



## Agency Priority Goal Action Plan

# Effective Partnering and Procurement Reform (EPPR)

### Goal Leaders:

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# Overview

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## Goal Statement

- To advance collaboration and co-creation in USAID's approaches to partnering and procurement (*i.e.*, designing programs from solicitation through to implementation) to move beyond a traditional business model and embrace new partners and innovative solutions to development and humanitarian challenges. By September 30, 2019, USAID will have increased the use of collaborative partnering methods and co-creation\* within new awards by 10 percentage points, measured by percentage of obligated dollars and procurement actions.

## 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 the Administration's goals and objectives

## Opportunity

- Increase the use of more-innovative solutions that strengthen in-country capacity;
- Expand the Agency's partner base, and improve the effectiveness and sustainability of our programs 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.

\*In its broadest terms, co-creation allows for a range of stakeholders--drawn from funders, implementers, supporting partners, and potential users or beneficiaries--to agree on a problem definition or jointly develop new solutions to a particular challenge. In terms of this specific report, we have identified approaches that support co-creation which are annual program statements, broad agency announcements, request for application concept papers, request for proposals or request for quotes that use statements of objectives. Please note that we are also in the process of gathering data from additional indicators that support co-creation during this Fiscal Year (FY) 2019 with the vision to establish additional co-creation data points for FY 2020. Co-creation applies to acquisition and assistance using program funds irrespective of the sector or region.

# Goal Structure and Strategies

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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 – Fiscal Year (FY) 2019 Quarter 3 (Q3)

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The Agency has continued its efforts to promote co-creation and collaboration. From May 6-10, USAID convened a worldwide Effective Partnering and Procurement Reform (EPPR) Summit with Contracting Officers and Controllers to showcase key reform efforts such as co-creation and collaboration. The Agency also continued to provide robust training on these techniques. Agency senior leaders review and approve acquisition and assistance (A&A) activity designs for new forthcoming solicitations to ensure collaborative approaches are addressed through Senior Obligation Alignment Reviews (SOARs).

The Agency continues to track its targets for a 10 percent increase (over the FY 2018 baseline) in both the percentage of new awards and dollars obligated through collaborative methods while also expanding its new partner base. By the end of FY 2019 Q3, USAID developed 13 percent of its new awards through co-creation, which represented 16.7 percent of dollars obligated. In addition USAID worked with a total of 92 new entities.

The Agency is currently behind goals and it is difficult to project if USAID can achieve them by the end of FY 2019 Q4. Approximately 38-40 percent of Agency award obligations occur in Q4. In addition, many of these collaborative techniques are included in individual solicitations which anticipate multiple awards and the overall number and obligated amounts are difficult to project.

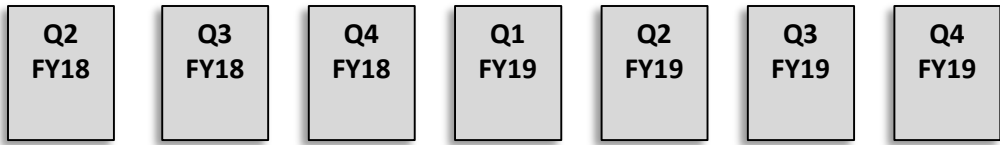
# Key Milestones

- USAID plans on taking a more-innovative approach to how staff design programs and approaches A&A. Through the success of this more collaborative and flexible business model, USAID will strengthen our A&A processes, empower partners, and use innovative approaches to improve and increase stakeholder-engagement.

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 FY 2018	Complete	M/OAA	The Agency reviewed the A&A Planning Tool and the Global Acquisition and Assistance System (GLAAS), and decided to add/modify existing fields to be able to measure the increased use of collaborative methods.
M.2 Adapt definitions for planned quantitative indicators (on collaboration/co-creation and partner diversification) based on input from engagement with external partners.	Q2 FY 2018	Complete	M/OAA	The Agency recently concluded an external listening tour on EPPR. As a results of the EPPR listening tour, the Agency has refined its definitions of collaborative approaches to procurement.
M.3 Finalize data-collection methods; determine baseline and modify automated systems to collect data.	Q3 FY 2018	Complete	M/OAA	USAID modified the A&A Planning Tool and GLAAS to capture the use of collaborative methods. Baseline data are available through Q3. Additional data collected in Q4 will serve as the total FY 2018 baseline.
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 FY 2018	Complete	M/OAA	Within USAID's Transformation, working groups discussed the definitions to be used for collaboration/co-creation to support efforts to diversify USAID's partner base. As part of its commitment to learning, USAID generated EPPR concept notes which will result in policy recommendations that inform the final definitions, baselines, and targets.
M.5 Conduct training for Agency staff to achieve targets based on new policy direction.	Q4 FY 2018	Complete	M/OAA	The Agency continues to incorporate trainings on achieving EPPR principles, approaches, and targets into its existing suite of courses, and is holding a focused training for A&A staff worldwide in early May.
M.6 Examine results, and finalize definitions and baselines for indicators on utilization of collaboration / co-creation and partner-diversification for FY 2019	Q4 FY 2018	Complete	M/OAA	USAID assessed the results of the first phase of tracking the co-creation indicator at the conclusion of FY 2018. The Agency acted on recommendations for enhanced input and collection of data in FY 2019.
M.7 Implement new approach; establish the definitions of indicators and baselines.	Q1 FY 2019	Complete	M/OAA	Established a new <i>A&amp;A strategy</i> and baseline to support the implementation of EPPR with key reports housed in the Enterprise Reporting Portal for easy access by all employees.
M.8 Adopt Collaboration Learning and Adapting approaches by monitoring and making necessary adjustments, and collecting progress reports and lessons learned.	Q2 FY 2019	In Progress	M/OAA	M/OAA continues to collect, monitor, and track results of co-creation metrics, and will update based on feedback. The Agency collected feedback during the Foreign Service National and Contracting/Agreement Officer/Controller conferences, and will continue to solicit feedback during the upcoming Program Officer conference.
M.9 Progress assessment.	Q3 FY 2019	In Progress	M/OAA	M/OAA started data collection and initiated progress assessments, and will make necessary adjustments and updates based on those results.
M.10 Finalize results; collect lessons learned and "best practices" based on progress.	Q4 FY 2019		M/OAA	

