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COVID-19 and Foreign Assistance: Issues for Congress

As Congress considers policy responses to the global spread of Coronavirus Disease 2019 (COVID-19), Members of Congress may consider the impact of the pandemic on U.S. foreign assistance agencies and programs, and explore the pandemic’s influence on U.S. foreign aid priorities. This analysis focuses on current pandemic-related personnel and program issues at the U.S. Agency for International Development (USAID) and other U.S. foreign assistance agencies, and identifies potential concerns about the pandemic’s effect on U.S. global development strategies.

Personnel

On March 14, the State Department authorized the return to the United States of high-risk U.S. government personnel and family members from diplomatic or consular posts abroad. The impact of such departures varies by post. USAID maintains that all of its staff under Chief of Mission authority are following State Department guidance on authorized and ordered departure. The Millennium Challenge Corporation (MCC) is also authorizing the departure from overseas posts on a limited basis. The Peace Corps, in contrast, has suspended all operations worldwide out of concern that disruptions in international air travel may make guaranteeing volunteer safety difficult. A worldwide volunteer evacuation is underway; post staff have not yet been evacuated.

The most recent COVID-19 supplemental legislation (P.L. 116-136) authorized the State Department and USAID to provide additional paid leave to address employee hardships related to COVID-19, both in the United States and abroad. Many nongovernmental organizations that implement U.S. foreign assistance through grants and contracts are also taking steps to limit their employees’ exposure to the virus, including by limiting travel, potentially affecting program costs and implementation timelines.

Programming and Funding

USAID has led U.S. foreign assistance efforts to address the global spread and impact of COVID-19, in conjunction with domestic and international activities of the Department of Health and Human Services (HHS). To date, USAID assistance has focused primarily on

- providing equipment and training to health care workers (though personal protective equipment, in short supply in the United States, is reportedly no longer being provided);
- boosting lab and surveillance capacity;
- scaling up existing water, sanitation, and hygiene (WASH) programs to educate communities about how to slow the spread of the virus; and
- addressing the impact of the virus on livelihoods.

Much of this assistance is channeled through the World Health Organization (WHO), which is helping developing countries prepare for large-scale COVID-19 testing and implementation of public-health emergency plans.

Other assistance is being provided bilaterally: USAID reports that it has committed \$274 million in emergency funds for up to 64 of the most at-risk countries facing the COVID-19 threat (as of March 26). The Peace Corps’ suspension of operations precludes it from taking a role in the response. MCC programs, which operate over a longer time horizon, are unlikely to address the pandemic significantly, though some operations have been disrupted by country lockdowns and social distancing.

Funding. To date, Congress has appropriated almost \$1.8 billion in emergency foreign assistance funds through two supplemental appropriations bills to address the impact of COVID-19 (a separate COVID-19 supplemental, P.L. 116-127, did not include foreign assistance funds) (**Table 1**).

Table 1. FY2020 Emergency/Supplemental Foreign Aid for COVID-19 Response
(U.S.\$ in millions)

Account	P.L. 116-123	P.L. 116-136	Total
USAID Op. Expenses		95	95
USAID Insp. General	1		1
Global Health Programs	435		435
Economic Support Fund (ESF)	250		250
Int’l. Disaster Assistance	300	258	558
Migration & Refugee Assist.		350	350
Peace Corps		88	88
Total, all accounts	986	791	1,777

Source: P.L. 116-123, P.L. 116-136.

Notes: Does not include State Department diplomatic and consular funds or Department of Health and Human Services funding, as those are not considered foreign assistance under the Foreign Assistance Act of 1961, as amended.

The first round of supplemental aid funding (P.L. 116-123, signed into law on March 6) focused on replenishing emergency health and disaster assistance funds that had already been depleted by COVID-19 response activities. It also included ESF funds for “economic, security and stabilization requirements” related to the pandemic. The second supplemental with foreign assistance funding (P.L. 116-136, signed into law on March 27) provided additional

disaster assistance funds, new funding for migration and refugee assistance, and USAID and Peace Corps administrative funds to manage additional program funding and evacuate volunteers, respectively.

