

Unlock Aid endorses the Fostering Innovation in Global Development Act (FIGDA)

As a result of early-stage support from the private sector, philanthropy, and government, today there are hundreds of social innovators operating around the world with proven solutions to health access, poverty alleviation, clean energy, food insecurity, and other global challenges.

But they're now all coming up against the same brick wall. While many have been able to work with governments to secure small-scale funding for pilots, too few say they can count on public institutions to scale their impact.

The consequence: many are giving up on global development donors like the United States.

The Fostering Innovation in Global Development Act (FIGDA), introduced by Congressman Joaquin Castro (D-TX) and Congresswoman Young Kim (R-CA) has the potential to change that. If passed, FIGDA will reposition the United States as the partner of first resort for social enterprises and countries that want to leverage innovation to achieve the SDGs.

Unlock Aid has endorsed this bill because it:

- 1 Makes innovation and technology a major priority at USAID**, including by integrating siloed innovation programs with the rest of agency operations
- 2 Creates funding pathways to scale proven innovations** to ensure that proven solutions receive funding not just for pilots, but for scale ups, too
- 3 Creates new entry points** for innovators to work with USAID

Specifically, the bill:

Establishes a Proven Solutions program, creating a standardized process for USAID to identify and direct a greater share of existing Agency funding for its most cost-effective, replicable solutions. This:

- Increases the cost-effectiveness of USAID's overall investments
- Creates for the first time a dedicated funding pathway to bring-to-scale proven innovations supported by USAID, DFC, and other trusted international aid donors
- Ensures the agency does not just provide budget for pilots, but for scale-ups, too

Expands pro-innovation contracting at USAID, including pay-for-results, milestone-based contracts, advanced market commitments, and outcomes markets to:

- Pay innovators fixed rates against high-value services
- Deploy models used by other federal agencies to drive innovation and increase competition and results

Directs USAID bureaus and overseas missions to incorporate innovation and technology considerations into their annual strategic plans. These processes will ensure that innovations

developed by USAID and partners are better integrated across agency programming to reduce costs and increase efficiencies and impact.

Establishes a standing authorization to fund USAID's Development Innovation Ventures (DIV) program and contribute to the Global Innovation Fund, two of the most effective and highest-impact innovation funds in global development