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May 26, 2021

The Honorable Christopher Coons  
Chairman  
Subcommittee on State-Foreign Operations and  
Related Programs  
United States Senate  
Washington, DC 20510

The Honorable Lindsey Graham  
Ranking Republican Member  
Subcommittee on State-Foreign Operations and  
Related Programs  
United States Senate  
Washington, DC 20510

Dear Chairman Coons and Ranking Member Graham:

On behalf of the Credit Union National Association (CUNA), I am writing in strong support of a funding level of \$20 million for the Cooperative Development Program, administered by the U.S. Agency for International Development (USAID), in fiscal year 2022. I am also writing to support the inclusion of USAID procurement reform language in the report accompanying the State and Foreign Operation and Related Programs Act of Fiscal Year 2022. CUNA represents America's credit unions and their 120 million members. There are over 86,000 credit unions in 118 countries with \$2.6 trillion dollars in total assets serving 291 million members. The Credit Union National Association is also a member of the World Council of Credit Unions (WOCCU), which is the leading trade association and development organization for the international credit union movement.

Since 1971, WOCCU has offered nearly 300 technical assistance programs around the globe – all while serving the mission of improving lives through credit unions and other cooperative financial institutions. WOCCU's programs provide education and international networking for the exchange of information and ideas. Through these projects, WOCCU promotes the sustainable development of credit unions and other financial cooperatives around the world to empower people through access to high quality, affordable financial services.

With U.S. government and private U.S. foundation support, WOCCU is working to promote economic freedom and growth, increase financial inclusion, expand rapidly financial access using mobile technology, help farmers and artisans obtain better prices for their goods, and fill the agricultural lending gap to improve food security.

### **Procurement Reform**

The United States offers the world specific U.S. capabilities that remain core strengths that only the United States has the means to project. U.S. civil society offers much of those core strengths in the form of not-for-profit organizations and the citizens who are passionately dedicated to make a positive difference in the world.

While U.S. citizens are willing to share our country's wealth in financing assistance, there is also a generous desire to contribute through their own work and efforts as well. Many such values-driven organizations offer specialized and professional areas of expertise which can both make that positive difference and support U.S. foreign policy. Many have extensive community rooted networks in countries that are prioritized by USAID.

These organizations can provide USAID with specialized skills, organized networks, and a proven track record to support USAID implementation of U.S. foreign assistance. U.S. private voluntary and not-for-profit organizations tend to be smaller and more specialized. As such, they face procurement obstacles in the effort to partner with the U.S. Agency for International Development.

Previous USAID Administrators and Congresses have tried to reform procurement practices and broaden access to USAID resources. Despite these efforts, USAID data shows that large contracting firms continue to increasingly dominate USAID awards.

Smaller U.S. private voluntary and not-for-profit organization should have fair access to USAID procurement. Therefore, we ask you to include report language that would encourage prioritization of funding for these organization.

### **Proposed Report Language**

#### **PRIORITIZATION OF FUNDING FOR SMALL UNITED STATES PRIVATE AND VOLUNTARY ORGANIZATIONS AND COOPERATIVES.—**

*In order to enhance and maximize access to and use of the unique skills and experience of small and private voluntary organizations and cooperatives in implementing programs authorized under this part, the Administrator of the United States Agency for International Development shall ensure that a minimum of 12 percent of annual development assistance appropriations are directly awarded to small U.S. private and voluntary organization and cooperative development organizations.*

### **Cooperative Development Program**

A main source of funding for WOCCU has been the Cooperative Development Program (CDP) of the Development Assistance account in the State-Foreign Operations and Related Programs Appropriations bill. In fiscal year 2021, Congress provided an appropriation of \$18.5 million to be available for cooperative development programs of USAID. The Cooperative Development Program (CDP) is a global initiative that focuses on building capacity of cooperative businesses and cooperative systems for self-reliance, local ownership, and sustainability. **This year, we respectfully urge you to increase the funding for these programs to \$20 million.**

With their specialized expertise, CDP's implementing partners have advanced cooperative businesses and systems in more than 18 countries in Africa, Latin America, and Asia. Activities are targeted to strengthen cooperative businesses in several ways including improved governance, capitalization, gender empowerment, youth engagement, financial management, market performance, and advocacy. The program also prioritizes collaboration among partners through working groups, cooperative research, learning, and dissemination of cooperative development resources.

During the life of the program, activities have supported more than 500 cooperatives and credit unions with a combined savings of \$495 million. The program has also:

- Provided health insurance and services to more than 42,000 people in Uganda
- Leveraged more than \$95 million of investments for cattle cooperatives in South Africa
- Increased member equity among cacao cooperatives in Ecuador, Peru, and the Dominican Republic by more than \$4 million
- Reformed cooperative law and regulation in Mozambique, Tanzania, Uganda, and Kenya

On behalf of credit unions and their millions of members, thank you for your assistance in ensuring much-needed funding for the Cooperative Development Program as well as furthering procurement reform at USAID.

Sincerely,



Jim Nussle  
President & CEO