



Agency Priority Goal Action Plan

Effective Partnering and Procurement Reform (EPPR)

Goal Leaders:

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Overview

Goal Statement

- Empower development partners through collaborative and co-creative practices in acquisition and assistance. By September 30, 2021, USAID will increase the use of collaborative partnering methods and co-creation¹ within new awards by five percentage points, measured by percentage of obligated dollars and procurement actions.

Opportunities

- Forge new partnerships and expand the partner base of the U.S. Agency for International Development (USAID);
- Embrace greater collaboration, co-design, and co-financing with diverse, locally led and locally established partners to improve the effectiveness and sustainability of USAID programs; and
- Leverage private-sector capabilities, sustainability, and investment to increase development impact, including through co-investment.

Challenges

- USAID is constantly adapting and trying to strike the proper balance between innovation and risk, to assess the effectiveness of innovative procurement approaches appropriately, to inject more adaptive and flexible approaches into funding agreements, and to engage new partners and local participants, while ensuring the achievement of results that align with the Administration's goals and objectives.

¹ Co-creation brings together people to create solutions to specific development challenges. When using co-creation, USAID teams work alongside partners, potential implementers, and end-users to define the problem collaboratively, identify new and existing solutions, build consensus around areas for action, and refine plans to move forward with programs and projects. As its name implies, co-creation relies on collaboration with a diverse set of actors from both the for profit and not-for profit sectors, which would allow for a more-equitable distribution of both the responsibility and ownership of outputs across all partners.

Co-creation is useful for any type of award based on the guidance in Chapter 304 of *USAID's Automated Directives System: Selecting the Appropriate Acquisition and Assistance (A&A) Instrument*; USAID does not want to constrain the use of co-creation in awards, but demonstrate that co-creation is suited to many types of A&A instruments.

Goal Structure and Strategies

“I believe the purpose of foreign assistance should be ending its need to exist. Each of our programs should look forward to the day when we can end it. And around the world we should measure our work by how far each investment moves us closer to that day.”

- Former Administrator Mark Green

Through reporting against the Agency Priority Goal (APG) for Effective Partnering and Procurement Reform (EPPR), USAID will demonstrate how it is working to achieve the vision of former Administrator Green and Acting Administrator John Barsa of increasing collaboration, co-design, and co-financing approaches. These promote innovation and the diversification of our partner base to result in more empowered partners, results-driven solutions, and stronger host-country capacity and self-reliance, to advance the Agency’s overall goal of ending the need for foreign assistance.

Based on an assessment of best practices, feedback from a listening tour, and potential innovations, USAID is implementing a new [Acquisition and Assistance \(A&A\) Strategy](#) and a series of approved EPPR recommendations. Based on the [A&A Strategy](#), the Agency is expanding our EPPR indicators to include new and underutilized partners, strengthened the capacity of partner organizations, and effective sub-award practices based on the collection of data from sub-awards. The Agency will undertake regular data-driven reviews and annual assessments of impact. Further, USAID will train our staff on co-creation and more-collaborative methods to engage our partners, while refining co-creation practices and reflecting best practices in guidance and toolkits. Finally, as an Agency, USAID will implement the new methodology and examine the results against the baselines on a quarterly basis.

To demonstrate these new approaches under EPPR, the New Partnerships Initiative (NPI), which supports the Agency’s goals of diversifying our partner base and changing how we work to support self-reliance, is catalyzing the performance of USAID’s Missions to achieve these results. NPI uses a series of global solicitations, including Annual Program Statements with rounds to request concept papers from new and underutilized partners (NUPs), as well as traditional partners that wish to work through sub-awards to NUPs or contribute their own funding for greater local engagement. NPI helps to reduce barriers to entry for organizations that are not familiar with USAID by providing a streamlined process that allows them to collaborate and co-create.

Indicators:²

Collaboration and Co-Creation:	Diversifying the Partner Base:
<ul style="list-style-type: none">• Percentage of new awards that use co-creation; and• Percentage of new obligations made through co-creation.	<ul style="list-style-type: none">• Direct awards to new and underutilized partners; and• Sub-awards to new and underutilized partners.