# Key Indicators

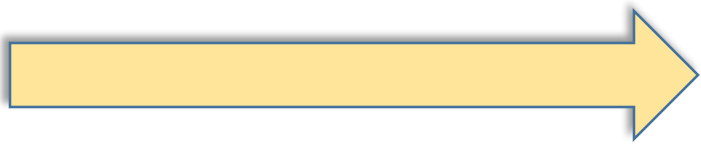
Three key indicators support this APG.



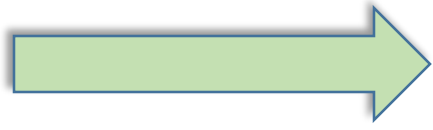
**Indicator 1: Achieve milestones to establish quantitative indicators and baselines of the use of co-creation and collaboration in assistance and acquisition, and the use of new partners in acquisition and assistance**



**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.**



# Indicators and Baselines

Indicator	Baseline FY 2018	FY 19 Q1 Actual	FY 19 Q1 Target	FY 19 Q2 Actual	FY 19 Q2 Target	FY 19 Q3 Actual	FY 19 Q3 Target	FY 19 Q4 Actual	FY 19 Q4 Target
Collaboration Indicator #1: Percentage of New Awards using co-creation	18 percent of new awards used co-creation	11.5 percent of new awards used co-creation (Cumulative: 11.5 percent)	20 percent of awards in Q1 use co-creation	16.7 percent of new awards used co-creation (Cumulative: 14.7 percent)	22 percent of awards in Q2 use co-creation	11.2 percent of new awards used co-creation (Cumulative: 13.0 percent)	24 percent of awards in Q3 use co-creation		28 percent of awards in Q4 use co-creation
Collaboration Indicator #2: Percentage of Obligations using co-creation	21 percent of new obligations used co-creation	28.5 percent of new obligations used co-creation. (Cumulative: 28.5 percent)	23 percent of new obligations use co-creation	18.1 percent of new obligations used co-creation. (Cumulative: 21.6 percent)	25 percent of new obligations use co-creation	10.4 percent of new obligations used co-creation. (Cumulative: 16.7 percent)	27 percent of new obligations use co-creation		31 percent of new obligations use co-creation
Partner Diversification Indicator #3: New Partners	226 new partners	28 new partners (Cumulative: 28)	22 new partners (Cumulative: 22)	35 new partners (Cumulative: 63)	31 new partners (Cumulative: 53)	29 new partners (Cumulative: 92)	51 new partners (Cumulative: 104)		145 new partners (Cumulative: 249)

Quarterly targets on collaboration, measured as percentages of new awards issued per quarter. The target for new partners similarly is a percentage of the Agency's overall vendor community in a given Fiscal Year.

To ensure quality data for the collaboration indicators, new Task Order obligations under Indefinite-Delivery, Indefinite-Quantity (IDIQ) contracts will be counted, rather than the IDIQ umbrella vehicles, because co-creation occurs during the development of Task Orders. Blanket Purchase Agreements (BPA) and Basic Ordering Agreements (BOA) are also excluded from the calculations. Additionally, new awards that were below the Simplified Acquisition Threshold (below \$250,000) were also excluded from consideration.

"New partners" are organizations that receive an obligation of program funds for the first time in that Fiscal Year. This excludes Personal Service Contracts (PSC).

# Data Accuracy and Reliability

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## **Accuracy and Reliability of Data**

- USAID maintains the data through the A&A Plan and GLAAS;
- USAID also reports data to the Federal Procurement Data System - Next Generation (FPDS-NG); and
- USAID is assessing our PHOENIX system to validate the addition of new partners.

## **Accuracy of Data for Tracking Co-Creation and Collaboration:**

During both FY 2018 and FY 2019, USAID modified fields in GLAAS to begin capturing data on co-creation and collaboration. Since mid-FY 2018, and for the first and second quarters of FY 2019, USAID has downloaded and assessed the data from GLAAS. M/OAA continues to work with a tactical group to review and suggest additions and clarifying enhancements to the system to ensure the Agency's ability to monitor co-creation activities on a quarterly basis. USAID has implemented this group's initial recommendations in FY 2019 Q2. USAID will continue to monitor and evaluate throughout Q3.



# Additional Information

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## Contributing Programs

### Organizations:

- The USAID Transformation is the primary catalyst for policy change needed to achieve this Agency Priority Goal (APG). The primary lead for long-term implementation is M/OAA, but success depends upon the contribution of all USAID 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 the mission requirements for USAID.

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 throughout the -development of the new A&A Strategy, and during mid- and long-term implementation of EPPR.