAN was a smaller, more homogenous group.
- **Fostering relationships with allies** | Foster relationships with allies to expand MFAN's political heft without losing its policy sharpness. This can be done through participating in ad hoc efforts, such as the campaign on the budget led by the U.S. Global Leadership Coalition; bringing others into MFAN's working groups, such as allies dedicated to MFAN's priorities; or participating in others' working groups, such as those at InterAction. In these relationships, connecting and building awareness among members, in addition to top leaders, will help maximize the influence and results that MFAN and its allies can achieve.
- **External relationships with policymakers** | Undertake a formal landscape analysis to understand key leverage points, and regularly update this analysis. Create a process to allow MFAN to prioritize its relationship-building efforts, so MFAN can increase its influence and avoid missed opportunities. MFAN needs to continue to reach out to members of the Freedom Caucus, either directly, through MFAN members, or via the Kyle House Group and the Consensus for Development Reform. MFAN also needs to foster stronger relationships with appropriators and other committees in Congress, such as Armed Services. Additionally, MFAN must build relationships with strategically positioned members of the administration who value foreign assistance and want to increase its effectiveness.