² See the Data Accuracy and Reliability Slide for information on how these indicators are calculated.

Summary of Progress - Third Quarter (Q3) of FY 2020

USAID continues to make progress on incorporating co-creation as part of the Agency's way of doing business, despite the challenges presented by COVID-19 across the globe. USAID's indicator results for the Third Quarter (Q3) of FY 2020 exceeded the targets for both co-creation indicators—percentage of new awards that use co-creation and percentage of obligations made through co-creation—by seven percentage points and five percentage points, respectively. Compared to the same quarter last year, this is more than double the number of new awards that involved co-creation, and nearly triple (2.8x) the value of obligations.

The [New Partnerships Initiative](#) (NPI), a key component of EPPR, marked its one-year anniversary on May 6, 2020. As part of NPI, USAID's Missions created NPI Action Plans to outline how they will advance the goals to work with new and underutilized partners (NUPs), both through direct and sub-awards, and of co-creation. However, because of the Agency's unprecedented pivot to the global response to COVID-19, some Missions were unable to complete their Action Plans by the initial deadline. By the end of Q3, approximately 62 Missions and Regional Platforms submitted Action Plans, with 13 remaining. A significant number of these Missions and Regional Platforms submitted plans in the final two weeks of Q3, but not all were able to due to operational challenges created by the COVID-19 response; this has prevented USAID from completing its analysis of the plans in order to set targets in time for this quarterly update. Because the Agency will only be able to complete the analysis during the final quarter of FY 2020, USAID will focus on using the FY 2020 results as a baseline and establish targets for the indicators for direct awards and sub-awards to new and underutilized partners (NUPS) for FY 2021.

In Q3, USAID announced several significant awards directed to NUPs. On April 24, the Agency announced new NPI solicitations by the Bureau for Economic Growth, Education, and the Environment (E3) and Global Health (GH) to prioritize opportunities for new, underutilized, and non-traditional partners in higher education and youth empowerment, and to increase women's economic empowerment in fragile environments. Together, these two funding opportunities will result in awards worth at least \$60 million focused on NUPs.

On June 11, 2020, USAID announced a new five-year, \$25 million award under NPI to improve maternal and child health in the United Republic of Tanzania and the Republic of Liberia through a vast network of local partners—as well as a new \$4.4 million investment to respond to the COVID-19 pandemic in Liberia, Tanzania; the Republics of Mali and Sénégal; and the Federative Republic of Brazil. These awards are emblematic of the shift in the focus of USAID's traditional partners to mentoring, capacity-building, and technical oversight, by using umbrella mechanisms and sub-awards strategically to enable new and underutilized local partners to lead development in their own communities and advance the Journey to Self-Reliance.

In June, the Global A&A Lab launched the first iteration of the *EPPR Co-Creation Field Guide*. The Guide provides a one-stop shop of co-creation resources from practitioners across the Agency. In addition, the Agency issued guidance on the proper use of [Broad Agency Announcements](#).

As USAID looks toward the Fourth Quarter (Q4) of FY 2020, we anticipate that the [Agency's response to COVID-19](#) will affect deadlines and milestones for this APG as the Agency pivots to address first order and second order effects of COVID-19 across all of our programs. Despite this, as we work to save lives with the more than \$1 billion that USAID and the U.S. Department of State have committed to combat the pandemic, we will continue to avail ourselves of co-creation, agile A&A, and new partnerships, as we believe these will be critical to our success.