The magnitude of the pandemic has strained U.S. domestic resources while also putting pressure on international assistance. With a whole-of-government initiative under way to address the pandemic in the United States, Congress is continuously assessing whether funds should support pandemic response overseas, or if such resources should be focused on response needs in the United States.

Outlook

The U.N. has issued a \$2 billion appeal to fight COVID-19 in the world's poorest countries, where experts warn that the pandemic could quickly overwhelm health systems and devastate economies in the coming weeks. While many U.S. officials are currently focused on slowing the spread of the virus domestically, as well as finding treatments and developing vaccines, the pandemic's spread in less developed countries could have broad implications for U.S. foreign assistance policy and priorities. Issues Congress may consider as it develops related policies include the following:

- **Continuity of operations and program oversight.** The evacuation of staff from overseas posts, in addition to implementing partners, may result in reduced capacity to carry out and oversee both ongoing programs and new COVID-19-related programs. USAID maintains that it has planning efforts underway to ensure that staff can continue to execute the agency's mission even if staffing changes. However, in countries that are significantly affected, agencies may struggle to monitor programs adequately, which may have a negative impact on program quality and congressional oversight.
 - **Global health.** As global health resources are increasingly focused on preventing and treating COVID-19, other health activities, including the HIV/AIDS programs that make up the bulk of U.S. global health assistance, may face competition for funds and trained medical personnel. The potential impact of the pandemic on health workers and facilities could also have broader implications for maternal and child health efforts, another U.S. assistance priority. The pandemic may influence the ongoing debate within Congress over the merits of aid investment in health system strengthening rather than disease-specific efforts.
 - **Global food security.** The U.N. Food and Agriculture Organization has raised concern that food supply chains may be affected by COVID-19, with lockdowns and restrictions on movement disrupting food production and distribution. USAID has indicated that its COVID-19-related humanitarian assistance includes food assistance, where appropriate. However, USAID has not released information on how, if at all, it may reprogram its food security and agricultural development programs, an issue that may be of interest to Members as the pandemic continues. The USAID-funded Famine Early Warning Systems Network (FEWSNET) is monitoring
- the outbreak, and some of its country-specific updates are reflecting effects of COVID-19, including rising food and fuel prices.
 - **Fragile states and displaced populations.** The policies that have shown promise in stopping the spread of COVID-19, including social distancing and contact tracing, may be especially challenging to implement in the world's most fragile states and among displaced populations such as refugees. Overcrowded living spaces and insufficient hygiene and sanitation facilities make conditions conducive to contagion, while poor health services and infrastructure mean there is limited disease surveillance and an insufficient capacity to manage an outbreak. Some experts warn that the pandemic could be destabilizing in contexts such as Afghanistan or Syrian refugee camps, with potential national security implications for the United States. U.N. officials have also cautioned that if outbreaks of COVID-19 are not managed in more vulnerable countries, the virus could "circle back around the globe." Congress may prioritize efforts to stop the spread of disease in these contexts.
 - **Democratic backsliding.** As governments around the world implement restrictions on movement and gathering, assert emergency executive powers, and postpone elections as a means of slowing the spread of COVID-19, concern has grown among some observers about the potential abuse of these tools to undermine democracy. Congress has long prioritized democracy promotion as a foreign assistance objective, and may consider the role of such efforts as a component of global pandemic response.
 - **Deployment of aid personnel domestically.** In 2005, the Peace Corps mobilized 272 volunteers for short-term "Peace Corps Response" assignments to assist disaster relief for Hurricane Katrina. USAID's Office of U.S. Foreign Disaster Assistance (OFDA) also managed logistics in response to the hurricane. With all Peace Corps volunteers recently evacuated and a large medical supply management operation ongoing in the United States, Congress could consider options to deploy resources domestically as in the past.
 - **Global leadership.** Foreign assistance is a tool with which donor countries may seek to exert influence and leadership. While the United States is the top bilateral aid donor in general, and for COVID-19 response specifically to date, China and Russia have pointedly stepped up their efforts to support other countries' responses. Congress may consider the implications of the U.S. international response on U.S. global influence and strategic priorities.

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