

Procurement Reform

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Overview

Goal Statement

- To advance collaboration and co-creation in USAID's partnering and procurement approaches (i.e., program design through solicitation and implementation) to move beyond a traditional business model and embrace new partners and innovative solutions to development challenges. By September 30, 2019, USAID will have increased the use of collaborative partnering methods and co-creation within new awards, measured by dollars and percentage of procurement actions ***(to be determined after baselines established in FY2018)***

Challenge

- USAID is challenged 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 partner agreements and to engage new partners and local participants, while ensuring the achievement of results that align to U.S. goals and objectives

Opportunity

- Increase the use of more innovative solutions that strengthen in-country capacity;
- Expand the existing partner base, and improve effectiveness and sustainability through the increased use of co-creation and collaborative approaches; and
- Mobilize resources from the public and private sectors to increase development impact, including through co-investment.

Goal Structure and Strategies

Through the adoption of this Agency Priority Goal (APG), USAID will be able to achieve the Administrator's vision of increasing collaboration, co-design, and co-financing approaches that promote innovation and the diversification of our partner base. This will 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 and potential innovations, USAID will develop and implement procurement strategies and methodologies that achieve greater reliance on collaborative approaches and co-creation. The Agency will design a way to measure these improved outcomes, establish collection methods, and determine a baseline for quantitative performance indicators. Further, USAID will train staff on co-creation and more-collaborative methods to engage our partners. USAID will implement the new methodology and examine the results against the baseline on a quarterly basis. Finally, as an Agency, we will implement the new methodology, and examine the results against the baseline on a quarterly basis.

Once the APG is adopted, developed, and implemented, USAID will report quarterly on progress to the U.S. public through the Office of Management and Budget's [performance.gov](https://www.performance.gov).

Indicators:

- I. Achieve milestones to establish a quantitative baseline indicator of the use of co-creation and collaboration in acquisition and assistance;
- II. Measure the increased use of collaboration and co-creation methods in new awards by the Agency; and
- III. Measure the increased use of new partners by the Agency.

Summary of Progress – FY18 Q1

1. Progress to date, Fiscal Year 18 First Quarter, includes collecting initial data sets and assessing how to outline USAID's approach to address this APG.
2. The Office of Acquisition and Assistance in the Management Bureau (M/OAA), in concert with the Transformation Task Team, has begun a process of meeting with internal stakeholders to determine and outline the key issues and drivers that have historically limited USAID's ability to achieve the elements of the APG.
3. While at the same time going through a process to assess "first-order" items at a more- detailed level, we have established the Key Milestones indicator to address barriers and enabling factors to create an environment to address the APG successfully.
4. At the same time, the Transformation Task Team has begun an external listening tour of USAID partners.
5. As a part of the Redesign, USAID is implementing an Effective Partnership and Procurement Reform initiative, which will champion efforts to achieve this goal.

Key Milestones

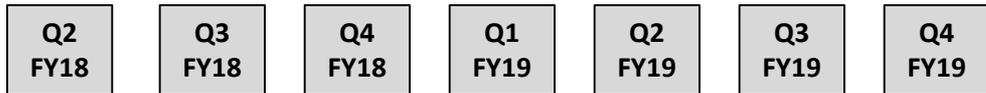
- USAID plans on taking a more-innovative approach to how staff design programs and use approaches to acquisition and assistance (A&A). Through the success of this more-collaborative and flexible business model, USAID will strengthen A&A processes, empower partners, and forward innovative approaches to improve and increase stakeholder-engagement.
- Under this APG, the following Key Milestones Indicator, with associated due dates, is established to facilitate a process for developing and refining two quantitative indicators. The Milestones Indicator is the mechanism to design our quantitative indicators and achieve a cohesive framework for implementing, monitoring, and reporting on the achievement of the APG.

Key Milestones Indicator Summary

Key Milestone	Milestone Due Date	Milestone Status	Owner	Comments
M.1 Study and assess methods to measure and achieve improved outcomes (increased use of collaboration and co-creation approaches).	Q2 FY18	Open	M/OAA	
M.2 Adapt definitions for planned quantitative indicators (on collaboration/co-creation and partner diversification) based on input from external partner engagement.	Q2 FY18	Open	M/OAA	
M.3 Finalize data-collection methods; determine baseline and modify automated systems to collect data.	Q3 FY18	Open	M/OAA	
M.4 Adapt definitions for planned quantitative indicators (on collaboration/co-creation and partner diversification) based on input from USAID internal working groups and field missions.	Q3 FY18	Open	M/OAA	
M.5 Conduct training for Agency staff to achieve targets based on new policy direction.	Q4 FY18	Open	M/OAA	
M.6 Examine results and finalize definitions and baselines for indicators on utilization of collaboration / co-creation and partner diversification for FY 2019	Q4 FY18	Open	M/OAA	
M.7 Implement new approach; establish the definitions of indicators and baselines.	Q1 FY19	Open	M/OAA	
M.8 Monitor and make necessary adjustments, and collect progress reports and lessons learned.	Q2 FY19	Open	M/OAA	
M.9 Progress assessment.	Q3 FY19	Open	M/OAA	
M.10 Finalize results; collect lessons learned and “best practices” based on progress.	Q4 FY19	Open	M/OAA	

Key Indicators

Three key indicators support the attainment of this APG, shown below along with a graphical timeline that depicts their alignment.



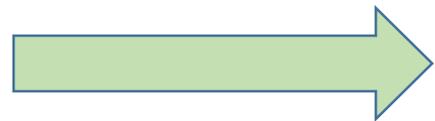
Indicator 1: Achieve milestones to establish quantitative indicators and baselines of: the use of co-creation and collaboration in assistance and acquisition; and the use of new partners in acquisition and assistance



Indicator 2: Measure the increased use of collaboration and co-creation methods in new awards by the Agency



Indicator 3: Measure the increased use of new partners by the Agency.



Data Accuracy and Reliability

Accuracy and Reliability of Data

- Maintained through the A&A management tool, or the Global Acquisition and Assistance System Support (GLAAS) tool;
- Data are also reported to Federal system FPDS-NG; and
- Additionally, USAID is assessing the PHOENIX system to validate the addition of new partner entrants.

Accuracy of Data for Tracking Co-Creation and Collaboration:

A&A Plan: The Agency uses the A&A Plan to track all funding opportunities through the planning process. Since co-creation takes place prior to making an award, USAID can use this tool to track co-creation efforts.

In FY 2017, USAID added an optional field to the A&A Plan to begin tracking broad industry-engagement efforts.

In the A&A Plan, we can create a new report or dashboard to track all awards throughout the Fiscal Year and how they are using co-creation, collaborative approaches, co-investment and new partners. Using data from the A&A plan, USAID can calculate the percentage of new awards that use co-creation / collaboration methods. M/OAA can also track the data in GLAAS to provide an overall dollar amount obligated through co-creation methods. It will develop these standards within revised policies in concert with the USAID Redesign.

Additional Information

Contributing Programs

Organizations:

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

Program Activities:

Regulations and Policies:

Other Federal Activities:

- Coordination with designated Federal Departments and Agencies (e.g., 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 that our effective partnering and procurement-reform solutions meet the mission requirements for USAID.

USAID and U.S. interagency stakeholders include a wide range of employees in Washington, DC, and the field, invited via working groups to contribute solutions and validate proposed policy changes throughout the Redesign, and during mid- and long-term implementation.