Indicators and Milestones

Indicators for Fiscal Year 2020

Indicator	Fiscal Year (FY) 2019 Actual	FY 2020 First Quarter (Q1) Target	FY 2020 Q1 Actual	FY 2020 Second Quarter (Q2) Target	FY 2020 Q2 Actual	FY 2020 Third Quarter (Q3) Target	FY 2020 Q3 Actual	FY 2020 Fourth Quarter (Q4) Target	FY 2020 Q4 Actual
Percentage of new awards that use co-creation ³	23.5 percent	23.5 percent	31.2 percent	24 percent	21.3 percent	24 percent	31.1 percent	25.5 percent	
Percentage of obligations made through co-creation	19.4 percent	19.5 percent	36.9 percent	19.5 percent	25.6 percent	21 percent	26.7 percent	21.4 percent	
Direct awards to new and underutilized partners ⁴		N/A		N/A		N/A		N/A	
Sub-awards to new and underutilized partners		N/A		N/A		N/A		N/A	

³ USAID continues to analyze and refine data on co-creation. The calculations for the APG for FY 2018 and 2019 excluded cooperative agreements as a vehicle for co-creation. After further review, USAID decided to include cooperative agreements in the data.

⁴ Given the Agency's focus on the global COVID-19 response, USAID was not able to set data-driven targets using NPI action plans. The Agency will use FY 2020 as a baseline and set targets for FY 2021 when it has a complete dataset.

Indicators and Milestones

Indicators for FY 2021

Indicator	Fiscal Year (FY) 2019 Actual	FY 2021 Q1 Target	FY 2021 Q1 Actual	FY 2021 Q2 Target	FY 2021 Q2 Actual	FY 2021 Q3 Target	FY 2021 Q3 Actual	FY 2021 Q4 Target	FY 2021 Q4 Actual
Percentage of new awards that use co-creation ⁵		26 percent		27 percent		27.5 percent		28.5 percent	
Percentage of obligations made through co-creation		22 percent		23 percent		24 percent		24.5 percent	
Direct awards to new and underutilized partners ⁶		TBD							
Sub-awards to new and underutilized partners		TBD							

⁵ USAID continues to analyze and refine data on co-creation. The calculations for the APG for FY 2018 and 2019 excluded cooperative agreements as a vehicle for co-creation. After further review, USAID decided to include cooperative agreements in the data.

⁶ USAID will analyze data to establish targets for NUPs from the NPI plans (see milestone plan) and will report targets in Q4. USAID had anticipated setting targets in Q3 of FY 2020, but due to the focus of USAID Missions on the global COVID-19 response, some were not able to complete and submit their NPI action plans, which directly inform the goal setting.

Indicators and Milestones

Milestone Summary			
Milestone	Due Date	Status	Comments
Develop a strategy for public and internal reporting.	First Quarter (Q1) Fiscal Year (FY) 2020	Complete	A cross-Agency working group of subject-matter experts developed a plan for internal reporting and decision-making. The Agency will also publish a report in FY 2020 to highlight successes and challenges.
Develop Mission-specific capacity-strengthening (organizational performance) baselines and targets through the Performance Plan and Report (PPR).	Second Quarter (Q2) FY 2020	Complete	59 Missions set non-zero targets for this new indicator and aimed to provide robust capacity-development to an average of 52 organizations each.
Undertake a review of the <i>Acquisition and Assistance (A&A) Strategy</i> to reflect innovations or changes to co-creation priorities and practices.	Q2 FY 2020	Complete	The Agency conducted a preliminary review and shared it with the Effective Partnering and Procurement Reform (EPPR) Subcommittee of the Management Operations Council, which approved a plan to revise and renew the <i>Strategy</i> by Q2 of FY 2021.
Develop co-creation guidance and toolkit for USAID staff to reflect co-creation best practices and innovations to enable our Operating Units to achieve the targets.	Q2 FY 2020	Complete	USAID developed a co-creation toolkit that reflected multiple Agency sources of current guidance in Q2, which it distributed Agency-wide in April 2020. The EPPR team drafted additional guidance on the use of Broad Agency Announcements (BAAs) and co-creation as a Mandatory Reference in Q2, which the Agency added to the Automated Directives System (ADS), USAID's operational policies, in the Third Quarter (Q3) of FY 2020.

