

U.S. OVERSEAS GOVERNANCE AND ACCOUNTABILITY ASSISTANCE IS CRITICAL TO ACHIEVING U.S. FOREIGN POLICY GOALS

FEBRUARY 2025

SUMMARY

On January 20, 2025, President Trump signed an Executive Order pausing foreign aid and assistance for 90 days pending a review of all programs. A review of U.S. foreign assistance for effectiveness, to ensure programs address current problems, and that they serve U.S. foreign policy objectives is not in itself controversial. However, the pause, even if temporary, has raised concerns across the political spectrum and among U.S. business leaders about interruptions to efforts that clearly serve timely U.S. interests.

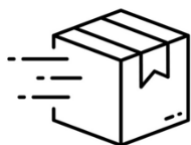
Responding to some of these concerns, Secretary Rubio, as authorized by the President, appropriately provided waivers to restore direct humanitarian aid including lifesaving medicines, emergency food assistance, and similar initiatives. The Secretary has also invited organizations working in other areas to apply for waivers by explaining how those activities

reflect core U.S. interests. The Secretary should continue to identify, as evidence surfaces and in response to waiver applications, funding for immediate release that clearly meets U.S. foreign policy goals.

Continuing this iterative process will limit the impact of gaps that allow U.S. adversaries to gain footholds in various parts of the world.

This issue brief offers just a few of many examples of critical support for overseas accountability, rule of law and transparency initiatives that have and can continue to serve core U.S. interests. They ensure, among other objectives, that any bilateral security and economic agreements negotiated by the President and his Administration are properly monitored and enforced in real time.

EXAMPLES



The 2018 Prosper Africa Initiative offered U.S.-African bilateral trade incentives to counter China's Belt and Road Initiative. USAID regional economic hubs worked with U.S. firms to [overcome entry barriers](#) including transparency to several African nations' markets, resulting in the closure of roughly 280 deals worth a total of \$22 billion by November 2020. In coordination with other U.S. foreign assistance, USAID [supported the training](#) of government personnel in budget preparation and execution, accounting, auditing, and procurement to ease market access.



In 2020, USAID and the Association of Southeast Asian Nations (ASEAN) signed a security and economic integration [agreement](#) to help counter China's influence in the Indo-Pacific region. Additional U.S. assistance furthered efforts to reduce trans-Pacific costs and expand on the \$300 billion in trade. USAID laid the groundwork for the partnership by implementing an [electronic case management system](#) for the Philippine's judiciary, supporting an [e-government system](#) to reduce corruption in Cambodia, and training officials in [public financial management](#) in Indonesia.



The 2018 Digital Connectivity and Cybersecurity Partnership (DCCP) was a multiagency initiative to promote the investment in safe telecommunications infrastructure and the adoption of cybersecurity frameworks, safeguarding countries from threats posed by China. USAID assisted governments in adopting [regulatory clarity, improved legal frameworks](#) and [digital security](#) in the telecommunications sector, resulting in expanded diplomatic engagement.



The Stabilization Assistance Review (SAR) program, launched in 2016 with an [updated framework released](#) in 2018, has guided U.S. policy in fragile and post-conflict countries such as Tunisia, Ukraine, Iraq, and Colombia. Complementing efforts by the State and Defense Departments, USAID [supported efforts](#) of national and local government to ensure long-term stability and contain security threats by strengthening courts, improving the transparency of government budgets, managing elections, and passing new accountability legislation.

RESTORING AID FOR OVERSEAS GOVERNANCE AND ACCOUNTABILITY PROGRAMS STRENGTHENS VITAL U.S. INTERESTS

The temporary absence of U.S. aid has opened opportunities for U.S. adversaries to gain advantage. As reported in the *Washington Examiner* (February 18, 2025), "In the days following the halt on aid spending, China has moved to fund landmine clearance operations in [Cambodia](#), offered the government of [Nepal](#) development assistance, and attempted to build influence in America's backyard by offering nongovernmental organizations in [Colombia](#) money to replace canceled U.S. funding."

The U.S. can have a rapid response. When it comes to countering Chinese and other malign influence and adversaries' geopolitical ambitions, U.S. foreign assistance that goes toward improving a foreign country's transparency, accountability, or governance has some of the highest returns on investment of any type of assistance. This is because those dollars aren't in competition with money from U.S. adversaries for

influence. Rather, they often fund initiatives and promote reforms that reveal improper influence by America's adversaries.

Accountability programs attack root causes of problems including stemming fraud and abuse. For example, estimates of illicit financial flows out of Africa are around [\\$50 billion annually](#) – more than the total amount of U.S. assistance to the continent. Capturing those funds by improving governance allows the U.S. to redirect and more effectively and efficiently focus our aid.

As the review of U.S. assistance programs continues, Secretary Rubio should consider quickly restoring funding for governance, accountability and transparency work that benefits U.S. geopolitical and economic interests.

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