### Center for Strategic and International Studies

## TRANSCRIPT

### Event

# "Opportunities for Innovation in Global Development"

## Opening Remarks by Rep. Joaquin Castro (D-TX)

DATE **Tuesday, June 6, 2023 at 9:00 a.m. ET** 

#### **FEATURING**

### Representative Joaquin Castro (D-TX)

Ranking Member, House Foreign Affairs Western Hemisphere Subcommittee

#### CSIS EXPERTS

### Conor M. Savoy

Senior Fellow, Project on Prosperity and Development, CSIS

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Conor M. Savoy:

Well, good morning, everyone. I think we're going to go ahead and get started here. Welcome to CSIS. I'm Conor Savoy. I'm a senior fellow here with the Project on Prosperity and Development.

It's my pleasure to have you join what I think is going to be a great event today on innovation and global development. It's a big topic, means a lot of things to different people, but we have a great panel that's going to help unpack this topic with me today.

But first we're going to hear from Congressman Joaquin Castro, Democrat of Texas, who recently introduced – alongside Congresswoman Young Kim, Republican of California – the Fostering Innovation and Global Development Act, or FIGDA. FIGDA is an attempt to advance innovation at the U.S. Agency for International Development and, I would say, try to embed it far more in the work that the agency does.

Congressman Castro is in his sixth term representing the 20<sup>th</sup> Congressional District of Texas. Prior to that, he served five terms in the Texas House of Representatives. In Congress, he serves as a member of the House Foreign Affairs Committee and House Permanent Select Committee on Intelligence. In these roles, the congressman has been a steadfast champion for principled American engagement abroad. And those of us who follow U.S. global development policy know that he's been a strong supporter of these efforts.

So it really is my pleasure today to welcome Congressman Castro to CSIS. (Applause.)

Representative Joaquin Castro (D-TX):

Good morning, everybody. How is everybody doing? Good, good.

Well, first of all, Conor, thank you for that very kind introduction. And thank you to CSIS for hosting this much-needed conversation about the value of promoting innovation in our approach to foreign assistance.

I'm Joaquin Castro and I represent my wonderful hometown of San Antonio, Texas. And I'm very proud to be in my sixth term in Congress. In this Congress, I serve as ranking member of the House Foreign Affairs Subcommittee on the Western Hemisphere and as a senior member of the Subcommittee on the Indo-Pacific, and I'm also in my fourth term on the House Permanent Select Committee on Intelligence. In the last Congress, as chairman of the House Foreign Affairs Subcommittee on International Organizations, International Development, and Global Corporate Social Impact, I convened a number of hearings and briefings to assess the current state of U.S. foreign assistance. I was interested in candid conversations about our current approach to foreign assistance –

particularly on where it works, where it doesn't, and where we need to improve and get better.

The United States, as you all know, is the largest contributor to bilateral foreign assistance, and we're the only nation in the world with the power to mobilize the world around sustainable development, these sustainable development initiatives that can transform millions of lives around the world. So I'm very proud of the work we do as a nation, but I know – and I believe that many of you know – that we can do it more effectively.

In Congress, discussions about foreign assistance usually center on the what or the where, or devolve, unfortunately, into partisan fights about whether we should fund foreign assistance at all. In part, that's because of politics. But the lack of investment in new, innovative programs has also left our foreign assistance ecosystem vulnerable to waste, program obsolescence, and other issues that undermine domestic support for aid initiatives. USAID is an under-resourced agency that, like any bureaucracy, tends to do what it already knows how to do.

The thinking is that new initiatives are risky, and in a political climate that's already hostile to foreign assistance, USAID can't afford to take risks. In my view, that's the opposite of how we should be looking at this. Continuing to do things as they've been done, without change and adaptation, is risky even if we don't think of it as risk. Thankfully, Administrator Power has shown a serious commitment to addressing these issues. And when I first got to Congress, Administrator Raj Shah was also thinking about the very same questions.

Back then, I worked with Administrator Shah to introduce the Global Development Lab Act, legislation that would have codified an office at USAID that looks at how the agency could be more innovative in its development programs. I supported programs, like Development Innovation Ventures, that were housed at the lab. And when the Trump administration's first budge zeroed out the DIV program, I directly intervened. I worked with a bipartisan coalition, including the now-chair of the Foreign Affairs Committee, Michael McCaul, to make the case that DIV is too valuable to cut.

To managed to keep DIV funded through the years. In fact, over the last two years, we were able to almost double the funding DIV receives from Congress. And, last month, as Conor mentioned, to build on that work Congresswoman Young Kim and I introduced the Fostering Innovation in Global Development Act, or FIGDA. DIV has demonstrated that USAID is very good at identifying at highly effective approaches to foreign assistance, but the agency has struggled to create a pipeline for those innovations to reach the rest of USAID.

FIGDA is our answer to that challenge. The bill has many important provisions and I want to highlight just a few of them. First and foremost, FIGDA formalizes the responsibilities for promoting innovation at USAID by doing some of the following things: Establishing the position of a chief innovation officer who will be chiefly responsible for advancing innovation at USAID. Requiring each USAID bureau to have a senior advisor responsible for innovation. And authorizing the administration to hire up to 30 innovation fellows who will work across the agency to improve the integration of – to improve the integration of these programs.

The bill calls on USAID to identify highly effective, evidence-based approaches to foreign assistance, and directs all of USAID to proactively consider how they can integrate their approaches into all of their work. To leverage the power of our global allies, FIGDA would further authorize the U.S. to participate in the Global Innovation Fund, a partnership that allows the United States and other governments and donors to pool our resources to support new approaches to the delivery of foreign assistance.

And finally, because no agency needs an unfunded mandate, FIGDA would authorize \$45 million annually over five years to put innovation at the heart of USAID's work. Earlier this year, we held a launch of it on Capitol Hill for FIGDA and heard directly from the One Acre Fund and other groups with evidence-based approaches to AID that could expand if FIGDA becomes law. I'm excited about the broad coalition that we've assembled, and I'm hopeful that FIGDA will be able to move through Congress this year. Sid Ravishankar, Geneva Kropper, and the rest of my team that work on foreign affairs are working incredibly hard daily to make this happen.

In a few minutes, you're going to hear from Alix from the Global Innovation Fund and Colin from One Acre Fund, who will speak in further depth about the impact of FIGDA for their respective organizations, and the broader landscape for AID. My team and I work closely with Alix, Colin, and Conor in shaping our oversight agenda last Congress. And their input, I want you to know, was invaluable as we crafted this legislation. As CSIS and others in this room continue to engage with these critical issues, please know that my office is always interested in leveraging your expertise and learning from your experience. I'm looking forward to continuing these conversations in the days and months ahead.

And most of all, thank you all so much for joining today's discussion, and please enjoy the panel. Thank you. (Applause.)

Mr. Savov:

So, if the panelists want to come up, we'll get started. Thank you, Congressman Castro. We really appreciate that. Good luck with getting FIGDA passed in this Congress. Thank you.