Indicators and Milestones

Convene Agency partners to review sub-award data and effective sub-award practices that will enable the achievement of targets for 1) NUPs; and, 2) the strengthening of capacity of local partners.	Q3 FY 2020	Delayed	The Agency has initiated substantial planning toward an event tentatively scheduled for September 2020. We are assessing the feasibility of achieving this milestone within FY 2020, given the current COVID-19 pandemic, and may shift to Q1 of FY 2021. It is likely USAID will hold a virtual meeting in the Q1 FY 2021 timeframe.
Finalize submissions of NPI Plans from all USAID Missions, including Mission-specific targets for co-creation.	Q3 FY 2020	In Progress	USAID's global response to COVID-19 has affected the milestone. Please see the Summary of Progress for additional information. The majority of NPI plans have been delivered and are under review.
Incorporate NPI reporting into the PPR Key Issue Narrative.	Fourth Quarter (Q4) FY 2020		
Update on NPI progress through Operating Plans.	Q4 FY 2021		
Convene Agency partners to review sub-award data and effective sub-award practices that will enable the achievement of targets for 1) new and underutilized partners (NUPs); and, 2) the strengthening of capacity of local partners.	Q2 FY 2021		
Finalize Agency-wide policy to support the indicator on capacity-development.	Q3 FY 2021		
Complete review of progress with sub-awardees, and create case studies.	Q4 FY 2021		

Accuracy and Reliability of Data

- USAID pulls data for the indicator for co-creation from our core enterprise systems and reports them internally on our Enterprise Reporting Portal.
- The Agency pulls data on NUPs from our core enterprise systems and USA Spending—the public portal that tracks U.S. Government spending, including funding for sub-awards. USAID is currently unable to validate these data, as partners report them according to the Federal Funding Accountability and Transparency Act of 2006 (FFATA).
- USAID established and reported baseline data for FY 2018 before it developed standard definitions for many key terms, including “co-creation” and “new partner.” Because of changes in the definitions, USAID projected the targets for FY 2019 too high, and has corrected them for FY 2020 and FY 2021.
- The Senior Obligation Alignment Review (SOAR) is USAID’s process for engaging senior leadership in the review of certain proposed, high-dollar-value awards. Leadership has seen an increase in the use of co-creative and collaborative processes during SOAR reviews and expects to increase progress on EPPR as the Agency issues these awards.

Indicator Detail:

<p>Collaboration and Co-Creation:</p> <p>Percentage of new awards that use co-creation: The numerator for the indicator is the number of new awards that used a co-creation approach in each Operating Unit (OU); the denominator is the total number of new awards in the time period.</p> <p>Percentage of new obligations made through co-creation: The numerator for the indicator is obligations to new awards (<i>i.e.</i>, the first obligation of an award) that used a co-creation approach in each OU; the denominator is the total value of all Agency first obligations to new awards in the time period.</p>	<p>Diversifying the Partner Base:</p> <p>Direct awards to new and underutilized partners (NUPs); and sub-awards to NUPs: USAID will provide additional information on these indicators when we report on them in Q3 of FY 2020.</p>
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Additional Information

Contributing Programs:

Organizations:

- USAID's Transformation is the primary catalyst for policy change needed to achieve this APG. The primary lead for long-term implementation is M/OAA, but success depends upon the contribution of all of USAID's stakeholders to inform policy, assess business needs, and align planned activities with the APG.

Program Activities:

- EPPR is critical to USAID's Transformation, because it will ensure the Agency plans, implements, and evaluates its programs in response to the Administrator's vision and the Journey to Self-Reliance.

Regulations and Policies:

- The Agency will address any policies or regulations affected by Transformation according to its standard procedures.

Other Federal Activities:

- Coordination with designated Federal Departments and Agencies (*e.g.*, the Federal Office of Procurement Policy within the Office of Management and Budget [OMB]).

Stakeholder/Congressional Consultations:

To the greatest extent possible, USAID will continue to work and coordinate with stakeholders and Congress to ensure our EPPR solutions meet USAID's mission requirements.

USAID and U.S. interagency stakeholders include a wide range of employees in Washington, D.C., and the field, invited via working groups to contribute solutions and validate proposed policy changes in the [A&A Strategy](#), and during the implementation of EPPR.